

# SURETEC INSURANCE COMPANY

1330 Post Oak Blvd., Suite 1100 Houston, TX 77056

## BOND RIDER

**Bond No.** 5201018  
**Principal:** ALFA ROMEO AND FIAT OF THE RIO GRANDE VALLEY, LLC

**Bond Description:** Hidalgo County Auto License / Plates Registration

**Obligee:** Hidalgo County Tax Assessor/Collector

In consideration of the premium charge, it is understood and agreed that effective January 1, 2017 the bond shall be changed to reflect:

Bond Penalty hereby increased to: \$100,000.

PROVIDED, HOWEVER, that the liability of the Surety under the attached bond as changed by this Rider shall not be cumulative.

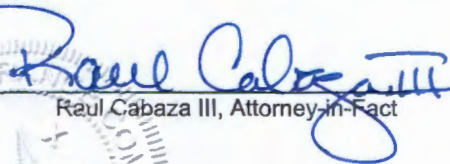
Nothing herein contained shall be held to vary, waive, alter or extend any of the terms, conditions, agreements or warranties of the above referenced bond, other than as stated above.

Signed this 21st day of December, 2016.

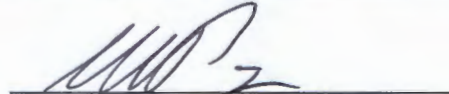
SureTec Insurance Company

ALFA ROMEO AND FIAT OF THE RIO GRANDE VALLEY, LLC

By:

  
Raul Cabaza III, Attorney-in-Fact

By:





# SureTec Insurance Company

## LIMITED POWER OF ATTORNEY

**Know All Men by These Presents**, That SURETEC INSURANCE COMPANY (the "Company"), a corporation duly organized and existing under the laws of the State of Texas, and having its principal office in Houston, Harris County, Texas, does by these presents make, constitute and appoint

Raul Cabaza III

its true and lawful Attorney-in-fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include waivers to the conditions of contracts and consents of surety for:

**Principal:** ALFA ROMEO AND FIAT OF THE RIO GRANDE VALLEY, LLC

**Obligee:** Hidalgo County Tax Assessor/Collector

**Amount:** \$ 100,000.00

and to bind the Company thereby as fully and to the same extent as if such bond were signed by the President, sealed with the corporate seal of the Company and duly attested by its Secretary, hereby ratifying and confirming all that the said Attorney-in-Fact may do in the premises. Said appointment is made under and by authority of the following resolutions of the Board of Directors of the SureTec Insurance Company:

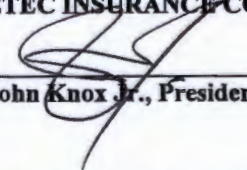
*Be it Resolved*, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

*Attorney-in-Fact* may be given full power and authority for and in the name of and of behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

*Be it Resolved*, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached. (Adopted at a meeting held on 20<sup>th</sup> of April, 1999.)

**In Witness Whereof**, SURETEC INSURANCE COMPANY has caused these presents to be signed by its President, and its corporate seal to be hereto affixed this 21st day of March, A.D. 2013.

SURETEC INSURANCE COMPANY

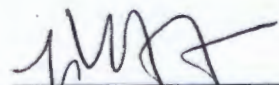
By:   
John Knox Jr., President

State of Texas                      ss:  
County of Harris



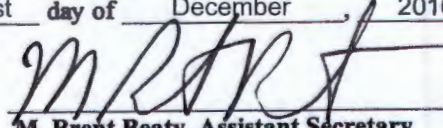
On this 21st day of March, A.D. 2013 before me personally came John Knox Jr., to me known, who, being by me duly sworn, did depose and say, that he resides in Houston, Texas, that he is President of SURETEC INSURANCE COMPANY, the company described in and which executed the above instrument; that he knows the seal of said Company; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Company; and that he signed his name thereto by like order.



  
Jacquelyn Maldonado, Notary Public  
My commission expires May 18, 2017

I, M. Brent Beaty, Assistant Secretary of SURETEC INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Company, which is still in full force and effect; and furthermore, the resolutions of the Board of Directors, set out in the Power of Attorney are in full force and effect.

Given under my hand and the seal of said Company at Houston, Texas this 21st day of December, 2016, A.D.

  
M. Brent Beaty, Assistant Secretary

Any instrument issued in excess of the penalty stated above is totally void and without any validity.  
For verification of the authority of this power you may call (713) 812-0800 any business day between 8:00 am and 5:00 pm CST.



# SureTec Motor Vehicle Dealer Bond Application

Bond Eff. Date <u>5/29/2015</u>	Bond amount \$ <u>5,000.00</u>	Who is requiring the bond (Obligee)? <u>Hidalgo County Tax Assessors-Collector</u>
Name (as it is to appear on the bond) <u>Ed Payne Motors dba Payne Fiat of The Rio Grande Valley</u>		
Address <u>2401 E Expresswa</u>	City <u>Weslaco</u>	State <u>TX</u> Zip <u>78596</u>
SS# or Tax ID# <u>742679489</u>	Phone <u>956-969-2525</u>	Fax
Type of Business <input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> S Corp <input type="checkbox"/> LLP <input checked="" type="checkbox"/> LLC	Date business started	
No. years experience	Approx. no. of cars sold in 3 month period	
Prior Surety? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>if yes, please give name and reason for change</i>		

Does the business or any principal involved: <i>if yes, attach an explanation</i>			
Have any outstanding collection items or liens?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Had any lawsuits or judgments against them?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Ever failed in business or declared bankruptcy?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Ever had a license or bond canceled or denied?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Owner Information to be completed by all owners. For more than two owners, make copies and attach

Name <u>EM Payne</u>	SSN <u>453-84-0562</u>	Email
<input type="checkbox"/> Own <input type="checkbox"/> Rent Home Address	City	State Zip
Date of Birth	Home Phone	Spouse Business Ownership %
Name	SSN	Email
<input type="checkbox"/> Own <input type="checkbox"/> Rent Home Address	City	State Zip
Date of Birth	Home Phone	Spouse Business Ownership %

Agency Contact

Agency Recommendation

Agency <u>Shepard Walton King Ins Group</u>	<input type="checkbox"/> We are not familiar with the applicant
Contact <u>Raul Cabaza</u>	<input type="checkbox"/> Applicant has been referred to us for bond placement
Address <u>121 W Pecan, McAllen, TX 785701</u>	<input checked="" type="checkbox"/> The agency writes all Applicant's insurance and we highly recommend
Phone <u>956-682-2841</u> Fax <u>956-630-4015</u>	<input type="checkbox"/> Other
Mobile	Email <u>rcabaza@swkins.com</u>

### Indemnification Agreement – Read Carefully and Sign

IN CONSIDERATION of the execution of such bond, and in compliance with a promise of the undersigned made prior thereto, the undersigned individually hereby agree, for themselves, their personal representatives, successors and assigns, jointly and severally, as follows:

- That the provided information is true and correct.
- To reimburse SureTec Insurance Company ("Surety") upon demand for all payments made for and to indemnify Surety from: a) all loss, contingent loss, liability and contingent liability, claim, expense, including attorneys' fees and claims adjusting fees, for which Surety shall pay, become liable or shall become contingently liable by reason of such suretyship, whether or not Surety shall have paid same at the time of demand; and b) to pay Surety an advance premium for the first year or a fractional part thereof that is fully earned and to pay annually thereafter such annual premium for suretyship as is billed until satisfactory evidence of discharge or release of liability shall be furnished to Surety by the obligee. c) Upon written demand, to deposit with the Surety a sum of money requested by Surety to cover any claim, suit, expense or judgment that Surety in its absolute discretion determines necessary and the deposit shall be pledged as collateral security on any bond or other bonds the Surety may have issued for the undersigned.
- A facsimile of this Agreement shall be considered an original and shall be admissible in a court of law to the same extent as an original copy.
- Surety and undersigned agree that the place of performance of this agreement, including the promise to pay Surety, shall be in Houston, Harris County, Texas and venue for any suit, arbitration, mediation or any other form of dispute resolution shall be in Harris County, Texas.
- Surety is authorized to investigate, at any time, the undersigned's credit, employment history, and department of motor vehicle records. Privacy Notice: All nonpublic personal information gathered pursuant to the application shall not be disclosed except as permitted by law.
- Surety, at its sole discretion and without notice to the undersigned is authorized, but not required, to make or consent to changes in the bond or to issue substitute bonds or renewals thereof and this indemnification shall apply to such change, substitute or renewal bond.
- Regardless of the date of signature, this indemnity is effective as of the date of execution of the aforementioned bond(s) and is continuous until Surety is satisfactorily discharged from liability pursuant to the terms and conditions contained herein and in the bond(s).

**Important Signature Instructions**

- If sole owner, applicant must sign as duly authorized representative. Spouse must sign as additional indemnitor below.
- If a general partnership, an authorized partner must sign as duly authorized representative. All authorized partners and spouses must sign as additional indemnitor below.
- If a corporation, the president must sign as the authorized representative. All stockholders of 10% or more and spouses must sign as additional indemnitor below.

Signed and dated this 2 day of June, 2015

Ed Payne Motors LLC dba Payne Fiat of the Rio Grande Valley x [Signature] (Principal's authorized representative) EFO (Title)

Witness: \_\_\_\_\_ x [Signature] (Signature) EM Payne (Print Name)

Witness: \_\_\_\_\_ x \_\_\_\_\_ (Signature) \_\_\_\_\_ (Print Name)

**STATE OF TEXAS**

**DEALER DEPUTY AGREEMENT**

**COUNTY OF HIDALGO**

This Agreement is made by and between the COUNTY OF HIDALGO, by and through its Tax Assessor-Collector, hereinafter referred to as "County", and ALFA ROMEO AND FIAT OF THE RIO GRANDE VALLEY, LLC DBA PAYNE ALFA ROMEO, hereafter referred to as "DEALER DEPUTY".

WHEREAS, Dealer Deputy desires to act as an agent of the County to provide motor vehicle titling and registration services, and;

WHEREAS, public processing will be furthered by the ability of Dealer Deputy to directly provide motor vehicle titling and registration services.

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 Dealer Deputy hereby agree as follows:

1. The County agrees to provide point of sale supplies to the Dealer Deputy needed for issuance of motor vehicle titling and registration services to the public upon the terms and conditions hereof. Dealer Deputy must hold a valid general distinguishing number ("GDN") under Transportation Code, Chapter 503, Subchapter B and may act as a dealer deputy only for a type of motor vehicle for which the Dealer Deputy holds a GDN. Dealer Deputy agrees to comply with the requirements of the Web Dealer System of the Texas Department of Motor Vehicles. All necessary equipment will be maintained by the Dealer Deputy.
2. In order to guarantee the faithful performance of the duties of the Dealer Deputy hereunder and to insure that all funds coming into the possession or control of the Dealer Deputy by virtue of this Agreement are paid over to the County, the Dealer Deputy agrees to post a surety bond in the amount of \$100,000.00 naming the Hidalgo County Tax Assessor-Collector as obligee on said bond or post a cash deposit with the Hidalgo County Tax Assessor-Collector in the amount of \$100,000.00. If the Dealer Deputy elects to post a 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.
3. The Dealer Deputy shall have its person in charge of local operations and all employees of the Dealer Deputy who handle or in any way assist in motor vehicle titling and registration services take an oath of deputation to be given by the County to serve as authorized agents for the issuance of license registration stickers and license plates. The Dealer Deputy shall not allow any of its officers, agents, or employees to participate in any manner in the handling or processing motor vehicle titling and registration services until said officer, agent or employee has been deputized by the County, and until all Dealer Deputy personnel involved in motor

vehicle titling and registration services are trained in accordance with the County qualifications, and follow all training programs of the Hidalgo County Tax Assessor-Collector Officer before processing motor vehicle titling and registration services.

4. The Dealer Deputy shall, in writing, designate one or more of its employees who have been deputized to serve as a receiving agent for the Dealer Deputy. The County agrees it will not furnish any point of sale equipment and supplies for the account of the Dealer Deputy other than directly to the Dealer Deputy's receiving agent. The Dealer Deputy assumes full liability for the safekeeping of all license registration stickers, license plates, and supplies furnished by the County to the Dealer Deputy's receiving agents.
5. All motor vehicle titling and registration equipment, supplies and funds received in the Dealer Deputy's custody shall be insured against burglary and robbery by the Dealer Deputy.
6. The Dealer Deputy shall collect the fees prescribed by the County for each motor vehicle titling and registration transaction issued (including applicable Road and Bridge Fees & RMA Fees County of Hidalgo). Fees collected for the motor vehicle titling and registration services by the Dealer Deputy shall not be commingled with any other funds in the possession of the Dealer Deputy. Registration stickers, license plates that are unaccounted for will be hand delivered to and signed for by designated Tax Assessor-Collector office personnel. All packages of registration sticker and license plates inventory must be accounted for before additional boxes are issued. All unassigned registration sticker inventory and license plates must be accounted for. Missing inventory will be considered sold or lost and will be charged to the Dealer Deputy at a rate of \$84.00 for each missing registration sticker and \$6.50 per each missing license plate.
7. The Dealer Deputy may accept individual checks and cash in payment of fees for the issuance of registration stickers and license plates provided that checks are made payable to the Dealer Deputy, and provided, further, that Dealer Deputy assumes full responsibility for collection for all such checks. Dealer Deputy shall be responsible for collecting on all Non Sufficient Funds checks. Dealer Deputy shall allow on a daily basis, the County, to initiate debit transactions from the Dealer Deputy's financial institution. Said ACH fund debit shall not include the \$10.00 processing fee Dealer Deputy charges and collects as compensation for providing motor vehicle titling and registration services which processing fee will not exceed the amount pursuant to the Texas Administrative Code, Title 43, Part 10, Chapter 217, Subchapter H, Rule section 217.168. Dealer Deputy may retain, One and no one hundredths Dollars (\$1.00) from the processing and handling fee established by 43 Texas Administrative Code Section 217.183. Failure by the Dealer Deputy to allow the required access to the County for sums owed for motor vehicle titling and registration services via daily ACH transfer to the County shall result in the immediate termination of this Agreement.

8. The Dealer Deputy is subject to audit by the Hidalgo County Tax Assessor-Collector, Hidalgo County Auditor, the State of Texas Department of Motor Vehicles, the Comptroller of the State of Texas, any certified public accountant, or any other person or entity designated by any one or more of the same, at any time during normal business hours of the Dealer Deputy, at the place of business of the Dealer Deputy designated in this Agreement. The Dealer Deputy's receiving agent shall be present and shall make available at the place of the audit all supplies or forms required.
9. The Dealer Deputy shall deliver as often as required by the County a motor vehicle titling and registration services report in the form required by the County. Any report which is not in order and which does not balance or conform to the usual requirements will be returned to Dealer Deputy in its entirety for correction or clarification or may result in immediate termination of this Agreement.
10. Dealer Deputy shall, upon receiving a delivery of license plates and registration sticker inventory from the County, verify that the shipping invoice matches the number of license plates and sticker inventory packages delivered before using any of the supplies. Any discrepancies will be reported immediately in writing to the County.
11. Any changes in the ownership of Dealer Deputy must be immediately reported in writing to the County. 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 dealer deputy. It will also be necessary to audit any supplies on hand and a closing report shall be made by the current owner.
12. Dealer Deputy will provide access to the authorized representatives of the County to the area where license registration stickers and license plates are sold and stored, and will provide the necessary assistance requested in auditing or checking license stickers or supplies.
13. Dealer Deputy will verify Proof of Texas Liability Insurance, when applicable, before selling a license registration sticker and license plate.
14. In order to serve as a dealer deputy, Dealer Deputy agrees to abide by all rules, regulations, and requirements of the County, as may from time to time be amended and all rules and regulations of the State of Texas, as may be amended relating to motor vehicle titling and registration services.
15. This Agreement may be voluntarily terminated by either party upon thirty (30) days written notice to the party. If the Agreement is terminated in accordance with this numbered paragraph 15 or for any other reason, the Dealer Deputy shall return to the County all equipment and all outstanding inventories of stickers and license plates, together with supplies and payment for stickers issued and a final report within twenty four (24) hours after the termination date along with any and all funds owed to the County under this Agreement.

16. Breach of any obligation to be performed by the Dealer Deputy shall constitute a breach of this entire Agreement and shall give County the right to immediately terminate this Agreement. The parties hereto agree that any breach by the Dealer Deputy shall be considered a substantial breach, and Dealer Deputy shall be notified by the County of such breach by certified mail, return receipt requested. Upon the receipt of notice, (which shall be deemed delivered on the third day after mailing) Dealer Deputy shall have twenty four (24) hours to return to the County all equipment, registration stickers, license plates, supplies, payment for registration stickers and/or plates issued, and final report to the County at the location in numbered paragraph 19 hereof.
17. In the event that any audit or report of the Dealer Deputy discloses that any equipment, supplies, stickers, license plates or funds are missing or otherwise unaccounted for, the County Tax Assessor and County Auditor shall be notified immediately, and the County is entitled to collect on the bond or cash deposit for payment and 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 Dealer Deputy in accordance with numbered paragraph 16 herein or other breach by the Dealer Deputy, and the Dealer Deputy fails to return equipment, funds, stickers, license plates supplies within the time allowed in numbered paragraph 15 hereof, the County shall be entitled to retain proceeds of the bond or cash deposit stated in paragraph 2 hereof as liquidated damages or, in the alternative, shall be entitled to seek recovery of actual damages.
18. The term of this Agreement shall commence upon receipt by the County of the bond and/or cash deposit herein referred to, and shall continue in full force and effect thereafter until terminated in accordance with the terms hereof. This Agreement shall be effective upon the date of execution by the last party to execute, and shall supersede any other prior Agreements.
19. 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: Pablo (Paul) Villarreal Jr.  
Hidalgo County  
Tax Assessor-Collector  
2804 S. Bus. Hwy 281  
P.O. Box 178  
Edinburg, Texas 78540-0178

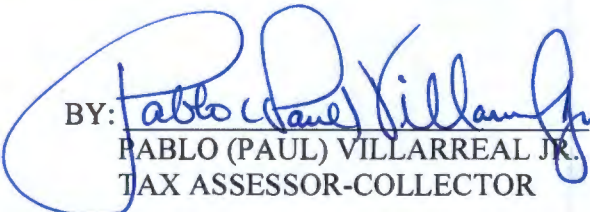
DEALER DEPUTY: ALFA ROMEO AND FIAT OF THE RIO GRANDE VALLEY, LLC  
DBA PAYNE ALFA ROMEO  
2101 E EXPRESSWAY 83 BLDG B  
WESLACO, TX 78596

20. This Agreement constitutes the entire agreement of the parties 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 Dealer Deputy.

21. **THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS AND VENUE SHALL BE IN HIDALGO COUNTY TEXAS.**

EXECUTED IN DUPLICATE ORIGINALS, EACH OF WHICH SHALL HAVE THE FULL FORCE AND EFFECT OF AN ORIGINAL THIS THE \_\_\_\_ DAY OF \_\_\_\_\_, 2016.

BY: \_\_\_\_\_  
RAMON GARCIA  
COUNTY JUDGE

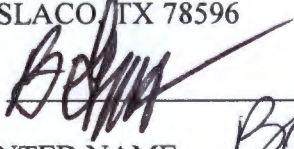
BY:   
PABLO (PAUL) VILLARREAL JR.  
TAX ASSESSOR-COLLECTOR

ATTEST:

\_\_\_\_\_  
ARTURO GUAJARDO, JR.  
COUNTY CLERK

DEALER DEPUTY:

ALFA ROMEO AND FIAT OF THE RIO GRANDE VALLEY, LLC  
DBA PAYNE ALFA ROMEO  
GDN# P133756  
2101 E EXPRESSWAY 83 BLDG B  
WESLACO, TX 78596

BY:   
PRINTED NAME: Bob Grooms  
TITLE: CFO

THE STATE OF TEXAS

Bond No. 3372777

COUNTY OF HIDALGO

KNOW ALL MEN BY THESE PRESENTS:

That We, Ed Payne Motors LLP as  
Principal and SureTec Insurance Company as Surety, are held and  
firmly bound unto Pablo "Paul" Villarreal, Jr., Tax Assessor-Collector of Hidalgo County, Texas, as  
obligee, in the full and just sum of One Hundred Thousand Dollars (\$100,000.00) Dollars, lawful money of the  
United States for the payment of which sum, we bind ourselves, our heirs, our executors,  
administrators, successors and assigns jointly and severally, firmly by these presents.

WHEREAS the above bounden Principal, Ed Payne Motors LLP desires to  
pick up License Plates and License Registration Receipts from the Tax Assessor-Collector for Hidalgo  
County, Texas, of a value not exceeding \$ 100,000.00 and has entered  
into a Dealer's Agreement with the Tax Assessor-Collector of Hidalgo County, Texas.

NOW, THEREFORE, THE CONDITION OF SAID OBLIGATION IS SUCH, THAT, if the above  
bounden Principal, Ed Payne Motors LLP timely remits and pays all sales tax, title  
fees, or registration or licensing fees due to the said Tax Assessor-Collector for Hidalgo County, Texas  
or his successors in office as required by the Dealers' Agreement, then this obligation shall be null and  
void; otherwise, to remain in full force and effect.

This obligation may be cancelled by said Surety by giving thirty (30) days notice in writing of its  
intention so to do, to said Tax Assessor-Collector for Hidalgo County, Texas and the said Surety shall  
be relieved of any further liability under this bond thirty (30) days from receipt of said notice by the  
said Tax Assessor-Collector for Hidalgo County, Texas.

IN WITNESS WHERE OF the said Principal has hereunto set his hand and the said Surety has caused  
these presents to be executed by its duly authorized Attorney-In-Fact this 1st DAY OF  
January, 2017.

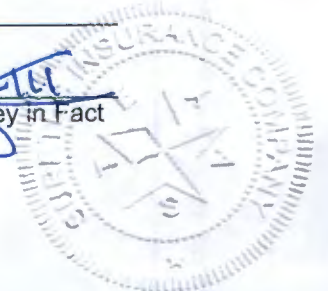
Ed Payne Motors LLP

By: [Signature]

SureTec Insurance Company

By: [Signature]

Raul Cabaza III, Attorney in Fact



# SureTec Insurance Company

## LIMITED POWER OF ATTORNEY

**Know All Men by These Presents,** That SURETEC INSURANCE COMPANY (the "Company"), a corporation duly organized and existing under the laws of the State of Texas, and having its principal office in Houston, Harris County, Texas, does by these presents make, constitute and appoint

Raul Cabaza III

its true and lawful Attorney-in-fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include waivers to the conditions of contracts and consents of surety for:

**Principal:** Ed Payne Motors LLP  
**Obligee:** Hidalgo County Tax Assessor/Collector  
**Amount:** \$ 100,000.00

and to bind the Company thereby as fully and to the same extent as if such bond were signed by the President, sealed with the corporate seal of the Company and duly attested by its Secretary, hereby ratifying and confirming all that the said Attorney-in-Fact may do in the premises. Said appointment is made under and by authority of the following resolutions of the Board of Directors of the SureTec Insurance Company:

*Be it Resolved,* that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

*Attorney-in-Fact* may be given full power and authority for and in the name of and of behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

*Be it Resolved,* that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached. (Adopted at a meeting held on 20<sup>th</sup> of April, 1999.)

**In Witness Whereof,** SURETEC INSURANCE COMPANY has caused these presents to be signed by its President, and its corporate seal to be hereto affixed this 21st day of March, A.D. 2013.

SURETEC INSURANCE COMPANY

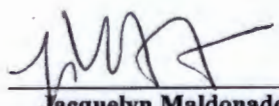
By:   
 John Knox Jr., President

State of Texas                      ss:  
 County of Harris



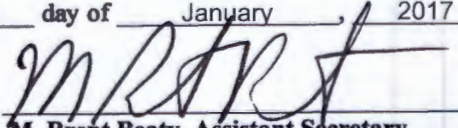
On this 21st day of March, A.D. 2013 before me personally came John Knox Jr., to me known, who, being by me duly sworn, did depose and say, that he resides in Houston, Texas, that he is President of SURETEC INSURANCE COMPANY, the company described in and which executed the above instrument; that he knows the seal of said Company; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Company; and that he signed his name thereto by like order.



  
 Jacquelyn Maldonado, Notary Public  
 My commission expires May 18, 2017

I, M. Brent Beaty, Assistant Secretary of SURETEC INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Company, which is still in full force and effect; and furthermore, the resolutions of the Board of Directors, set out in the Power of Attorney are in full force and effect.

Given under my hand and the seal of said Company at Houston, Texas this 1st day of January, 2017, A.D.

  
 M. Brent Beaty, Assistant Secretary

Any instrument issued in excess of the penalty stated above is totally void and without any validity.  
 For verification of the authority of this power you may call (713) 812-0800 any business day between 8:00 am and 5:00 pm CST.

**SureTec Insurance Company**  
**THIS BOND RIDER CONTAINS IMPORTANT COVERAGE INFORMATION**

**Statutory Complaint Notice/Filing of Claims**

To obtain information or make a complaint: You may call the Surety's toll free telephone number for information or to make a complaint or file a claim at: 1-866-732-0099. You may also write to the Surety at:

SureTec Insurance Company  
9737 Great Hills Trail, Suite 320  
Austin, Tx 78759

You may contact the Texas Department of Insurance to obtain information on companies, coverage, rights or complaints at 1-800-252-3439. You may write the Texas Department of Insurance at

PO Box 149104  
Austin, TX 78714-9104  
Fax#: 512-490-1007  
Web: <http://www.tdi.state.tx.us>  
Email: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)

**PREMIUM OR CLAIM DISPUTES:** Should you have a dispute concerning your premium or about a claim, you should contact the Surety first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

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THE STATE OF TEXAS

Bond No. 3372777

COUNTY OF HIDALGO

KNOW ALL MEN BY THESE PRESENTS:

That We, Ed Payne Motors LLP as Principal and SureTec Insurance Company as Surety, are held and firmly bound unto Pablo "Paul" Villarreal, Jr., Tax Assessor-Collector of Hidalgo County, Texas, as obligee, in the full and just sum of (\$5,000.00) Five Thousand Dollars, lawful money of the United States for the payment of which sum, we bind ourselves, our heirs, our executors, administrators, successors and assigns jointly and severally, firmly by these presents.

WHEREAS the above bounden Principal, Ed Payne Motors LLP desires to pick up License Plates and License Registration Receipts from the Tax Assessor-Collector for Hidalgo County, Texas, of a value not exceeding \$ (\$5,000.00) Five Thousand Dollars and has entered into a Dealer's Agreement with the Tax Assessor-Collector of Hidalgo County, Texas.

NOW, THEREFORE, THE CONDITION OF SAID OBLIGATION IS SUCH, THAT, if the above bounden Principal, Ed Payne Motors LLP timely remits and pays all sales tax, title fees, or registration or licensing fees due to the said Tax Assessor-Collector for Hidalgo County, Texas or his successors in office as required by the Dealers' Agreement, then this obligation shall be null and void; otherwise, to remain in full force and effect.

This obligation may be cancelled by said Surety by giving thirty (30) days notice in writing of its intention so to do, to said Tax Assessor-Collector for Hidalgo County, Texas and the said Surety shall be relieved of any further liability under this bond thirty (30) days from receipt of said notice by the said Tax Assessor-Collector for Hidalgo County, Texas.

IN WITNESS WHERE OF the said Principal has hereunto set his hand and the said Surety has caused these presents to be executed by its duly authorized Attorney-In-Fact this 15th DAY OF January, 2015.

Ed Payne Motors LLP

By: [Signature] Principal  
Title

SureTec Insurance Company,

By: [Signature] Surety  
Raul Cabaza, Attorney in Fact

# SureTec Insurance Company

## LIMITED POWER OF ATTORNEY

**Know All Men by These Presents**, That SURETEC INSURANCE COMPANY (the "Company"), a corporation duly organized and existing under the laws of the State of Texas, and having its principal office in Houston, Harris County, Texas, does by these presents make, constitute and appoint

**Raul Cabaza**

its true and lawful Attorney-in-fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include waivers to the conditions of contracts and consents of surety for:

**Principal:** Ed Payne Motors LLP  
**Obligee:** Pablo "Paul" Villarreal, Jr., Tax Assessor-Collector of Hidalgo County, Texas  
**Amount:** \$ 5,000.00

and to bind the Company thereby as fully and to the same extent as if such bond were signed by the President, sealed with the corporate seal of the Company and duly attested by its Secretary, hereby ratifying and confirming all that the said Attorney-in-Fact may do in the premises. Said appointment is made under and by authority of the following resolutions of the Board of Directors of the SureTec Insurance Company:

*Be it Resolved*, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

*Attorney-in-Fact* may be given full power and authority for and in the name of and of behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

*Be it Resolved*, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached. (Adopted at a meeting held on 20<sup>th</sup> of April, 1999.)

**In Witness Whereof**, SURETEC INSURANCE COMPANY has caused these presents to be signed by its President, and its corporate seal to be hereto affixed this 21st day of March, A.D. 2013.

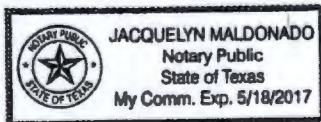
SURETEC INSURANCE COMPANY

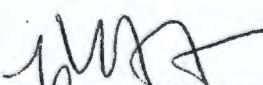
By:   
 John Knox Jr., President

State of Texas                      ss:  
 County of Harris



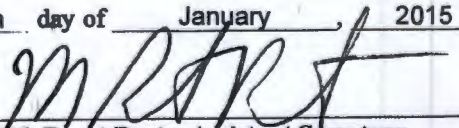
On this 21st day of March, A.D. 2013 before me personally came John Knox Jr., to me known, who, being by me duly sworn, did depose and say, that he resides in Houston, Texas, that he is President of SURETEC INSURANCE COMPANY, the company described in and which executed the above instrument; that he knows the seal of said Company; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Company; and that he signed his name thereto by like order.



  
 Jacquelyn Maldonado, Notary Public  
 My commission expires May 18, 2017

I, M. Brent Beaty, Assistant Secretary of SURETEC INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Company, which is still in full force and effect; and furthermore, the resolutions of the Board of Directors, set out in the Power of Attorney are in full force and effect.

Given under my hand and the seal of said Company at Houston, Texas this 15th day of January, 2015, A.D.

  
 M. Brent Beaty, Assistant Secretary

Any instrument issued in excess of the penalty stated above is totally void and without any validity.  
 For verification of the authority of this power you may call (713) 812-0800 any business day between 8:00 am and 5:00 pm CST.

**STATE OF TEXAS**

**DEALER DEPUTY AGREEMENT**

**COUNTY OF HIDALGO**

This Agreement is made by and between the COUNTY OF HIDALGO, by and through its Tax Assessor-Collector, hereinafter referred to as "County", and ED PAYNE MOTORS LLP, hereafter referred to as "DEALER DEPUTY".

WHEREAS, Dealer Deputy desires to act as an agent of the County to provide motor vehicle titling and registration services, and;

WHEREAS, public processing will be furthered by the ability of Dealer Deputy to directly provide motor vehicle titling and registration services.

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 Dealer Deputy hereby agree as follows:

1. The County agrees to provide point of sale supplies to the Dealer Deputy needed for issuance of motor vehicle titling and registration services to the public upon the terms and conditions hereof. Dealer Deputy must hold a valid general distinguishing number ("GDN") under Transportation Code, Chapter 503, Subchapter B and may act as a dealer deputy only for a type of motor vehicle for which the Dealer Deputy holds a GDN. Dealer Deputy agrees to comply with the requirements of the Web Dealer System of the Texas Department of Motor Vehicles. All necessary equipment will be maintained by the Dealer Deputy.
2. In order to guarantee the faithful performance of the duties of the Dealer Deputy hereunder and to insure that all funds coming into the possession or control of the Dealer Deputy by virtue of this Agreement are paid over to the County, the Dealer Deputy agrees to post a surety bond in the amount of \$100,000.00 naming the Hidalgo County Tax Assessor-Collector as obligee on said bond or post a cash deposit with the Hidalgo County Tax Assessor-Collector in the amount of \$100,000.00. If the Dealer Deputy elects to post a 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.
3. The Dealer Deputy shall have its person in charge of local operations and all employees of the Dealer Deputy who handle or in any way assist in motor vehicle titling and registration services take an oath of deputation to be given by the County to serve as authorized agents for the issuance of license registration stickers and license plates. The Dealer Deputy shall not allow any of its officers, agents, or employees to participate in any manner in the handling or processing motor vehicle titling and registration services until said officer, agent or employee has been deputized by the County, and until all Dealer Deputy personnel involved in motor vehicle titling and registration services are trained in accordance with the County

qualifications, and follow all training programs of the Hidalgo County Tax Assessor-Collector Officer before processing motor vehicle titling and registration services.

4. The Dealer Deputy shall, in writing, designate one or more of its employees who have been deputized to serve as a receiving agent for the Dealer Deputy. The County agrees it will not furnish any point of sale equipment and supplies for the account of the Dealer Deputy other than directly to the Dealer Deputy's receiving agent. The Dealer Deputy assumes full liability for the safekeeping of all license registration stickers, license plates, and supplies furnished by the County to the Dealer Deputy's receiving agents.
5. All motor vehicle titling and registration equipment, supplies and funds received in the Dealer Deputy's custody shall be insured against burglary and robbery by the Dealer Deputy.
6. The Dealer Deputy shall collect the fees prescribed by the County for each motor vehicle titling and registration transaction issued (including applicable Road and Bridge Fees & RMA Fees County of Hidalgo). Fees collected for the motor vehicle titling and registration services by the Dealer Deputy shall not be commingled with any other funds in the possession of the Dealer Deputy. Registration stickers, license plates that are unaccounted for will be hand delivered to and signed for by designated Tax Assessor-Collector office personnel. All packages of registration sticker and license plates inventory must be accounted for before additional boxes are issued. All unassigned registration sticker inventory and license plates must be accounted for. Missing inventory will be considered sold or lost and will be charged to the Dealer Deputy at a rate of \$84.00 for each missing registration sticker and \$6.50 per each missing license plate.
7. The Dealer Deputy may accept individual checks and cash in payment of fees for the issuance of registration stickers and license plates provided that checks are made payable to the Dealer Deputy, and provided, further, that Dealer Deputy assumes full responsibility for collection for all such checks. Dealer Deputy shall be responsible for collecting on all Non Sufficient Funds checks. Dealer Deputy shall allow on a daily basis, the County, to initiate debit transactions from the Dealer Deputy's financial institution. Said ACH fund debit shall not include the \$10.00 processing fee Dealer Deputy charges and collects as compensation for providing motor vehicle titling and registration services which processing fee will not exceed the amount pursuant to the Texas Administrative Code, Title 43, Part 10, Chapter 217, Subchapter H, Rule section 217.168. Dealer Deputy may retain, One and no one hundredths Dollars (\$1.00) from the processing and handling fee established by 43 Texas Administrative Code Section 217.183. Failure by the Dealer Deputy to allow the required access to the County for sums owed for motor vehicle titling and registration services via daily ACH transfer to the County shall result in the immediate termination of this Agreement.

8. The Dealer Deputy is subject to audit by the Hidalgo County Tax Assessor-Collector, Hidalgo County Auditor, the State of Texas Department of Motor Vehicles, the Comptroller of the State of Texas, any certified public accountant, or any other person or entity designated by any one or more of the same, at any time during normal business hours of the Dealer Deputy, at the place of business of the Dealer Deputy designated in this Agreement. The Dealer Deputy's receiving agent shall be present and shall make available at the place of the audit all supplies or forms required.
9. The Dealer Deputy shall deliver as often as required by the County a motor vehicle titling and registration services report in the form required by the County. Any report which is not in order and which does not balance or conform to the usual requirements will be returned to Dealer Deputy in its entirety for correction or clarification or may result in immediate termination of this Agreement.
10. Dealer Deputy shall, upon receiving a delivery of license plates and registration sticker inventory from the County, verify that the shipping invoice matches the number of license plates and sticker inventory packages delivered before using any of the supplies. Any discrepancies will be reported immediately in writing to the County.
11. Any changes in the ownership of Dealer Deputy must be immediately reported in writing to the County. 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 dealer deputy. It will also be necessary to audit any supplies on hand and a closing report shall be made by the current owner.
12. Dealer Deputy will provide access to the authorized representatives of the County to the area where license registration stickers and license plates are sold and stored, and will provide the necessary assistance requested in auditing or checking license stickers or supplies.
13. Dealer Deputy will verify Proof of Texas Liability Insurance, when applicable, before selling a license registration sticker and license plate.
14. In order to serve as a dealer deputy, Dealer Deputy agrees to abide by all rules, regulations, and requirements of the County, as may from time to time be amended and all rules and regulations of the State of Texas, as may be amended relating to motor vehicle titling and registration services.
15. This Agreement may be voluntarily terminated by either party upon thirty (30) days written notice to the party. If the Agreement is terminated in accordance with this numbered paragraph 15 or for any other reason, the Dealer Deputy shall return to the County all equipment and all outstanding inventories of stickers and license plates, together with supplies and payment for stickers issued and a final report within twenty four (24) hours after the termination date along with any and all funds owed to the County under this Agreement.

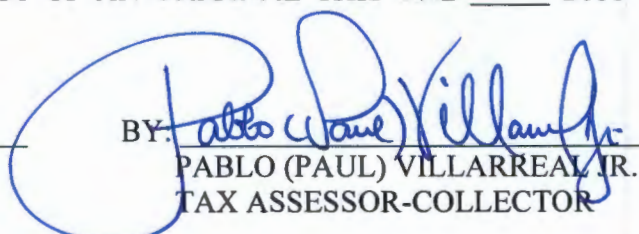


DEALER DEPUTY: ED PAYNE MOTORS LLP  
2101 E EXPRESSWAY 83  
WESLACO, TX 78596

20. This Agreement constitutes the entire agreement of the parties 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 Dealer Deputy.
21. **THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS AND VENUE SHALL BE IN HIDALGO COUNTY TEXAS.**

EXECUTED IN DUPLICATE ORIGINALS, EACH OF WHICH SHALL HAVE THE FULL FORCE AND EFFECT OF AN ORIGINAL THIS THE \_\_\_\_ DAY OF \_\_\_\_\_, 2016.

BY: \_\_\_\_\_  
RAMON GARCIA  
COUNTY JUDGE


BY:   
PABLO (PAUL) VILLARREAL JR.  
TAX ASSESSOR-COLLECTOR

ATTEST:

\_\_\_\_\_  
ARTURO GUAJARDO, JR.  
COUNTY CLERK

DEALER DEPUTY:

ED PAYNE MOTORS LLP  
GDN# P4916  
2101 E EXPRESSWAY 83  
WESLACO, TX 78596

BY:   
PRINTED NAME: Bob Grooms  
TITLE: CFO

## Santos Castilleja

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**From:** Steve Crain <scrain@atlashall.com>  
**Sent:** Wednesday, January 18, 2017 2:35 PM  
**To:** Santos Castilleja  
**Subject:** RE: WebDealer Deputy Agreement Payne Auto Group

The Ed Payne dealer deputy agreements and bonds are OK.

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**From:** Santos Castilleja [<mailto:santos.castilleja@hidalgocountytax.org>]  
**Sent:** Tuesday, January 17, 2017 12:14 PM  
**To:** [scrain@atlashall.com](mailto:scrain@atlashall.com)  
**Cc:** Paul Villarreal <[paul.villarreal@hidalgocountytax.org](mailto:paul.villarreal@hidalgocountytax.org)>; [valde.guerra@co.hidalgo.tx.us](mailto:valde.guerra@co.hidalgo.tx.us); Eva Mireles <[eva.mireles@hidalgocountytax.org](mailto:eva.mireles@hidalgocountytax.org)>; [rene.rangel@txdmv.gov](mailto:rene.rangel@txdmv.gov); [sergio.cruz@co.hidalgo.tx.us](mailto:sergio.cruz@co.hidalgo.tx.us); Gabriel Ochoa <[gabriel.ochoa@hidalgocountytax.org](mailto:gabriel.ochoa@hidalgocountytax.org)>; [rene.rangel@txdmv.gov](mailto:rene.rangel@txdmv.gov)  
**Subject:** WebDealer Deputy Agreement Payne Auto Group

January 12, 2017

Steve Crain  
Hidalgo County Attorney  
Atlas Hall  
818 Pecan Blvd.  
McAllen, TX 78539

Subject: WebDealer Deputy Agreement (Ed Payne Motors LLP – P4916, Weslaco Motors LP – P22254, Alfa Romeo and Fiat of the Rio Grande Valley, LLC DBA Payne Alfa Romeo – P133756, Weslaco Ford LLP – P21629)

Dear Mr. Crain,

Thank you again for assisting us with these contracts. Updates to the Texas Administrative code required us to make changes to our existing WebDealer contracts. This will complete all of our WebDealer participants currently in the program. The Payne Automotive dealerships would like continue our agreement as it will entitle them to the new processing and handling fee. Dealer desires to act as agents of the County in the issuance of motor vehicle license registration stickers and license plates and in the application for vehicle titles. The dealership has increased its bond for all four dealerships in the program from \$5,000 to \$100,000.

**At this time we would like to formally request legal approval to proceed with this request from our Commissioners.**

I am forwarding you a copy of the contract and supporting documents.

Agenda Item Caption:

- A. Presentation for discussion, consideration, acceptance and approval of a Dealer Agreement between Hidalgo County and (Ed Payne Motors LLP – P4916, Weslaco Motors LP – P22254, Alfa

Romeo and Fiat of the Rio Grande Valley, LLC DBA Payne Alfa Romeo – P133756, Weslaco Ford LLP – P21629). Dealer desires to act as an agent of the Tax Assessor Collector in the issuance of motor vehicle license stickers and license plates. Payne automotive dealerships agree to comply with the requirements of the WebDealer system of the Texas Department of Motor Vehicles and will furnish and maintain any necessary equipment.

These dealerships are the remaining contracts that need to be amended of those that are already part of WebDealer. We expect additional dealers including South Texas Buick to also join the WebDealer deputy program in the upcoming months. If you have any questions, please feel free to ask.

Sincerely,

Pablo (Paul) Villarreal Jr.  
Hidalgo County Tax Assessor & Collector

PV:SC:GO:LA

Sec. 520.0071. DEPUTIES. (a) The board by rule shall prescribe:

(1) the classification types of deputies performing titling and registration duties;

(2) the duties and obligations of deputies;

(3) the type and amount of any bonds that may be required by a county assessor-collector for a deputy to perform titling and registration duties; and

(4) the fees that may be charged or retained by deputies.

(b) A county assessor-collector, with the approval of the commissioners court of the county, may deputize an individual or business entity to perform titling and registration services in accordance with rules adopted under Subsection (a).

Added by Acts 2013, 83rd Leg., R.S., Ch. 1135 (H.B. [2741](#)), Sec. 90, eff. September 1, 2013.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1287 (H.B. [2202](#)), Sec. 44, eff. September 1, 2013.

Sec. 520.0093. LEASE OF COMPUTER EQUIPMENT. (a) The department may lease equipment and provide related services to a:

(1) county for the operation of the automated registration and titling system in addition to the equipment provided by the department at no cost to the county under a formula prescribed by the department; and

(2) deputy appointed under Section [520.0071](#).

(b) On the request of the tax assessor-collector of a county, the department may enter into an agreement with the commissioners court of that county under which the department leases additional equipment to the county for the use of the tax assessor-collector in operating the automated registration and titling system in that county.

(b-1) On the request of a deputy appointed under Section [520.0071](#), the department may enter into an agreement under which

the department leases equipment to the deputy for the use of the deputy in operating the automated registration and titling system. The department may require the deputy to post a bond in an amount equal to the value of the equipment.

(c) A county may install equipment leased under this section at offices of the county or of an agent of the county. A deputy appointed under Section [520.0071](#) may install equipment leased under this section on the premises described in the agreement.

(d) Equipment leased under this section:

- (1) remains the property of the department; and
- (2) must be used primarily for the automated registration and titling system.

(e) Under the agreement, the department shall charge an amount not less than the amount of the cost to the department to provide the equipment and any related services under the lease. All money collected under the lease shall be deposited to the credit of the Texas Department of Motor Vehicles fund.

Redesignated and amended from Transportation Code, Section 520.002 by Acts 2011, 82nd Leg., R.S., Ch. 1296 (H.B. [2357](#)), Sec. 232, eff. January 1, 2012.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1135 (H.B. [2741](#)), Sec. 91, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1135 (H.B. [2741](#)), Sec. 92, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1287 (H.B. [2202](#)), Sec. 45, eff. September 1, 2013.

<a href="#"><u>TITLE 43</u></a>	TRANSPORTATION
<a href="#"><u>PART 10</u></a>	TEXAS DEPARTMENT OF MOTOR VEHICLES
<a href="#"><u>CHAPTER 217</u></a>	VEHICLE TITLES AND REGISTRATION
<a href="#"><u>SUBCHAPTER H</u></a>	DEPUTIES
RULE §217.161	Purpose and Scope

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Pursuant to Transportation Code, §520.0071, a county tax assessor-collector, with the approval of the commissioners court of the county, may appoint deputies to perform designated motor vehicle titling and registration services. This subchapter prescribes the classification types, duties, and obligations of deputies; the type and amount of any bonds that deputies may be required to post; and the fees that deputies may be authorized to charge or retain. A deputy appointed under Transportation Code, §520.0071, on or before December 31, 2016, may continue to perform services authorized under former Transportation Code, §§520.008, 520.009, 520.0091, and 520.0092, as amended by Acts 2011, 82nd Leg., ch. 1296 (H.B. 2357). Beginning January 1, 2017, all deputies must be deputized in accordance with and comply with the provisions of this subchapter.

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RULE §217.162      Definitions

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The following words and terms, when used in this subchapter, shall have the following meanings unless the context clearly indicates otherwise.

- (1) Board--Board of the Texas Department of Motor Vehicles.
- (2) Commercial fleet buyer--An entity that, in compliance with Transportation Code, §501.0234(b), is deputized under this subchapter, utilizes the dealer title application process developed to provide a method to submit title transactions to the county in which the commercial fleet buyer is a deputy, and has authority to accept an application for registration and application for title transfer that the county tax assessor-collector may accept.
- (3) Dealer deputy--A motor vehicle dealer, as defined by Transportation Code, §503.001(4), including a commercial fleet buyer, who is deputized to process motor vehicle titling and registration transactions, and who may be authorized to provide registration renewal services. Dealer deputy includes an individual, who is not himself or herself appointed as a deputy, employed, hired, or otherwise engaged by the dealer deputy to serve as the deputy's agent in performing motor vehicle titling, registration or registration renewal services.
- (4) Department--Texas Department of Motor Vehicles.

(5) Deputy--A person appointed to serve in an official government capacity to perform, under the provisions of this subchapter, designated motor vehicle titling, registration, and registration renewal services as a deputy assessor-collector. The term "deputy" does not include an employee of a county tax assessor-collector.

(6) Full service deputy--A deputy appointed to accept and process applications for motor vehicle title transfers and initial registrations, and process registration renewals and other transactions related to titling and registration. Full service deputy includes an individual, who is not himself or herself appointed as a deputy, employed, hired, or otherwise engaged by the full service deputy to serve as the deputy's agent in performing motor vehicle titling, registration or registration renewal services.

(7) Limited service deputy--A deputy appointed to accept and process motor vehicle registration renewals. Limited service deputy includes an individual, who is not himself or herself appointed as a deputy, employed, hired, or otherwise engaged by the limited service deputy to serve as the deputy's agent in performing motor vehicle registration renewals.

(8) Person--An individual, business organization, governmental subdivision or agency, or any other legal entity.

RULE §217.166      Dealer Deputies

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(a) A county tax assessor-collector, with the approval of the commissioners court of the county, may deputize a motor vehicle dealer to act as a dealer deputy to provide motor vehicle titling and registration services in the same manner and with the same authority as though done in the office of the county tax assessor-collector, except as limited by this section.

(b) A dealer deputy must hold a valid general distinguishing number (GDN) under Transportation Code, Chapter 503, Subchapter B, and may act as a dealer deputy only for a type of motor vehicle for which the dealer holds a GDN. A dealer may not continue to act as a dealer deputy if the GDN is cancelled or suspended.

(c) A county tax assessor-collector may impose reasonable obligations or requirements upon a dealer deputy in addition to those set forth in this section. The county tax assessor-collector may, at the time of deputation or upon renewal of deputation, impose specified restrictions or limitations on a dealer deputy's authority to provide certain titling or registration services.

(d) Upon the transfer of ownership of motor vehicles purchased, sold or exchanged by

the dealer deputy, the dealer deputy may process titling transactions in the same manner and with the same authority as though done in the office of the county tax assessor-collector. The dealer deputy may not otherwise provide titling services to the general public.

(e) Upon the transfer of ownership of a motor vehicle purchased, sold or exchanged by the dealer deputy, the dealer deputy may process initial registration transactions in the same manner and with the same authority as though done in the office of the county tax assessor-collector. The dealer deputy may not otherwise offer initial registration services to the general public.

(f) The county tax assessor-collector may authorize a dealer deputy to provide motor vehicle registration renewal services. A dealer deputy offering registration renewal services must offer such services to the general public, and must accept and process any proper application for registration renewal that the county tax assessor-collector would accept and process.

(g) To be eligible to serve as a dealer deputy, a person must be trained to perform motor vehicle titling and registration services, as approved by the county tax assessor-collector, or otherwise be deemed competent by the county tax assessor-collector to perform such services.

(h) To be eligible to serve as a dealer deputy, a person must post a bond payable to the county tax assessor-collector consistent with §217.167 of this title (relating to Bonding Requirements) with the bond conditioned on the person's proper accounting and remittance of the fees the person collects.

(i) A person applying to be a dealer deputy must complete the application process as specified by the county tax assessor-collector. The application process may include satisfaction of any bonding requirements and completion of any additional required documentation or training of the deputy before the processing of any title or registration transactions may occur.

(j) If a dealer deputy offers registration renewal services to the general public, the deputy must provide the physical address at which services will be offered, the mailing address, the phone number, and the hours of service. This information may be published on the department's website and may be published by the county if the county publishes a list of deputy locations.

(k) A dealer deputy shall keep a separate accounting of the fees collected and remitted to the county, and a record of daily receipts.

(l) A dealer deputy may charge or retain fees consistent with the provisions of §217.168 of this title (relating to Deputy Fee Amounts).

(m) This section does not prevent a county tax assessor-collector from deputizing a dealer as a full service deputy under §217.163 of this title (relating to Full Service Deputies) or a limited service deputy under §217.164 of this title (relating to Limited Service Deputies) instead of a dealer deputy under this section.

RULE §217.167

Bonding Requirements

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- (a) A deputy appointed under this subchapter shall post a surety bond payable to the county tax assessor-collector.
  - (b) A deputy is required to post a single bond for a county in which the deputy performs titling, registration, or registration renewal services, regardless of the number of locations in that county from which that deputy may provide these services.
  - (c) A full service deputy or dealer deputy must post a bond in an amount between \$100,000 and \$5,000,000, as determined by the county tax assessor-collector.
  - (d) A limited service deputy must post a bond in an amount between \$2,500 and \$1,000,000, as determined by the county tax assessor-collector.
  - (e) A deputy that is an agency or subdivision of a governmental jurisdiction of the State of Texas is not required to post a bond pursuant to this section, unless the county tax assessor-collector determines that a bond should be required in an amount consistent with subsection (d) of this section.
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**Source Note:** The provisions of this §217.167 adopted to be effective August 8, 2016, 41 TexReg 5787

RULE §217.168

Deputy Fee Amounts

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- (a) Fees. A county tax assessor-collector may authorize a deputy to charge or retain the fee amounts prescribed by this section according to the type of deputy and transaction type.
- (b) Title transactions. For each motor vehicle title transaction processed:
  - (1) A full service deputy may charge the customer a fee of up to \$20, as determined by the full service deputy and approved by the tax assessor-collector. The full service deputy retains the entire fee charged to the customer.
  - (2) A dealer deputy may charge the customer a fee of up to \$10, as determined by the dealer deputy and approved by the tax assessor-collector. The dealer deputy retains the entire fee charged to the customer. This section does not preclude a dealer deputy from charging a documentary fee authorized by Finance Code, §348.006.
- (c) Registration and registration renewals. For each registration transaction processed:
  - (1) A full service deputy may:
    - (A) retain \$1 from the processing and handling fee established by §217.183 of this title (relating to Fee Amount); and
    - (B) charge a convenience fee of \$9, except as limited by §217.184 of this title (relating to Exclusions).
  - (2) A limited service deputy may retain \$1 from the processing and handling fee

established by §217.183.

(3) A dealer deputy may retain \$1 from the processing and handling fee established by §217.183. This section does not preclude a dealer deputy from charging a documentary fee authorized by Finance Code, §348.006.

(d) Temporary permit transactions under Transportation Code, §502.094 or §502.095. For each temporary permit transaction processed by a full service deputy, the full service deputy may retain the entire processing and handling fee established by §217.183.

(e) Full service deputy convenience fee. The convenience fee authorized by this section is collected by the full service deputy directly from the customer and is in addition to the processing and handling fee established by §217.183. A full service deputy may not charge any additional fee for a registration or registration renewal transaction.

(f) Related transactions by a full service deputy. The limitations of subsections (b), (c), (d), and (e) of this section do not apply to other services that a full service deputy may perform that are related to titles or registrations, but are not transactions that must be performed through the department's automated vehicle registration and title system. Services that are not transactions performed through the department's automated vehicle registration and title system include, but are not limited to, the additional fees a full service deputy may charge for copying, faxing, or transporting documents required to obtain or correct a motor vehicle title or registration. However, the additional fees that a full service deputy may charge for these other services may be limited by the terms of the county tax assessor-collector's authorization to act as deputy.

(g) Posting of fees. At each location where a full service deputy provides titling or registration services, the deputy must prominently post a list stating all fees charged for each service related to titling or registration. The fee list must specifically state each service, including the additional fee charged for that service, that is subject to subsections (b), (c), (d), or (e) of this section. The fee list must also state that each service subject to an additional fee under subsection (b), (c), (d), or (e) of this section may be obtained from the county tax assessor-collector without the additional fee. If the full service deputy maintains a website advertising or offering titling or registration services, the deputy must post the fee list described by this subsection on the website.

(h) Additional compensation. The fee amounts set forth in this section do not preclude or limit the ability of a county to provide additional compensation to a deputy out of county funds.

(a) For registrations that expire on or after January 1, 2017 and registrations that expired prior to January 1, 2017 that are submitted for renewal on or after July 1, 2017, except as provided in subsection (b) of this section, the fee amount established in §217.183 of this title (relating to Fee Amount) shall be allocated as follows:

(1) If the registration transaction was processed in person at the office of the county tax assessor-collector:

(A) the county tax assessor-collector may retain \$2.30; and

(B) the remaining amount shall be remitted to the department.

(2) If the registration transaction was mailed to office of the county tax assessor-collector:

(A) the county tax assessor-collector may retain \$2.30; and

(B) the remaining amount shall be remitted to the department.

(3) If the registration transaction was processed through the department or the TxIRP system or is a registration processed under Transportation Code, §§502.0023, 502.091, or 502.255; or §217.46(b)(5) or (d)(1)(B)(i) of this title (relating to Commercial Vehicle Registration):

(A) \$2.30 will be remitted to the county tax assessor-collector; and

(B) the remaining amount shall be retained by the department.

(4) If the registration transaction was processed through the department's online registration portal, the fee established in §217.183 is discounted by \$1:

(A) Texas Online receives the amount set pursuant to Government Code, §2054.2591, Fees;

(B) the county tax assessor-collector may retain \$.25; and

(C) the remaining amount shall be remitted to the department.

(5) If the registration transaction was processed by a deputy appointed by the county tax assessor-collector in accordance with Subchapter H of this chapter (relating to Deputies):

(A) the deputy may retain:

(i) the amount specified in §217.168(c) of this title (relating to Deputy Fee Amounts). The deputy must remit the remainder of the processing and handling fee to the county tax assessor-collector; and

(ii) the convenience fee established in §217.168, if the registration transaction is processed by a full service deputy;

(B) the county tax assessor-collector may retain \$1.30; and

(C) the county tax assessor-collector must remit the remaining amount to the department.

(b) For transactions under Transportation Code, §§502.092-502.095, the entity receiving the application and processing the transaction collects and retains the entire processing and handling fee established in §217.183. A full service deputy processing

a temporary permit transaction may not charge a convenience fee for that transaction.

THE STATE OF TEXAS

Bond No. 3372779

COUNTY OF HIDALGO

KNOW ALL MEN BY THESE PRESENTS:

That We, Welaco Ford LLP as  
Principal and SureTec Insurance Company as Surety, are held and  
firmly bound unto Pablo "Paul" Villarreal, Jr., Tax Assessor-Collector of Hidalgo County, Texas, as  
obligee, in the full and just sum of One Hundred Thousand Dollars (\$100,000.00) Dollars, lawful money of the  
United States for the payment of which sum, we bind ourselves, our heirs, our executors,  
administrators, successors and assigns jointly and severally, firmly by these presents.

WHEREAS the above bounden Principal, Welaco Ford LLP desires to  
pick up License Plates and License Registration Receipts from the Tax Assessor-Collector for Hidalgo  
County, Texas, of a value not exceeding \$ 100,000.00 and has entered  
into a Dealer's Agreement with the Tax Assessor-Collector of Hidalgo County, Texas.

NOW, THEREFORE, THE CONDITION OF SAID OBLIGATION IS SUCH, THAT, if the above  
bounden Principal, Welaco Ford LLP timely remits and pays all sales tax, title  
fees, or registration or licensing fees due to the said Tax Assessor-Collector for Hidalgo County, Texas  
or his successors in office as required by the Dealers' Agreement, then this obligation shall be null and  
void; otherwise, to remain in full force and effect.

This obligation may be cancelled by said Surety by giving thirty (30) days notice in writing of its  
intention so to do, to said Tax Assessor-Collector for Hidalgo County, Texas and the said Surety shall  
be relieved of any further liability under this bond thirty (30) days from receipt of said notice by the  
said Tax Assessor-Collector for Hidalgo County, Texas.

IN WITNESS WHERE OF the said Principal has hereunto set his hand and the said Surety has caused  
these presents to be executed by its duly authorized Attorney-In-Fact this 1st DAY OF  
January, 2017.

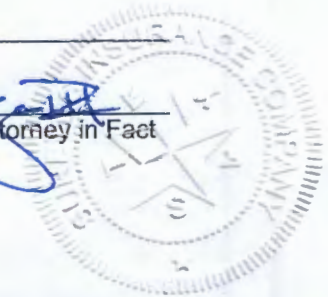
Welaco Ford LLP

By: [Signature]

SureTec Insurance Company

By: [Signature]

Raul Cabaza III, Attorney in Fact



# SureTec Insurance Company

## LIMITED POWER OF ATTORNEY

Know All Men by These Presents, That SURETEC INSURANCE COMPANY (the "Company"), a corporation duly organized and existing under the laws of the State of Texas, and having its principal office in Houston, Harris County, Texas, does by these presents make, constitute and appoint

Raul Cabaza III

its true and lawful Attorney-in-fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include waivers to the conditions of contracts and consents of surety for:

**Principal:** Welaco Ford LLP  
**Obligee:** Hidalgo County Tax Assessor/Collector  
**Amount:** \$ 100,000.00

and to bind the Company thereby as fully and to the same extent as if such bond were signed by the President, sealed with the corporate seal of the Company and duly attested by its Secretary, hereby ratifying and confirming all that the said Attorney-in-Fact may do in the premises. Said appointment is made under and by authority of the following resolutions of the Board of Directors of the SureTec Insurance Company:

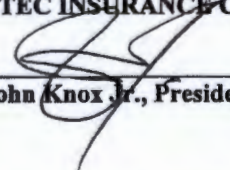
*Be it Resolved*, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

*Attorney-in-Fact* may be given full power and authority for and in the name of and of behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

*Be it Resolved*, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached. (Adopted at a meeting held on 20<sup>th</sup> of April, 1999.)

In Witness Whereof, SURETEC INSURANCE COMPANY has caused these presents to be signed by its President, and its corporate seal to be hereto affixed this 21st day of March, A.D. 2013.

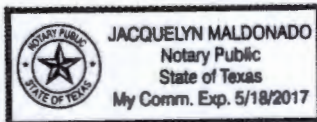
SURETEC INSURANCE COMPANY

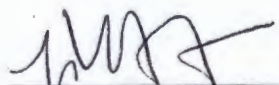
By:   
John Knox Jr., President

State of Texas                      ss:  
County of Harris



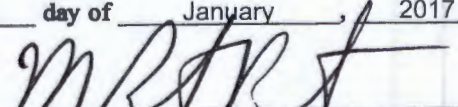
On this 21st day of March, A.D. 2013 before me personally came John Knox Jr., to me known, who, being by me duly sworn, did depose and say, that he resides in Houston, Texas, that he is President of SURETEC INSURANCE COMPANY, the company described in and which executed the above instrument; that he knows the seal of said Company; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Company; and that he signed his name thereto by like order.



  
Jacquelyn Maldonado, Notary Public  
My commission expires May 18, 2017

I, M. Brent Beaty, Assistant Secretary of SURETEC INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Company, which is still in full force and effect; and furthermore, the resolutions of the Board of Directors, set out in the Power of Attorney are in full force and effect.

Given under my hand and the seal of said Company at Houston, Texas this 1st day of January, 2017, A.D.

  
M. Brent Beaty, Assistant Secretary

Any instrument issued in excess of the penalty stated above is totally void and without any validity.  
For verification of the authority of this power you may call (713) 812-0800 any business day between 8:00 am and 5:00 pm CST.

# SureTec Insurance Company

## THIS BOND RIDER CONTAINS IMPORTANT COVERAGE INFORMATION

### Statutory Complaint Notice/Filing of Claims

To obtain information or make a complaint: You may call the Surety's toll free telephone number for information or to make a complaint or file a claim at: 1-866-732-0099. You may also write to the Surety at:

SureTec Insurance Company  
9737 Great Hills Trail, Suite 320  
Austin, Tx 78759

You may contact the Texas Department of Insurance to obtain information on companies, coverage, rights or complaints at 1-800-252-3439. You may write the Texas Department of Insurance at

PO Box 149104  
Austin, TX 78714-9104  
Fax#: 512-490-1007  
Web: <http://www.tdi.state.tx.us>  
Email: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)

**PREMIUM OR CLAIM DISPUTES:** Should you have a dispute concerning your premium or about a claim, you should contact the Surety first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

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THE STATE OF TEXAS

Bond No. 3372779

COUNTY OF HIDALGO

KNOW ALL MEN BY THESE PRESENTS:

That We, Weslaco Ford LLP as Principal and SureTec Insurance Company as Surety, are held and firmly bound unto Pablo "Paul" Villarreal, Jr., Tax Assessor-Collector of Hidalgo County, Texas, as obligee, in the full and just sum of (\$5,000.00) Five Thousand Dollars, lawful money of the United States for the payment of which sum, we bind ourselves, our heirs, our executors, administrators, successors and assigns jointly and severally, firmly by these presents.

WHEREAS the above bounden Principal, Weslaco Ford LLP desires to pick up License Plates and License Registration Receipts from the Tax Assessor-Collector for Hidalgo County, Texas, of a value not exceeding \$ (\$5,000.00) Five Thousand Dollars and has entered into a Dealer's Agreement with the Tax Assessor-Collector of Hidalgo County, Texas.

NOW, THEREFORE, THE CONDITION OF SAID OBLIGATION IS SUCH, THAT, if the above bounden Principal, Weslaco Ford LLP timely remits and pays all sales tax, title fees, or registration or licensing fees due to the said Tax Assessor-Collector for Hidalgo County, Texas or his successors in office as required by the Dealers' Agreement, then this obligation shall be null and void; otherwise, to remain in full force and effect.

This obligation may be cancelled by said Surety by giving thirty (30) days notice in writing of its intention so to do, to said Tax Assessor-Collector for Hidalgo County, Texas and the said Surety shall be relieved of any further liability under this bond thirty (30) days from receipt of said notice by the said Tax Assessor-Collector for Hidalgo County, Texas.

IN WITNESS WHERE OF the said Principal has hereunto set his hand and the said Surety has caused these presents to be executed by its duly authorized Attorney-In-Fact this 15th DAY OF January, 2015.

Weslaco Ford LLP

Principal

By: [Signature]

Title

SureTec Insurance Company

Surety

By: [Signature]

Raul Cabaza, Attorney in Fact

# SureTec Insurance Company

## LIMITED POWER OF ATTORNEY

*Know All Men by These Presents*, That SURETEC INSURANCE COMPANY (the "Company"), a corporation duly organized and existing under the laws of the State of Texas, and having its principal office in Houston, Harris County, Texas, does by these presents make, constitute and appoint

**Raul Cabaza**

its true and lawful Attorney-in-fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include waivers to the conditions of contracts and consents of surety for:

**Principal:** Weslaco Ford LLP  
**Obligee:** Pablo "Paul" Villarreal, Jr., Tax Assessor-Collector of Hidalgo County, Texas  
**Amount:** \$ 5,000.00

and to bind the Company thereby as fully and to the same extent as if such bond were signed by the President, sealed with the corporate seal of the Company and duly attested by its Secretary, hereby ratifying and confirming all that the said Attorney-in-Fact may do in the premises. Said appointment is made under and by authority of the following resolutions of the Board of Directors of the SureTec Insurance Company:

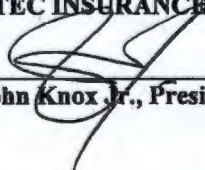
*Be it Resolved*, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

*Attorney-in-Fact* may be given full power and authority for and in the name of and of behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

*Be it Resolved*, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached. (Adopted at a meeting held on 20<sup>th</sup> of April, 1999.)

*In Witness Whereof*, SURETEC INSURANCE COMPANY has caused these presents to be signed by its President, and its corporate seal to be hereto affixed this 21st day of March, A.D. 2013.

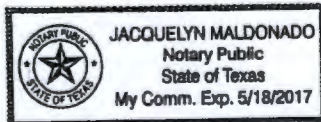
SURETEC INSURANCE COMPANY

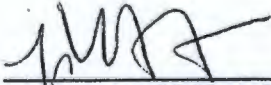
By:   
 John Knox Jr., President

State of Texas                      ss:  
 County of Harris



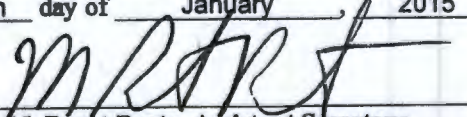
On this 21st day of March, A.D. 2013 before me personally came John Knox Jr., to me known, who, being by me duly sworn, did depose and say, that he resides in Houston, Texas, that he is President of SURETEC INSURANCE COMPANY, the company described in and which executed the above instrument; that he knows the seal of said Company; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Company; and that he signed his name thereto by like order.



  
 Jacquelyn Maldonado, Notary Public  
 My commission expires May 18, 2017

I, M. Brent Beaty, Assistant Secretary of SURETEC INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Company, which is still in full force and effect; and furthermore, the resolutions of the Board of Directors, set out in the Power of Attorney are in full force and effect.

Given under my hand and the seal of said Company at Houston, Texas this 15th day of January, 2015, A.D.

  
 M. Brent Beaty, Assistant Secretary

Any instrument issued in excess of the penalty stated above is totally void and without any validity.  
 For verification of the authority of this power you may call (713) 812-0800 any business day between 8:00 am and 5:00 pm CST.

**STATE OF TEXAS**

**DEALER DEPUTY AGREEMENT**

**COUNTY OF HIDALGO**

This Agreement is made by and between the COUNTY OF HIDALGO, by and through its Tax Assessor-Collector, hereinafter referred to as "County", and WESLACO FORD, L.L.P., hereafter referred to as "DEALER DEPUTY".

WHEREAS, Dealer Deputy desires to act as an agent of the County to provide motor vehicle titling and registration services, and;

WHEREAS, public processing will be furthered by the ability of Dealer Deputy to directly provide motor vehicle titling and registration services.

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 Dealer Deputy hereby agree as follows:

1. The County agrees to provide point of sale supplies to the Dealer Deputy needed for issuance of motor vehicle titling and registration services to the public upon the terms and conditions hereof. Dealer Deputy must hold a valid general distinguishing number ("GDN") under Transportation Code, Chapter 503, Subchapter B and may act as a dealer deputy only for a type of motor vehicle for which the Dealer Deputy holds a GDN. Dealer Deputy agrees to comply with the requirements of the Web Dealer System of the Texas Department of Motor Vehicles. All necessary equipment will be maintained by the Dealer Deputy.
2. In order to guarantee the faithful performance of the duties of the Dealer Deputy hereunder and to insure that all funds coming into the possession or control of the Dealer Deputy by virtue of this Agreement are paid over to the County, the Dealer Deputy agrees to post a surety bond in the amount of \$100,000.00 naming the Hidalgo County Tax Assessor-Collector as obligee on said bond or post a cash deposit with the Hidalgo County Tax Assessor-Collector in the amount of \$100,000.00. If the Dealer Deputy elects to post a 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.
3. The Dealer Deputy shall have its person in charge of local operations and all employees of the Dealer Deputy who handle or in any way assist in motor vehicle titling and registration services take an oath of deputation to be given by the County to serve as authorized agents for the issuance of license registration stickers and license plates. The Dealer Deputy shall not allow any of its officers, agents, or employees to participate in any manner in the handling or processing motor vehicle titling and registration services until said officer, agent or employee has been deputized by the County, and until all Dealer Deputy personnel involved in motor vehicle titling and registration services are trained in accordance with the County

qualifications, and follow all training programs of the Hidalgo County Tax Assessor-Collector Officer before processing motor vehicle titling and registration services.

4. The Dealer Deputy shall, in writing, designate one or more of its employees who have been deputized to serve as a receiving agent for the Dealer Deputy. The County agrees it will not furnish any point of sale equipment and supplies for the account of the Dealer Deputy other than directly to the Dealer Deputy's receiving agent. The Dealer Deputy assumes full liability for the safekeeping of all license registration stickers, license plates, and supplies furnished by the County to the Dealer Deputy's receiving agents.
5. All motor vehicle titling and registration equipment, supplies and funds received in the Dealer Deputy's custody shall be insured against burglary and robbery by the Dealer Deputy.
6. The Dealer Deputy shall collect the fees prescribed by the County for each motor vehicle titling and registration transaction issued (including applicable Road and Bridge Fees & RMA Fees County of Hidalgo). Fees collected for the motor vehicle titling and registration services by the Dealer Deputy shall not be commingled with any other funds in the possession of the Dealer Deputy. Registration stickers, license plates that are unaccounted for will be hand delivered to and signed for by designated Tax Assessor-Collector office personnel. All packages of registration sticker and license plates inventory must be accounted for before additional boxes are issued. All unassigned registration sticker inventory and license plates must be accounted for. Missing inventory will be considered sold or lost and will be charged to the Dealer Deputy at a rate of \$84.00 for each missing registration sticker and \$6.50 per each missing license plate.
7. The Dealer Deputy may accept individual checks and cash in payment of fees for the issuance of registration stickers and license plates provided that checks are made payable to the Dealer Deputy, and provided, further, that Dealer Deputy assumes full responsibility for collection for all such checks. Dealer Deputy shall be responsible for collecting on all Non Sufficient Funds checks. Dealer Deputy shall allow on a daily basis, the County, to initiate debit transactions from the Dealer Deputy's financial institution. Said ACH fund debit shall not include the \$10.00 processing fee Dealer Deputy charges and collects as compensation for providing motor vehicle titling and registration services which processing fee will not exceed the amount pursuant to the Texas Administrative Code, Title 43, Part 10, Chapter 217, Subchapter H, Rule section 217.168. Dealer Deputy may retain, One and no one hundredths Dollars (\$1.00) from the processing and handling fee established by 43 Texas Administrative Code Section 217.183. Failure by the Dealer Deputy to allow the required access to the County for sums owed for motor vehicle titling and registration services via daily ACH transfer to the County shall result in the immediate termination of this Agreement.

8. The Dealer Deputy is subject to audit by the Hidalgo County Tax Assessor-Collector, Hidalgo County Auditor, the State of Texas Department of Motor Vehicles, the Comptroller of the State of Texas, any certified public accountant, or any other person or entity designated by any one or more of the same, at any time during normal business hours of the Dealer Deputy, at the place of business of the Dealer Deputy designated in this Agreement. The Dealer Deputy's receiving agent shall be present and shall make available at the place of the audit all supplies or forms required.
9. The Dealer Deputy shall deliver as often as required by the County a motor vehicle titling and registration services report in the form required by the County. Any report which is not in order and which does not balance or conform to the usual requirements will be returned to Dealer Deputy in its entirety for correction or clarification or may result in immediate termination of this Agreement.
10. Dealer Deputy shall, upon receiving a delivery of license plates and registration sticker inventory from the County, verify that the shipping invoice matches the number of license plates and sticker inventory packages delivered before using any of the supplies. Any discrepancies will be reported immediately in writing to the County.
11. Any changes in the ownership of Dealer Deputy must be immediately reported in writing to the County. 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 dealer deputy. It will also be necessary to audit any supplies on hand and a closing report shall be made by the current owner.
12. Dealer Deputy will provide access to the authorized representatives of the County to the area where license registration stickers and license plates are sold and stored, and will provide the necessary assistance requested in auditing or checking license stickers or supplies.
13. Dealer Deputy will verify Proof of Texas Liability Insurance, when applicable, before selling a license registration sticker and license plate.
14. In order to serve as a dealer deputy, Dealer Deputy agrees to abide by all rules, regulations, and requirements of the County, as may from time to time be amended and all rules and regulations of the State of Texas, as may be amended relating to motor vehicle titling and registration services.
15. This Agreement may be voluntarily terminated by either party upon thirty (30) days written notice to the party. If the Agreement is terminated in accordance with this numbered paragraph 15 or for any other reason, the Dealer Deputy shall return to the County all equipment and all outstanding inventories of stickers and license plates, together with supplies and payment for stickers issued and a final report within twenty four (24) hours after the termination date along with any and all funds owed to the County under this Agreement.

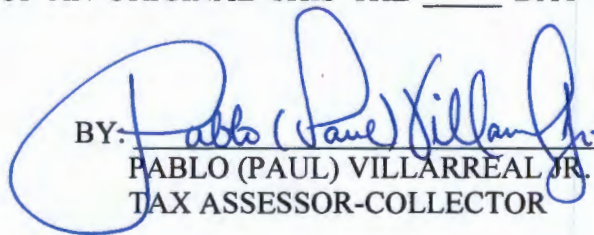


DEALER DEPUTY: WESLACO FORD, L.L.P.  
800 E EXPRESSWAY 83  
WESLACO, TX 78596

20. This Agreement constitutes the entire agreement of the parties 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 Dealer Deputy.
21. **THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS AND VENUE SHALL BE IN HIDALGO COUNTY TEXAS.**

EXECUTED IN DUPLICATE ORIGINALS, EACH OF WHICH SHALL HAVE THE FULL FORCE AND EFFECT OF AN ORIGINAL THIS THE \_\_\_\_ DAY OF \_\_\_\_\_, 2016.

BY: \_\_\_\_\_  
RAMON GARCIA  
COUNTY JUDGE


BY:   
FABLO (PAUL) VILLARREAL JR.  
TAX ASSESSOR-COLLECTOR

ATTEST:

\_\_\_\_\_  
ARTURO GUAJARDO, JR.  
COUNTY CLERK

DEALER DEPUTY:

WESLACO FORD, L.L.P.  
GDN# P21629  
800 E EXPRESSWAY 83  
WESLACO, TX 78596

BY:   
PRINTED NAME: Pablo Grooms  
TITLE: CFO

THE STATE OF TEXAS

Bond No. 3372778

COUNTY OF HIDALGO

KNOW ALL MEN BY THESE PRESENTS:

That We, Weslaco Motors LP as Principal and SureTec Insurance Company as Surety, are held and firmly bound unto Pablo "Paul" Villarreal, Jr., Tax Assessor-Collector of Hidalgo County, Texas, as obligee, in the full and just sum of One Hundred Thousand Dollars (\$100,000.00) Dollars, lawful money of the United States for the payment of which sum, we bind ourselves, our heirs, our executors, administrators, successors and assigns jointly and severally, firmly by these presents.

WHEREAS the above bounden Principal, Weslaco Motors LP desires to pick up License Plates and License Registration Receipts from the Tax Assessor-Collector for Hidalgo County, Texas, of a value not exceeding \$ 100,000.00 and has entered into a Dealer's Agreement with the Tax Assessor-Collector of Hidalgo County, Texas.

NOW, THEREFORE, THE CONDITION OF SAID OBLIGATION IS SUCH, THAT, if the above bounden Principal, Weslaco Motors LP timely remits and pays all sales tax, title fees, or registration or licensing fees due to the said Tax Assessor-Collector for Hidalgo County, Texas or his successors in office as required by the Dealers' Agreement, then this obligation shall be null and void; otherwise, to remain in full force and effect.

This obligation may be cancelled by said Surety by giving thirty (30) days notice in writing of its intention so to do, to said Tax Assessor-Collector for Hidalgo County, Texas and the said Surety shall be relieved of any further liability under this bond thirty (30) days from receipt of said notice by the said Tax Assessor-Collector for Hidalgo County, Texas.

IN WITNESS WHERE OF the said Principal has hereunto set his hand and the said Surety has caused these presents to be executed by its duly authorized Attorney-In-Fact this 1st DAY OF January, 2017.

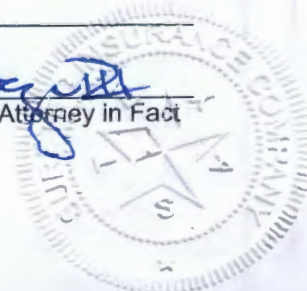
Weslaco Motors LP

By: [Signature]

SureTec Insurance Company

By: [Signature]

Raul Cabaza III, Attorney in Fact



# SureTec Insurance Company

## LIMITED POWER OF ATTORNEY

**Know All Men by These Presents,** That SURETEC INSURANCE COMPANY (the "Company"), a corporation duly organized and existing under the laws of the State of Texas, and having its principal office in Houston, Harris County, Texas, does by these presents make, constitute and appoint

Raul Cabaza III

its true and lawful Attorney-in-fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include waivers to the conditions of contracts and consents of surety for:

**Principal:** Weslaco Motors LP  
**Obligee:** Hidalgo County Tax Assessor/Collector  
**Amount:** \$ 100,000.00

and to bind the Company thereby as fully and to the same extent as if such bond were signed by the President, sealed with the corporate seal of the Company and duly attested by its Secretary, hereby ratifying and confirming all that the said Attorney-in-Fact may do in the premises. Said appointment is made under and by authority of the following resolutions of the Board of Directors of the SureTec Insurance Company:

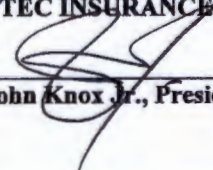
*Be it Resolved,* that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

*Attorney-in-Fact* may be given full power and authority for and in the name of and of behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

*Be it Resolved,* that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached. *(Adopted at a meeting held on 20<sup>th</sup> of April, 1999.)*

**In Witness Whereof,** SURETEC INSURANCE COMPANY has caused these presents to be signed by its President, and its corporate seal to be hereto affixed this 21st day of March, A.D. 2013.

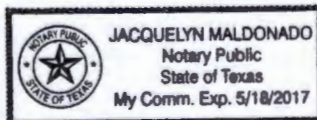
SURETEC INSURANCE COMPANY

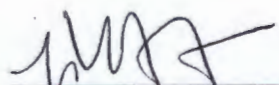
By:   
 John Knox Jr., President

State of Texas                      ss:  
 County of Harris



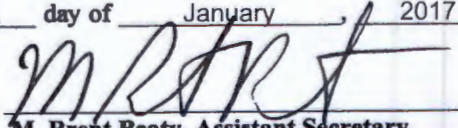
On this 21st day of March, A.D. 2013 before me personally came John Knox Jr., to me known, who, being by me duly sworn, did depose and say, that he resides in Houston, Texas, that he is President of SURETEC INSURANCE COMPANY, the company described in and which executed the above instrument; that he knows the seal of said Company; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Company; and that he signed his name thereto by like order.



  
 Jacquelyn Maldonado, Notary Public  
 My commission expires May 18, 2017

I, M. Brent Beaty, Assistant Secretary of SURETEC INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Company, which is still in full force and effect; and furthermore, the resolutions of the Board of Directors, set out in the Power of Attorney are in full force and effect.

Given under my hand and the seal of said Company at Houston, Texas this 1st day of January, 2017, A.D.

  
 M. Brent Beaty, Assistant Secretary

Any instrument issued in excess of the penalty stated above is totally void and without any validity.  
 For verification of the authority of this power you may call (713) 812-0800 any business day between 8:00 am and 5:00 pm CST.

**SureTec Insurance Company**  
**THIS BOND RIDER CONTAINS IMPORTANT COVERAGE INFORMATION**

**Statutory Complaint Notice/Filing of Claims**

To obtain information or make a complaint: You may call the Surety's toll free telephone number for information or to make a complaint or file a claim at: 1-866-732-0099. You may also write to the Surety at:

SureTec Insurance Company  
9737 Great Hills Trail, Suite 320  
Austin, Tx 78759

You may contact the Texas Department of Insurance to obtain information on companies, coverage, rights or complaints at 1-800-252-3439. You may write the Texas Department of Insurance at

PO Box 149104  
Austin, TX 78714-9104  
Fax#: 512-490-1007  
Web: <http://www.tdi.state.tx.us>  
Email: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)

**PREMIUM OR CLAIM DISPUTES:** Should you have a dispute concerning your premium or about a claim, you should contact the Surety first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

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THE STATE OF TEXAS

Bond No. 3372778

COUNTY OF HIDALGO

KNOW ALL MEN BY THESE PRESENTS:

That We, Weslaco Motors LP as Principal and SureTec Insurance Company as Surety, are held and firmly bound unto Pablo "Paul" Villarreal, Jr., Tax Assessor-Collector of Hidalgo County, Texas, as obligee, in the full and just sum of (\$5,000.00) Five Thousand Dollars, lawful money of the United States for the payment of which sum, we bind ourselves, our heirs, our executors, administrators, successors and assigns jointly and severally, firmly by these presents.

WHEREAS the above bounden Principal, Weslaco Motors LP desires to pick up License Plates and License Registration Receipts from the Tax Assessor-Collector for Hidalgo County, Texas, of a value not exceeding \$ (\$5,000.00) Five Thousand Dollars and has entered into a Dealer's Agreement with the Tax Assessor-Collector of Hidalgo County, Texas.

NOW, THEREFORE, THE CONDITION OF SAID OBLIGATION IS SUCH, THAT, if the above bounden Principal, Weslaco Motors LP timely remits and pays all sales tax, title fees, or registration or licensing fees due to the said Tax Assessor-Collector for Hidalgo County, Texas or his successors in office as required by the Dealers' Agreement, then this obligation shall be null and void; otherwise, to remain in full force and effect.

This obligation may be cancelled by said Surety by giving thirty (30) days notice in writing of its intention so to do, to said Tax Assessor-Collector for Hidalgo County, Texas and the said Surety shall be relieved of any further liability under this bond thirty (30) days from receipt of said notice by the said Tax Assessor-Collector for Hidalgo County, Texas.

IN WITNESS WHERE OF the said Principal has hereunto set his hand and the said Surety has caused these presents to be executed by its duly authorized Attorney-In-Fact this 15th DAY OF January, 2015.

Weslaco Motors LP

By: [Signature] Principal  
Title

SureTec Insurance Company  
Surety

By: [Signature]  
Raul Cabaza, Attorney in Fact

# SureTec Insurance Company

## LIMITED POWER OF ATTORNEY

**Know All Men by These Presents**, That SURETEC INSURANCE COMPANY (the "Company"), a corporation duly organized and existing under the laws of the State of Texas, and having its principal office in Houston, Harris County, Texas, does by these presents make, constitute and appoint

**Raul Cabaza**

its true and lawful Attorney-in-fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include waivers to the conditions of contracts and consents of surety for:

**Principal:** Weslaco Motors LP

**Obligee:** Pablo "Paul" Villarreal, Jr., Tax Assessor-Collector of Hidalgo County, Texas

**Amount:** \$ 5,000.00

and to bind the Company thereby as fully and to the same extent as if such bond were signed by the President, sealed with the corporate seal of the Company and duly attested by its Secretary, hereby ratifying and confirming all that the said Attorney-in-Fact may do in the premises. Said appointment is made under and by authority of the following resolutions of the Board of Directors of the SureTec Insurance Company:

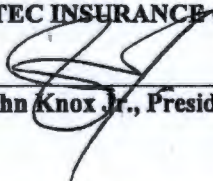
*Be it Resolved*, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

*Attorney-in-Fact* may be given full power and authority for and in the name of and of behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

*Be it Resolved*, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached. (Adopted at a meeting held on 20<sup>th</sup> of April, 1999.)

**In Witness Whereof**, SURETEC INSURANCE COMPANY has caused these presents to be signed by its President, and its corporate seal to be hereto affixed this 21st day of March, A.D. 2013.

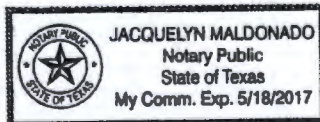
SURETEC INSURANCE COMPANY

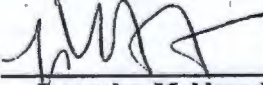
By:   
John Knox Jr., President

State of Texas                      ss:  
County of Harris



On this 21st day of March, A.D. 2013 before me personally came John Knox Jr., to me known, who, being by me duly sworn, did depose and say, that he resides in Houston, Texas, that he is President of SURETEC INSURANCE COMPANY, the company described in and which executed the above instrument; that he knows the seal of said Company; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Company; and that he signed his name thereto by like order.



  
Jacquelyn Maldonado, Notary Public  
My commission expires May 18, 2017

I, M. Brent Beaty, Assistant Secretary of SURETEC INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Company, which is still in full force and effect; and furthermore, the resolutions of the Board of Directors, set out in the Power of Attorney are in full force and effect.

Given under my hand and the seal of said Company at Houston, Texas this 15th day of January, 2015, A.D.

  
M. Brent Beaty, Assistant Secretary

Any instrument issued in excess of the penalty stated above is totally void and without any validity.  
For verification of the authority of this power you may call (713) 812-0800 any business day between 8:00 am and 5:00 pm CST.

**STATE OF TEXAS**

**DEALER DEPUTY AGREEMENT**

**COUNTY OF HIDALGO**

This Agreement is made by and between the COUNTY OF HIDALGO, by and through its Tax Assessor-Collector, hereinafter referred to as "County", and WESLACO MOTORS LP, hereafter referred to as "DEALER DEPUTY".

WHEREAS, Dealer Deputy desires to act as an agent of the County to provide motor vehicle titling and registration services, and;

WHEREAS, public processing will be furthered by the ability of Dealer Deputy to directly provide motor vehicle titling and registration services.

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 Dealer Deputy hereby agree as follows:

1. The County agrees to provide point of sale supplies to the Dealer Deputy needed for issuance of motor vehicle titling and registration services to the public upon the terms and conditions hereof. Dealer Deputy must hold a valid general distinguishing number ("GDN") under Transportation Code, Chapter 503, Subchapter B and may act as a dealer deputy only for a type of motor vehicle for which the Dealer Deputy holds a GDN. Dealer Deputy agrees to comply with the requirements of the Web Dealer System of the Texas Department of Motor Vehicles. All necessary equipment will be maintained by the Dealer Deputy.
2. In order to guarantee the faithful performance of the duties of the Dealer Deputy hereunder and to insure that all funds coming into the possession or control of the Dealer Deputy by virtue of this Agreement are paid over to the County, the Dealer Deputy agrees to post a surety bond in the amount of \$100,000.00 naming the Hidalgo County Tax Assessor-Collector as obligee on said bond or post a cash deposit with the Hidalgo County Tax Assessor-Collector in the amount of \$100,000.00. If the Dealer Deputy elects to post a 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.
3. The Dealer Deputy shall have its person in charge of local operations and all employees of the Dealer Deputy who handle or in any way assist in motor vehicle titling and registration services take an oath of deputation to be given by the County to serve as authorized agents for the issuance of license registration stickers and license plates. The Dealer Deputy shall not allow any of its officers, agents, or employees to participate in any manner in the handling or processing motor vehicle titling and registration services until said officer, agent or employee has been deputized by the County, and until all Dealer Deputy personnel involved in motor vehicle titling and registration services are trained in accordance with the County

qualifications, and follow all training programs of the Hidalgo County Tax Assessor-Collector Officer before processing motor vehicle titling and registration services.

4. The Dealer Deputy shall, in writing, designate one or more of its employees who have been deputized to serve as a receiving agent for the Dealer Deputy. The County agrees it will not furnish any point of sale equipment and supplies for the account of the Dealer Deputy other than directly to the Dealer Deputy's receiving agent. The Dealer Deputy assumes full liability for the safekeeping of all license registration stickers, license plates, and supplies furnished by the County to the Dealer Deputy's receiving agents.
5. All motor vehicle titling and registration equipment, supplies and funds received in the Dealer Deputy's custody shall be insured against burglary and robbery by the Dealer Deputy.
6. The Dealer Deputy shall collect the fees prescribed by the County for each motor vehicle titling and registration transaction issued (including applicable Road and Bridge Fees & RMA Fees County of Hidalgo). Fees collected for the motor vehicle titling and registration services by the Dealer Deputy shall not be commingled with any other funds in the possession of the Dealer Deputy. Registration stickers, license plates that are unaccounted for will be hand delivered to and signed for by designated Tax Assessor-Collector office personnel. All packages of registration sticker and license plates inventory must be accounted for before additional boxes are issued. All unassigned registration sticker inventory and license plates must be accounted for. Missing inventory will be considered sold or lost and will be charged to the Dealer Deputy at a rate of \$84.00 for each missing registration sticker and \$6.50 per each missing license plate.
7. The Dealer Deputy may accept individual checks and cash in payment of fees for the issuance of registration stickers and license plates provided that checks are made payable to the Dealer Deputy, and provided, further, that Dealer Deputy assumes full responsibility for collection for all such checks. Dealer Deputy shall be responsible for collecting on all Non Sufficient Funds checks. Dealer Deputy shall allow on a daily basis, the County, to initiate debit transactions from the Dealer Deputy's financial institution. Said ACH fund debit shall not include the \$10.00 processing fee Dealer Deputy charges and collects as compensation for providing motor vehicle titling and registration services which processing fee will not exceed the amount pursuant to the Texas Administrative Code, Title 43, Part 10, Chapter 217, Subchapter H, Rule section 217.168. Dealer Deputy may retain, One and no one hundredths Dollars (\$1.00) from the processing and handling fee established by 43 Texas Administrative Code Section 217.183. Failure by the Dealer Deputy to allow the required access to the County for sums owed for motor vehicle titling and registration services via daily ACH transfer to the County shall result in the immediate termination of this Agreement.

8. The Dealer Deputy is subject to audit by the Hidalgo County Tax Assessor-Collector, Hidalgo County Auditor, the State of Texas Department of Motor Vehicles, the Comptroller of the State of Texas, any certified public accountant, or any other person or entity designated by any one or more of the same, at any time during normal business hours of the Dealer Deputy, at the place of business of the Dealer Deputy designated in this Agreement. The Dealer Deputy's receiving agent shall be present and shall make available at the place of the audit all supplies or forms required.
9. The Dealer Deputy shall deliver as often as required by the County a motor vehicle titling and registration services report in the form required by the County. Any report which is not in order and which does not balance or conform to the usual requirements will be returned to Dealer Deputy in its entirety for correction or clarification or may result in immediate termination of this Agreement.
10. Dealer Deputy shall, upon receiving a delivery of license plates and registration sticker inventory from the County, verify that the shipping invoice matches the number of license plates and sticker inventory packages delivered before using any of the supplies. Any discrepancies will be reported immediately in writing to the County.
11. Any changes in the ownership of Dealer Deputy must be immediately reported in writing to the County. 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 dealer deputy. It will also be necessary to audit any supplies on hand and a closing report shall be made by the current owner.
12. Dealer Deputy will provide access to the authorized representatives of the County to the area where license registration stickers and license plates are sold and stored, and will provide the necessary assistance requested in auditing or checking license stickers or supplies.
13. Dealer Deputy will verify Proof of Texas Liability Insurance, when applicable, before selling a license registration sticker and license plate.
14. In order to serve as a dealer deputy, Dealer Deputy agrees to abide by all rules, regulations, and requirements of the County, as may from time to time be amended and all rules and regulations of the State of Texas, as may be amended relating to motor vehicle titling and registration services.
15. This Agreement may be voluntarily terminated by either party upon thirty (30) days written notice to the party. If the Agreement is terminated in accordance with this numbered paragraph 15 or for any other reason, the Dealer Deputy shall return to the County all equipment and all outstanding inventories of stickers and license plates, together with supplies and payment for stickers issued and a final report within twenty four (24) hours after the termination date along with any and all funds owed to the County under this Agreement.

16. Breach of any obligation to be performed by the Dealer Deputy shall constitute a breach of this entire Agreement and shall give County the right to immediately terminate this Agreement. The parties hereto agree that any breach by the Dealer Deputy shall be considered a substantial breach, and Dealer Deputy shall be notified by the County of such breach by certified mail, return receipt requested. Upon the receipt of notice, (which shall be deemed delivered on the third day after mailing) Dealer Deputy shall have twenty four (24) hours to return to the County all equipment, registration stickers, license plates, supplies, payment for registration stickers and/or plates issued, and final report to the County at the location in numbered paragraph 19 hereof.
17. In the event that any audit or report of the Dealer Deputy discloses that any equipment, supplies, stickers, license plates or funds are missing or otherwise unaccounted for, the County Tax Assessor and County Auditor shall be notified immediately, and the County is entitled to collect on the bond or cash deposit for payment and 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 Dealer Deputy in accordance with numbered paragraph 16 herein or other breach by the Dealer Deputy, and the Dealer Deputy fails to return equipment, funds, stickers, license plates supplies within the time allowed in numbered paragraph 15 hereof, the County shall be entitled to retain proceeds of the bond or cash deposit stated in paragraph 2 hereof as liquidated damages or, in the alternative, shall be entitled to seek recovery of actual damages.
18. The term of this Agreement shall commence upon receipt by the County of the bond and/or cash deposit herein referred to, and shall continue in full force and effect thereafter until terminated in accordance with the terms hereof. This Agreement shall be effective upon the date of execution by the last party to execute, and shall supersede any other prior Agreements.
19. 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:

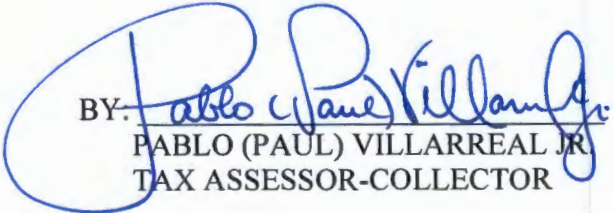
COUNTY: Pablo (Paul) Villarreal Jr.  
Hidalgo County  
Tax Assessor-Collector  
2804 S. Bus. Hwy 281  
P.O. Box 178  
Edinburg, Texas 78540-0178

DEALER DEPUTY: WESLACO MOTORS LP  
2401 E EXPRESSWAY 83  
WESLACO, TX 78596

20. This Agreement constitutes the entire agreement of the parties 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 Dealer Deputy.
21. **THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS AND VENUE SHALL BE IN HIDALGO COUNTY TEXAS.**

EXECUTED IN DUPLICATE ORIGINALS, EACH OF WHICH SHALL HAVE THE FULL FORCE AND EFFECT OF AN ORIGINAL THIS THE \_\_\_\_ DAY OF \_\_\_\_\_, 2016.

BY: \_\_\_\_\_  
RAMON GARCIA  
COUNTY JUDGE


BY:   
PABLO (PAUL) VILLARREAL JR.  
TAX ASSESSOR-COLLECTOR

ATTEST:

\_\_\_\_\_  
ARTURO GUAJARDO, JR.  
COUNTY CLERK

DEALER DEPUTY:

WESLACO MOTORS LP  
GDN# P22254  
2401 E EXPRESSWAY 83  
WESLACO, TX 78596

BY:   
PRINTED NAME: Bob Grooms  
TITLE: CFO