

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 BERT OGDEN SHARYLAND MOTORS, INC. DBA BERT OGDEN KIA, 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

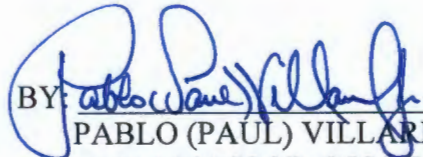
DEALER DEPUTY: BERT OGDEN SHARYLAND MOTORS, INC.
DBA BERT OGDEN KIA
2309 E EXPRESSWAY 83
MISSION, TEXAS 78572

WITH COPY TO: BERT OGDEN SHARYLAND MOTORS, INC.
DBA BERT OGDEN KIA
5001 S. I69 C.
EDINBURG, TEXAS 78539

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 _____, 2017.

BY: _____
RAMON GARCIA
COUNTY JUDGE

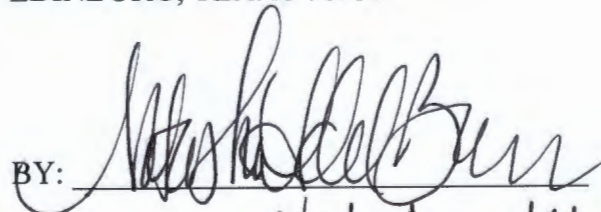
BY:  _____
PABLO (PAUL) VILLARREAL JR.
TAX ASSESSOR-COLLECTOR

ATTEST:

ARTURO GUAJARDO, JR.
COUNTY CLERK

DEALER DEPUTY:

BERT OGDEN SHARYLAND MOTORS, INC.
DBA BERT OGDEN KIA
GDN# P45602
5001 S. I69 C.
EDINBURG, TEXAS 78539

BY:  _____
PRINTED NAME: Natasha del Barrio
TITLE: CEO

AUTOMOBILE DEALER MOTOR VEHICLE REGISTRATION BOND

STATE OF TEXAS
COUNTY OF Hidalgo County

KNOW ALL MEN BY THESE PRESENTS:

THAT WE, Bert Ogden Sharyland Motors, Inc (Bert Ogden Kia), as Principal and Hartford Casualty Insurance Company, Indianapolis, IN, as Surety, are held and firmly bound unto Hidalgo County Tax Assessor Collector County Tax Assessor and Collector of the County of Hidalgo County Texas and to his successors in office, as Obligee, in the full and just sum of One Hundred 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.

WHREAS the above bounden Principal, desires to pickup License Plates, License Registration Receipts and Validation Stickers for the Obligee valued at not exceeding One Hundred Thousand Dollars.

NOW, THEREFORE, THE CONDITION OF SAID OBLIGATION IS SUCH, THAT, if the above bounden Principal, will pay for said License Plates, Validation Stickers, and License Registration Receipts or deliver said License Plates and License Validation Stickers, Registration Receipts upon demand by Obligee and perform as per signed agreement with obligee, then this obligation shall be null and void; otherwise, to remain in full force and effect.

PROVIDED, however that this bond is executed and accepted subject to the following conditions: That the effective date of this bond is Jan 1 ~~19~~2018 and the bond is continuous in form. This obligation may be cancelled by Surety by giving thirty (30) days notice in writing of its intention so to do, to the Obligee; and the Surety shall be relieved of any further liability under this bond thirty (30) days from receipt of said notice by the Obligee.

IN WITNESS WHEREOF, the Principal has hereunto set his hand and the Surety has caused these presents to be executed by its duly authorized representative this 17th day of January, ~~19~~2018

Bert Ogden Sharyland Motors, Inc (Bert Ogden Kia)
(Principal) (Seal)
by: [Signature] President
(Title)

Hartford Casualty Insurance Company
(Surety) (Seal)
by: [Signature]
Marie Regina, Attorney-in-fact

POWER OF ATTORNEY

Direct Inquiries/Claims to:

THE HARTFORD
BOND, T-12
One Hartford Plaza
Hartford, Connecticut 06155
Bond.Claims@thehartford.com

call: 888-266-3488 or fax: 860-757-5835

KNOW ALL PERSONS BY THESE PRESENTS THAT:

Agency Name: HIGGINBOTHAM INSURANCE AGENCY INC
Agency Code: 65-813166

- Hartford Fire Insurance Company, a corporation duly organized under the laws of the State of Connecticut
- Hartford Casualty Insurance Company, a corporation duly organized under the laws of the State of Indiana
- Hartford Accident and Indemnity Company, a corporation duly organized under the laws of the State of Connecticut
- Hartford Underwriters Insurance Company, a corporation duly organized under the laws of the State of Connecticut
- Twin City Fire Insurance Company, a corporation duly organized under the laws of the State of Indiana
- Hartford Insurance Company of Illinois, a corporation duly organized under the laws of the State of Illinois
- Hartford Insurance Company of the Midwest, a corporation duly organized under the laws of the State of Indiana
- Hartford Insurance Company of the Southeast, a corporation duly organized under the laws of the State of Florida

having their home office in Hartford, Connecticut (hereinafter collectively referred to as the "Companies") do hereby make, constitute and appoint Marie Reyna

its true and lawful Attorney-in-Fact, to sign its name as surety(ies) only as delineated above by , and to execute, seal and acknowledge the following bond, undertaking, contract or written instrument:

Bond No. 65BSBHV1105

Naming Bert Ogden Sharyland Motors, Inc (Bert Ogden Kia) as Principal, and Hidalgo County Tax Assessor Collector as Obligee,

in the amount of See Bond Form(s) on behalf of Company in its business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

In Witness Whereof, and as authorized by a Resolution of the Board of Directors of the Companies on May 6, 2015 the Companies have caused these presents to be signed by its Senior Vice President and its corporate seals to be hereto affixed, duly attested by its Assistant Secretary. Further, pursuant to Resolution of the Board of Directors of the Companies, the Companies hereby unambiguously affirm that they are and will be bound by any mechanically applied signatures applied to this Power of Attorney.



John Gray, Assistant Secretary

M. Ross Fisher, Senior Vice President

STATE OF CONNECTICUT }
COUNTY OF HARTFORD } ss. Hartford

On this 5th day of January, 2018, before me personally came M. Ross Fisher, to me known, who being by me duly sworn, did depose and say: that he resides in the County of Hartford, State of Connecticut; that he is the Senior Vice President of the Companies, the corporations described in and which executed the above instrument; that he knows the seals of the said corporations; that the seals affixed to the said instrument are such corporate seals; that they were so affixed by authority of the Boards of Directors of said corporations and that he signed his name thereto by like authority.

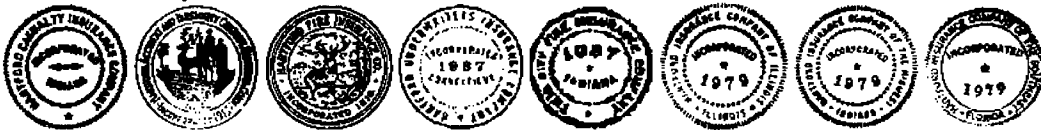


CERTIFICATE

Kathleen T. Maynard
Notary Public
My Commission Expires July 31, 2021

I, the undersigned, Assistant Vice President of the Companies, DO HEREBY CERTIFY that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is still in full force effective as of January 17, 2018.

Signed and sealed at the City of Hartford.


Kevin Heckman, Assistant Vice President