MISSOURI DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

INSTRUCTIONS FOR MISSOURI VEHICLE PROTECTION PRODUCT REGISTRATION

Enclosed is the registration form for a Missouri vehicle protection product provider. Any person who is responsible for the issuance of a Missouri vehicle protection product contract is a Missouri vehicle protection warrantor and is required to register with the Missouri Department of Insurance, Financial Institutions and Professional Registration.

Each warrantor is required to register before issuing any vehicle protection product warranty. Each provider is also required to renew its registration annually between January 1 and February 1 of each year after the year of the provider's first registration.

Payment of the registration fee must accompany each registration. The registration fee is five hundred dollars ($500).

If the provider is "doing business as" a DBA, submit a certified copy of the Certificate in Fact.

Questions regarding this registration or the regulation of Missouri vehicle protection product contracts may be directed either by telephone to the Missouri vehicle protection product section of the Missouri Department of Insurance, Financial Institutions & Professional Registration at (573) 526-5001 or (573) 751-4362 or in writing to Missouri Vehicle Protection Product, Missouri Department of Insurance, Financial Institutions & Professional Registration, P.O. Box 690, Jefferson City, MO 65102.

MISSOURI DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

MISSOURI VEHICLE PROTECTION PRODUCT PROVIDER REGISTRATION

INSTRUCTIONS

This registration must be accompanied by registration fee equal to $500. Each provider must register annually between January 1 and February 1 of each calendar year following the calendar year in which the provider originally registered. PERSONAL CHECKS NOT ACCEPTED.

SECTION 1. PROVIDER INFORMATION (TYPE OR PRINT)

PROVIDER NAME

BUSINESS ADDRESS (STREET NUMBER AND NAME, CITY, STATE, ZIP CODE)

MAILING ADDRESS (STREET NUMBER AND NAME, CITY, STATE, ZIP CODE)

SECTION 2. ADMINISTRATOR INFORMATION

DOES THIS PROVIDER USE THE SERVICES OF ONE OR MORE ADMINISTRATORS?

☐ Yes ☐ No If yes, state the name and address of each administrator below (attach additional pages, if necessary)

ADMINISTRATOR NAME

BUSINESS ADDRESS (STREET NUMBER AND NAME, CITY, STATE, ZIP CODE)

MAILING ADDRESS (STREET NUMBER AND NAME, CITY, STATE, ZIP CODE)

ADMINISTRATOR NAME

BUSINESS ADDRESS (STREET NUMBER AND NAME, CITY, STATE, ZIP CODE)

MAILING ADDRESS (STREET NUMBER AND NAME, CITY, STATE, ZIP CODE)

SECTION 3. FINANCIAL RESPONSIBILITY

How will this Provider assure the faithful performance of the provider's obligations to its contract holder? Check which one of the following methods this Provider will use to assure such performance:

☐ Insure all service contracts under a reimbursement insurance policy issued by an insurer authorized to transact insurance in this state (if checked, a copy of entire insurance policy must be attached to this Provider Exhibit).

☐ Maintain a net worth of at least fifty million dollars ($50,000,000) (if checked, one of the following must be attached [check applicable attachment(s)]:

- ☐ Provider's most recent Form 10-K filed with the Securities and Exchange Commission (SEC)
- ☐ Provider's audited financial statements, which must be (1) prepared as of the end of a calendar quarter ending no more than one year prior to the filing of this Provider Exhibit; (2) prepared in accordance with accounting principles generally accepted in the United States of America (USA); and (3) audited by an independent certified public accountant (CPA) in accordance with auditing standards generally accepted in the USA, the report of which CPA accompanies such financial statements.
- ☐ The Provider's parent company's written agreement to guarantee the obligations of the Provider relating to service contracts sold by the Provider in this state **and** one of the following (check applicable additional attachment):

☐ Provider's parent company's most recent Form 10-K filed with the Securities and Exchange Commission (SEC).

☐ Provider's parent company's audited financial statements, which must be: (1) prepared as of the end of a calendar quarter ending no more than one year prior to the filing of this Provider Exhibit; (2) prepared in accordance with accounting principles generally accepted in the United States of America (USA); and (3) audited by an independent certified public accountant (CPA) in accordance with auditing standards generally accepted in the USA, the report of which CPA accompanies such financial statements.

SECTION 4. ATTACHMENTS

Attach:

A. If the provider is not an individual, attach a certified copy of the provider's certificate of good standing, fictitious name registration, or similar certification, from the Missouri Secretary of State.

B. Any attachments required by Sections 1, 2 or 3.

C. If the provider is "doing business as" a DBA, submit a certified copy of the Certificate in Fact from the Missouri Secretary of State.

D. A copy of each warranty the warrantor proposes to use in this state.

SECTION 5. NAME AND TITLE OF COMPANY OFFICER

PRINT NAME	PRINT TITLE

The undersigned affirms or swears that (1) the information stated in this registration and any attachments thereto is true and correct to the best of his or her belief, information and knowledge, and (2) the undersigned has read and understood the legal requirements printed with this form.

SIGNATURE OF OFFICER

TELEPHONE NUMBER	EMAIL

NOTARY PUBLIC EMBOSSER OR BLACK INK RUBBER STAMP SEAL	STATE		COUNTY (OR CITY OF ST. LOUIS)
	SUBSCRIBED AND SWORN BEFORE ME, THIS DAY OF YEAR		**USE RUBBER STAMP IN CLEAR AREA BELOW.**
	NOTARY PUBLIC SIGNATURE	MY COMMISSION EXPIRES	
	NOTARY PUBLIC NAME (TYPED OR PRINTED)		

385.400. Sections 385.400 to 385.436 shall be known and may be cited as the "Missouri Vehicle Protection Product Act".

385.403. As used in sections 385.400 to 385.436, the following terms shall mean:

(1) "Administrator", a third party other than the warrantor who is designated by the warrantor to be responsible for the administration of vehicle protection product warranties;

(2) "Department", the department of insurance, financial institutions and professional registration;

(3) "Director", the director of the department of insurance, financial institutions, and professional registration;

(4) "Incidental costs", expenses specified in the warranty incurred by the warranty holder related to the failure of the vehicle protection product to perform as provided in the warranty. Incidental costs may include, without limitation, insurance policy deductibles, rental vehicle charges, the difference between the actual value of the stolen vehicle at the time of theft and the cost of a replacement vehicle, sales taxes, registration fees, transaction fees, and mechanical inspection fees;

(5) "Premium", the consideration paid to an insurer for a reimbursement insurance policy;

(6) "Service contract", a contract or agreement for a separately stated consideration or for a specific duration to perform the repair, replacement, or maintenance of a motor vehicle or indemnification for repair, replacement, or maintenance, for the operational or structural failure due to a defect in materials, workmanship, or normal wear and tear, with or without additional provision for incidental payment of indemnity under limited circumstances, including but not limited to towing, rental, and emergency road service, but does not include mechanical breakdown insurance or maintenance agreements;

(7) "Vehicle protection product", a vehicle protection device, system, or service that:

(a) Is installed on or applied to a vehicle;

(b) Is designed to prevent loss or damage to a vehicle from a specific cause; and

(c) Includes a written vehicle protection product warranty.

For purposes of sections 385.400 to 385.436, the term "vehicle protection product" shall include, without limitation, alarm systems, body part marking products, steering locks, window etch products, pedal and ignition locks, fuel and ignition kill switches, and electronic, radio, and satellite tracking devices;

(8) "Vehicle protection product warranty" or "warranty", a written agreement by a warrantor that provides that if the vehicle protection product fails to prevent loss or damage to a vehicle from a specific cause, then the warranty holder shall be paid specified incidental costs by the warrantor as a result of the failure of the vehicle protection product to perform pursuant to the terms of the warranty. Incidental costs may be reimbursed under the provisions of the warranty in either a fixed amount specified in the warranty or sales agreement or by the use of a formula itemizing specific incidental costs incurred by the warranty holder;

(9) "Vehicle protection product warrantor" or "warrantor", a person who is contractually obligated to the warranty holder under the terms of the vehicle protection product warranty agreement. "Warrantor" does not include an authorized insurer providing a warranty reimbursement insurance policy;

(10) "Warranty holder", the person who purchases a vehicle protection product or who is a permitted transferee;

(11) "Warranty reimbursement insurance policy", a policy of insurance that is issued to the vehicle protection product warrantor to provide reimbursement to the warrantor or to pay on behalf of the warrantor all covered contractual obligations incurred by the warrantor under the terms and conditions of the insured vehicle protection product warranties sold by the warrantor.

385.406. 1. No vehicle protection product may be sold or offered for sale in this state unless the seller, warrantor, and administrator, if any, comply with the provisions of sections 385.400 to 385.436.

2. Vehicle protection product warrantors and related vehicle protection product sellers and warranty administrators complying with sections 385.400 to 385.436 are not required to comply with and are not subject to any other provisions of the state insurance code.

3. Service contract providers who do not sell vehicle protection products are not subject to the requirements of sections 385.400 to 385.436 and sales of vehicle protection products are exempt from the requirements of sections 385.200 to 385.220, RSMo.

4. Warranties, indemnity agreements, and guarantees that are not provided as a part of a vehicle protection product are

not subject to the provisions of sections 385.400 to 385.436.

5. Notwithstanding the provisions of sections 408.140 and 408.233, RSMo, a business which is licensed and regulated under sections 367.100 to 367.215, or sections 367.500 to 367.533 RSMo, may offer and sell service contracts, as defined in section 385.200, 385.300 and 385.403, in conjunction with other transactions so long as such business complies with all other requirements of Chapter 385.

385.409. 1. A person may not operate as a warrantor or represent to the public that the person is a warrantor unless the person is registered with the department on a form prescribed by the director.

2. Warrantor registration records shall be filed annually and shall be updated within thirty days of any change. The registration records shall contain the following information:

(1) The warrantor's name, any fictitious names under which the warrantor does business in the state, principal office address, and telephone number;

(2) The name and address of the warrantor's agent for service of process in the state if other than the warrantor;

(3) The names of the warrantor's executive officer or officers directly responsible for the warrantor's vehicle protection product business;

(4) The name, address, and telephone number of any administrators designated by the warrantor to be responsible for the administration of vehicle protection product warranties in this state;

(5) A copy of the warranty reimbursement insurance policy or policies or other financial information required by section 385.412;

(6) A copy of each warranty the warrantor proposes to use in this state; and

(7) A statement indicating under which provision of section 385.412 the warrantor qualifies to do business in this state as a warrantor.

3. The director may charge each registrant a reasonable fee to offset the cost of processing the registration and maintaining the records in an amount not to exceed five hundred dollars annually or as set by regulation. The information in subdivisions (1) and (2) of subsection 2 of this section shall be made available to the public.

4. If a registrant fails to register by the renewal deadline, the director shall give him or her written notice of the failure and the registrant will have thirty days to complete the renewal of his or her registration before he or she is suspended from being registered in this state.

5. An administrator or person who sells or solicits a sale of a vehicle protection product but who is not a warrantor shall not be required to register as a warrantor or be licensed under the insurance laws of this state to sell vehicle protection products.

385.412. No vehicle protection product shall be sold or offered for sale in this state unless the warrantor conforms to either subdivision (1) or (2) of this section in order to ensure adequate performance under the warranty. No other financial security requirements or financial standards for warrantors shall be required. The vehicle protection product's warrantor may meet the requirements of this section by:

(1) Obtaining a warranty reimbursement insurance policy issued by an insurer authorized to do business within this state which provides that the insurer will pay to, or on behalf of, the warrantor one hundred percent of all sums that the warrantor is legally obligated to pay according to the warrantor's contractual obligations under the warrantor's vehicle protection product warranty. The warrantor shall file a true and correct copy of the warranty reimbursement insurance policy with the director. The policy shall contain the provisions required in section 385.415; or

(2) Maintaining a net worth or stockholder's equity of fifty million dollars. The warrantor shall provide the director with a copy of the warrantor's or warrantor's parent company's most recent Form 10-K or Form 20-F filed with the Securities and Exchange Commission within the last calendar year, or if the warrantor does not file with the Securities and Exchange Commission, a copy of the warrantor or the warrantor's parent company's audited financial statements that shows a net worth of the warrantor or its parent company of at least fifty million dollars. If the warrantor's parent company's Form 10-K, Form 20-F, or audited financial statements are filed to meet the warrantor's financial stability requirement, then the parent company shall agree to guarantee the obligations of the warrantor relating to warranties issued by the warrantor in this state. The financial information filed under this subdivision shall be confidential as a trade secret of the entity filing the information and not subject to public disclosure if the entity is not required to file with the Securities and Exchange

Commission.

385.415. No warranty reimbursement insurance policy shall be, issued, sold, or offered for sale in this state unless the policy meets the following conditions:

(1) The policy states that the issuer of the policy will reimburse or pay on behalf of the vehicle protection product warrantor all covered sums which the warrantor is legally obligated to pay or will provide that all service that the warrantor is legally obligated to perform according to the warrantor's contractual obligations under the provisions of the insured warranties sold by the warrantor;

(2) The policy states that in the event payment due under the terms of the warranty is not provided by the warrantor within sixty days after proof of loss has been filed according to the terms of the warranty by the warranty holder, the warranty holder may file directly with the warranty reimbursement insurance company for reimbursement;

(3) The policy provides that a warranty reimbursement insurance company that insures a warranty shall be deemed to have received payment of the premium if the warranty holder paid for the vehicle protection product and insurer's liability under the policy shall not be reduced or relieved by a failure of the warrantor, for any reason, to report the issuance of a warranty to the insurer; and

(4) The policy has the following provisions regarding cancellation of the policy:

(a) The issuer of a reimbursement insurance policy shall not cancel such policy until a notice of cancellation in writing has been mailed or delivered to the director and each insured warrantor sixty days prior to cancellation of the policy;

(b) The cancellation of a reimbursement insurance policy shall not reduce the issuer's responsibility for vehicle protection products sold prior to the date of cancellation; and

(c) In the event an insurer cancels a policy that a warrantor has filed with the director, the warrantor shall do either of the following:

a. File a copy of a new policy with the director, before the termination of the prior policy; or

b. Discontinue offering warranties as of the termination date of the policy until a new policy becomes effective and is accepted by the director.

385.418. 1. Every vehicle protection product warranty shall be written in clear, understandable language and shall be printed or typed in an easy-to-read point size and font and shall not be issued, sold, or offered for sale in the state unless the warranty:

(1) States that the obligations of the warrantor to the warranty holder are guaranteed under a warranty reimbursement insurance policy if the warrantor elects to meet its financial responsibility obligations under subdivision (1) of section 385.412, or states the obligations of the warrantor under this warranty are backed by the full faith and credit of the warrantor if the warrantor elects to meet its financial responsibility under subdivision (2) of section 385.412;

(2) States that in the event a warranty holder must make a claim against a party other than the warrantor, the warranty holder is entitled to make a direct claim against the warranty reimbursement insurer upon the failure of the warrantor to pay any claim or meet any obligation under the terms of the warranty within sixty days after proof of loss has been filed with the warrantor, if the warrantor elects to meet its financial responsibility obligations under subdivision (1) of section 385.412;

(3) States the name and address of the insurer of the warranty reimbursement insurance policy, and this information need not be preprinted on the warranty form but may be stamped on the warranty, if the warrantor elects to meet its financial responsibility obligations under subdivision (1) of section 385.412;

(4) Identifies the warrantor, the seller, and the warranty holder;

(5) Sets forth the total purchase price of the vehicle protection product and the terms under which it is to be paid; however, the purchase price is not required to be preprinted on the vehicle protection product warranty and may be negotiated with the consumer at the time of sale;

(6) Sets forth the procedure for making a claim, including a telephone number;

(7) States the existence of a deductible amount, if any;

(8) Specifies the payments or performance to be provided under the warranty including payments for incidental costs, the manner of calculation or determination of payments or performance, and any limitations, exceptions, or exclusions;

(9) Sets forth all of the obligations and duties of the warranty holder such as the duty to protect against further damage to the vehicle, the obligation to notify the warrantor in advance of any repair, or other similar requirements, if any;

(10) Sets forth any terms, restrictions, or conditions governing transferability of the warranty, if any; and

(11) Contains a disclosure that reads substantially as follows: "This agreement is a product warranty and is not insurance".

2. At the time of sale, the seller or warrantor shall provide to the purchaser:

(1) A copy of the vehicle protection product warranty; or

(2) A receipt or other written evidence of the purchase of the vehicle protection product and a copy of the warranty within thirty days of the date of purchase.

385.421. 1. No vehicle protection product may be sold or offered for sale in this state unless the vehicle protection product warranty states the terms and conditions governing the cancellation of the sale and warranty, if any.

2. The warrantor may only cancel the warranty if the warranty holder does any of the following:

(1) Fails to pay for the vehicle protection product;

(2) Makes a material misrepresentation to the seller or warrantor;

(3) Commits fraud; or

(4) Substantially breaches the warranty holder's duties under the warranty.

3. A warrantor canceling a warranty shall mail written notice of cancellation to the warranty holder at the last known address of the warranty holder in the warrantor's records at least thirty days prior to the effective date of the cancellation. The notice shall state the effective date of the cancellation and the reason for the cancellation.

385.424. 1. Unless licensed as an insurance company, a vehicle protection product warrantor shall not use in its name, contracts, or literature the words "insurance", "casualty", "surety", "mutual", or any other word that is descriptive of the insurance, casualty, or surety business or that is deceptively similar to the name or description of any insurance or surety corporation or any other vehicle protection product warrantor. A warrantor may use the term "guaranty" or a similar word in the warrantor's name. A warrantor or its representative shall not in its vehicle protection product warranties or literature make, permit, or cause to be made any false or misleading statement, or deliberately omit any material statement that would be considered misleading if omitted, in connection with the sale, offer to sell, or advertisement of a vehicle protection product warranty.

2. A vehicle protection product seller or warrantor may not require as a condition of financing that a retail purchaser of a motor vehicle purchase a vehicle protection product.

385.427. 1. All vehicle protection product warrantors shall keep accurate accounts, books, and records concerning transactions regulated under sections 385.400 to 385.436.

2. A vehicle protection product warrantor's accounts, books, and records shall include:

(1) Copies of all vehicle protection product warranties;

(2) The name and address of each warranty holder; and

(3) Claims files which shall contain at least the dates, amounts, and descriptions of all receipts, claims, and expenditures.

3. A vehicle protection product warrantor shall retain all required accounts, books, and records pertaining to each warranty holder for at least three years after the specified period of coverage has expired. A warrantor discontinuing business in the state shall maintain its records until it furnishes the director satisfactory proof that it has discharged all obligations to warranty holders in this state.

4. Vehicle protection product warrantors shall make all accounts, books, and records concerning transactions regulated under sections 385.400 to 385.436 available to the director for examination.

385.430. 1. The director may conduct examinations of warrantors, administrators, or other persons to enforce sections 385.400 to 385.436 and protect warranty holders in this state. Upon request of the director, a warrantor shall make available to the director all accounts, books, and records concerning vehicle protection products provided by the warrantor that are necessary to enable the director to reasonably determine compliance or

noncompliance with sections 385.400 to 385.436.

2. If the director determines that a person has engaged, is engaging in, or has taken a substantial step toward engaging in an act, practice, or course of business constituting a violation of sections 385.400 to 385.436 or a rule adopted or order issued pursuant thereto, or a person has materially aided or is materially aiding an act, practice, omission, or course of business constituting a violation of sections 385.400 to 385.436 or a rule adopted or order issued pursuant thereto, the director may issue such administrative orders as authorized under section 374.046, RSMo. A violation of these sections is a level two violation under section 374.049, RSMo.

3. If the director believes that a person has engaged, is engaging in, or has taken a substantial step toward engaging in an act, practice, or course of business constituting a violation of sections 385.400 to 385.436 or a rule adopted or order issued pursuant thereto, or that a person has materially aided or is materially aiding an act, practice, omission, or course of business constituting a violation of sections 385.400 to 385.436 or a rule adopted or order issued pursuant thereto, the director may maintain a civil action for relief authorized under section 374.048, RSMo. A violation of these sections is a level two violation under section 374.049, RSMo.

385.433. The director may promulgate rules and regulations to implement the provisions of sections 385.400 to 385.436. Such rules and regulations shall include disclosures for the benefit of the warranty holder, record keeping, and procedures for public complaints. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo, to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after January 1, 2009, shall be invalid and void.

385.436. Sections 385.400 to 385.436 applies to all vehicle protection products sold or offered for sale on or after January 1, 2009. The failure of any person to comply with sections 385.400 to 385.436 prior to January 1, 2009, shall not be admissible in any court proceeding, administrative proceeding, arbitration, or alternative dispute resolution proceeding and may not otherwise be used to prove that the action of any person or the affected vehicle protection product was unlawful or otherwise improper. The adoption of sections 385.400 to 385.436 does not imply that a vehicle protection product warranty was insurance prior to January 1, 2009. The penalty provision of sections 385.400 to 385.436 do not apply to any violation of sections 385.400 to 385.436 relating to or in connection with the sale or failure to disclose in a retail installment contract or lease, or contract or agreement that provides for payments under a vehicle protection product warranty so long as the sale of such product, contract, or agreement was otherwise disclosed to the purchaser in writing at the time of the purchase or lease.

Section B. The provisions of sections 385.400 to 385.436 are severable. If any part of sections 385.400 to 385.436 is declared invalid or unconstitutional, it is the intent of the legislature that the remaining portions of sections 385.400 to 385.436 shall remain and be in full force and effect.

Section C. The enactment of sections 385.400 to 385.436 of this act shall become effective on January 1, 2009.