

INDEMNITY AND HOLD HARMLESS AGREEMENT

This Agreement (“Agreement”) is entered into by and between

TRANSAMERICAN AUTO PARTS COMPANY, INC. dba DEALER SERVICES INTERNATIONAL (hereinafter “DSI”) and _____[NAME OF DEALERSHIP]_____, and (hereinafter “DEALER”).

WHEREAS, DSI is in the business of supplying and installing after-market parts and accessories for motor vehicles.

WHEREAS, DEALER is in the business of selling and/or leasing motor vehicles and providing related parts and repair services.

WHEREAS, DEALER desires to have DSI provide parts and installation services to DEALER for certain vehicles sold, leased and/or serviced by DEALER, and DSI desires to so provide parts and installation services to DEALER for certain vehicles sold, leased and/or serviced by DEALER. As an inducement to DEALER to use parts and services provided by DSI, DSI and DEALER hereby agree as follows:

1. DSI agrees to release, defend, indemnify and hold harmless DEALER, its officers, directors, employees, attorneys and/or agents from and against any and all claims, demands, lawsuits, judgments, damages, reasonable attorney’s fees, court costs, losses and/or expenses arising out of, or in any way connected with, any product sold by DSI or any of its related business entities;
2. DSI further agrees to defend, indemnify and hold harmless DEALER, its officers, directors, employees, attorneys and/or agents from and against

any and all claims, demands, lawsuits, judgments, damages, reasonable attorney's fees, court costs, losses and/or expenses arising out of, or in any way connected with, any acts or omissions on the part of DSI and/or any of its related business entities, agents, employees or material men, relating to the installation of any such after-market parts and accessories, whether such claims, liens, demands, damages, losses or expenses are based upon real or alleged claims sounding in product liability, personal injury, wrongful death, property damage or any other legal or equitable theory;

3. DSI further agrees, upon written request by DEALER, to defend any action or demand brought against DEALER on any claim arising out of or relating to DSI'S sale and/or installation of any after-market part or accessory;
4. Notwithstanding the above, DSI shall not be required to defend, indemnify and/or hold harmless DEALER for any loss or liability arising from the negligence, willful, intentional and/or fraudulent misconduct of DEALER, or any of its officers, directors, agents, representatives and/or employees. DSI shall also not be required to defend, indemnify and/or hold harmless DEALER for any loss or liability covered by the vehicle manufacturer's warranty or any other warranty independently issued by DEALER. DSI shall also not be required to defend, indemnify and/or hold harmless DEALER for any loss or liability caused by DEALER'S own installation, service and/or repair of a product supplied by DSI. Notwithstanding the above, DSI and DEALER hereby agree that DEALER retains the right to

replace tires, rotate tires, perform routine wheel alignment and repair and/or replace camber kits;

5. DSI hereby agrees to procure general liability/product liability coverage with minimal limits of liability in the amount of TEN MILLION DOLLARS (\$10,000,000) and to name, as an additional insured, DEALER and its successors-in-interest, if any. DSI shall further provide DEALER with a certificate of insurance which identifies DEALER as an additional insured, and DSI shall provide and maintain "occurrence" based coverage such that coverage will continue to exist on each and every product installed by DSI regardless of when a claim may actually be made. DSI acknowledges that with respect to a claim against DEALER for which indemnification is sought from DSI pursuant to the terms of this Agreement, said policy of insurance shall be considered the primary policy in any loss arising out of and/or relating to each and every product manufactured, supplied or installed by DSI or any of its related business entities. To the extent DSI fails or refuses to maintain the above-referenced general liability/product liability insurance, at DEALER'S option, DSI will buy-back from DEALER all existing DSI inventory then held by DEALER in stock and will remove any and all DSI products then installed on a vehicle in DEALER'S inventory and restore said vehicle to its former condition;
6. As a condition to DSI providing certain parts and services to DEALER, DEALER hereby agrees to use best efforts to obtain from its customers

who purchase or lease a vehicle containing parts and/or accessories sold by DSI, an executed Release of Liability for Installation of After-Market Parts form, a sample copy of which is attached hereto as Exhibit "A." DEALER also hereby agrees to use best efforts in obtaining from these customers an executed Product Use Information sheet, a sample copy of which is attached hereto as Exhibit "B"; and

7. It is understood that each and every duty to defend, indemnify and/or hold harmless which may be owed by and between DSI and DEALER, and all benefits and coverage from insurance set forth above, shall continue in full force and effect so long as any vehicle subject to this Agreement may continue to be driven and/or utilized.

The undersigned represents and acknowledges that he/she is authorized and empowered to enter into this Agreement and that he/she has the power and ability to bind the party for which they are signing.

Dated: _____, 2005

DEALER SERVICES INTERNATIONAL

By _____

Its _____

Dated: _____, 2005

[NAME OF DEALERSHIP]

By _____

Its _____