

STATE OF TEXAS

COUNTY OF NUECES

**NUECES COUNTY TAX ASSESSOR-COLLECTOR
MOTOR VEHICLE webDEALER AGREEMENT**

This agreement is made by and between Nueces County, ("County"), the Tax Assessor-Collector of Nueces County ("Tax Assessor-Collector") and Corpus Christi Cycle Sports, Inc., dba Corpus Christi Harley-Davidson, herein after referred to as the Distributor.

RECITALS

Whereas, the Texas Department of Motor Vehicles recently implemented "webDEALER," an online system that allows dealers to process title applications and new registrations from any internet-connected computer;

Whereas, Texas Transportation Code section 520.0071 and Texas Administrative Code Title 43 Section 217.166 allow a county assessor-collector to 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;

Whereas, public convenience will be furthered by authorizing the Distributor to act as an agent of the Tax Assessor-Collector in the issuance of registration receipts/stickers and license plates, hereinafter referred to as "Supplies," at its place(s) of business listed on the attached Exhibit "A,"

Whereas, Distributor is defined as an entity through which one or more licensed motor vehicle dealerships operate. The Distributor's name and address is listed on the signature page of this agreement.

AGREEMENT

NOW THEREFORE, for the value received and in consideration of the covenants, conditions, and premises herein contained, the parties agree as follows:

The Tax Assessor-Collector shall:

1. Supply the Distributor with inventory of registration receipts/stickers and license plates as needed for issuance, as well as instructions for their issuance; provided, however, that in no case shall the Tax Assessor-Collector issue to the Distributor any number of Supplies when such issuance will cause the Distributor's outstanding inventory of Supplies to exceed the amount authorized in paragraph 9 hereof.

2. Not furnish any supplies for the account of the Distributor other than directly to Distributor's receiving agent.
3. Audit the Distributor's books and records as it pertains to this Agreement at any time during normal work hours of the Tax Assessor-Collector.
4. Deputize Distributor pursuant to section 520.0071(b) of the Texas Transportation Code.

The Distributor shall:

1. Utilize webDEALER to process title applications and new registrations. Distributor shall be responsible for acquiring all necessary equipment, software, and internet access necessary and required for webDEALER. Distributor shall follow all procedures specific to webDEALER as set out by the Texas Department of Motor Vehicles and Tax Assessor-Collector.
2. Under no circumstance keep Supplies (as defined supra) at any location other than the location said Supplies were assigned to by Tax Assessor-Collector.
3. Have its president or other person in charge of local operations take an oath of deputation to be given by the Tax Assessor-Collector to serve as authorized agent for the issuance of supplies.
4. Oversee officers, or employees who participate in any manner in the handling or issuance of Supplies.
5. Designate in writing one or more of its officers or employees to serve as a receiving agent for the Distributor.
6. Upon receiving Supplies from the Nueces County Tax Assessor-Collector, verify that it matches the invoice, with any discrepancies being reported to the Nueces County Tax Assessor-Collector immediately.
7. Keep the Supplies in an approved fireproof safe or a secured area and assume full liability for the safekeeping of all Supplies furnished by the Tax Assessor-Collector to the Distributor's receiving agent.
8. In order to guarantee the faithful performance of the duties of the Distributor hereunder and to insure that all funds coming into the possession or control of the Distributor by virtue of this agreement are paid over to the Tax Assessor-Collector, the Distributor agrees to post a surety bond issued by a surety company or financial institution acceptable to the Tax Assessor-Collector in the amount of \$100,000.00, per dealership, naming the Nueces County Tax-Assessor-Collector as an obligee on said bond.
9. Extend the bond for a minimum period of one year; renew the bond before the expiration date thereof. Upon posting of said bond the Distributor shall be entitled to the issuance of

sticker receipts and passenger/truck plates pursuant to paragraph (1) hereof in any combination which total supply value shall not exceed the value of the bond posted as per paragraph (8).

10. Submit a license receipt report of sales along with company check, or money order, or ACH for the correct amount of the sales to the Tax Assessor-Collector not less often than weekly on forms to be provided by the Tax Assessor-Collector and according to the written instructions of the Tax Assessor-Collector. These reports will include the number of registration receipts/stickers of stickers sold, voided, the number of missing stickers and the sticker series numbers issued along with the full payment of fees collected, as well as such other information as the Tax Assessor-Collector shall, from time to time, reasonably require.
11. Assure that any report which is not in order and which does not balance or conform to the usual requirements will be returned to Distributor in its entirety for correction or clarification before it can be remitted.
12. Be responsible and pay for any shortages on reports.
13. Use and report all supplies in numerical sequence and return all unused or damaged supplies to the Tax Assessor-Collector without delay. Any missing supplies that are not reported must be paid for at the value arrived at by the Nueces County Tax Assessor-Collector for that period.
14. Have up to seven (7) days to research and rectify any discrepancies, missing and unaccounted for supplies. The Distributor agrees to pay for any missing or unaccounted supplies and any shortages.
15. Assume all risk if personal checks are taken in payment of fees. A money order or company check must be submitted to the Nueces County Tax Assessor-Collector for the full amount due for the reporting period. Individual's checks will not be accepted as payment. Failure by the Distributor to pay the Tax Assessor-Collector within seven (7) days the sums owed for supplies shall be grounds for the suspension of this Agreement and the Tax Assessor-Collector shall not issue supplies until all sums owed are paid.
16. During the term of this Agreement, report any changes in the controller ownership to the Nueces County Tax office at once. Any such changes will automatically terminate this agreement and a new agreement will be executed with the new owner of the controlling interest. An audit of any supplies on hand and a closing report made from the previous owner is required. This paragraph shall survive termination of this Agreement.
17. Provide the authorized representatives of the Nueces County Tax Assessor-Collector, the Texas Department of Transportation, the Texas Department of Motor Vehicles, and/or the Nueces County Auditor's office, and the County's outside audit firm, when necessary, access to the area where supplies are sold and stored, and provide the necessary assistance requested in auditing or checking supplies.

18. Be subject to audit by the Nueces County Tax Assessor-Collector, Nueces County Auditor, the Texas Department of Transportation, the Texas Department of Motor Vehicles, the Comptroller of the State of Texas, or any Certified Public Accountant designated by any one or more of the same, at any time during normal business hours of the Distributor without prior notification or at any other time or place in Nueces County, Texas, upon 24 hours notification. If the audit is to be conducted at any place other than the place of business of the Distributor designated in this Agreement, the Distributor's receiving agent shall be present and shall make available at the place of the audit all supplies or forms required.
19. In the event that any audit or report of the Distributor discloses that any of its supplies or funds are missing or otherwise unaccounted for, the Tax Assessor-Collector shall be entitled to collect on the bond for payment and apply the proceeds there from against the actual damages incurred by the Tax Assessor-Collector or any of its agents, employees, or public officials. In the event that this Agreement is terminated by the Tax Assessor-Collector for breach by the Distributor and the Distributor fails to return all stickers, supplies or funds within the time allowed herein, the Tax Assessor-Collector shall be entitled to retain the entire proceeds of the bond as liquidated damages, or in the alternative, shall be entitled to recovery of actual damages.
20. Not assign this Agreement to any other party or entity.
21. In the event additional outlets are opened, increase the bond accordingly and a signed, dated Addendum to Exhibit "A" shall be required.
22. Fees charged for the issuance of all Supplies shall all be in accordance with Chapter 502 and 520 of the Texas Transportation Code and other applicable laws and regulations as set out by the State of Texas. Distributor shall keep a separate account for the fees collected and a record of daily receipts. Distributor is not authorized to charge any additional fee as compensation for itself.
23. Hold a valid general distinguishing number (GDN) under Transportation Code, Chapter 503, Subchapter B, and act as a dealer deputy only for a type of motor vehicle for which the dealer holds a GDN.
24. In the event the GDN is cancelled or suspended, a dealer may not continue to act as a dealer deputy.
25. Maintain records in compliance with the State of Texas Records Retention Schedule as promulgated by the Texas State Library and Archives Commission.

The Parties Mutually Agree That:

1. The term of this Agreement shall commence upon receipt by the Tax Assessor-Collector of the bond herein referred to and shall continue in full force and effect thereafter until terminated by either party in accordance with the terms hereof.
2. This agreement shall be construed under and in accordance with the laws of the State of Texas and all obligations of the parties created hereunder are performable in Nueces County, Texas.
3. This agreement constitutes the entire agreement of the parties and any prior agreements, written or oral, are hereby superseded. This Agreement shall not be amended or modified, except in writing signed by Nueces County, the Nueces County Tax Assessor-Collector and Distributor. No official, agent, or employee of the Tax Assessor-Collector has the authority, expressed or implied, to orally amend or modify this Agreement.
4. Either party may terminate this agreement at any time for any reason upon delivery of written notice to the other party. Within seven (7) days after the date of termination, the Distributor shall return to the Tax Assessor-Collector all outstanding supplies, together with the equipment and payment of supplies issued and a final report.
5. Notice given pursuant to this Agreement shall be in writing and shall be given by United States certified or registered mail, postage prepaid, addressed to the appropriate party as set forth below:

County: Kevin Kieschnick
Nueces County Tax Assessor-Collector
901 Leopard Street, Suite 301
Corpus Christi, Texas 78401

Distributor: Corpus Christi Cycle Sports, Inc.
Dba Corpus Christi Harley-Davidson
502 S. Padre Island Dr.
Corpus Christi TX 78405

The person and address to which notices are to be given may be changed at any time upon written notice to the other party.

6. The Tax Assessor-Collector has the right to reclaim Supplies at any time.
7. Breach of any obligation to be performed by the Distributor shall constitute a breach of the entire agreement and shall give the Tax Assessor-Collector the right to immediately terminate this agreement.
8. No breach by the Distributor shall be considered an insubstantial breach.

9. Upon termination of this Agreement by the Tax Assessor-Collector for breach by Distributor, the Tax Assessor-Collector shall notify the Distributor of the termination in writing delivered in person to a receiving agent of the Distributor or mailed to the Distributor at the address of the Distributor set forth in this Agreement by certified mail, return receipt requested. Within 24 hours after the receipt by the Distributor of said notice, the Distributor shall return all supplies and fees owed to the Tax Assessor-Collector.
10. If notice is mailed, it shall be deemed received by the Distributor on the 3rd day after its mailing.
11. On or before the effective date of the termination for any reason, the Distributor shall return to the Tax Assessor-Collector all outstanding inventory of supplies and pay for any outstanding supplies issued in the final report as provided for herein.
12. Neither party shall be responsible for delays caused by "Acts of God", non-county governmental processes, national emergency, restraints of government, or any other causes beyond their reasonable control. Upon the discovery of such an event, the affected party shall notify the other and arrange a meeting to propose a solution to the problem and if necessary, to establish an estimated period of time of suspension or extension of the work.
- 13. THE DISTRIBUTOR AGREES TO INDEMNIFY AND HOLD HARMLESS AND DEFEND NUECES COUNTY, THE TAX ASSESSOR-COLLECTOR AND ANY OF THEIR OFFICERS, AGENTS, SERVANTS AND EMPLOYEES FROM ANY AND ALL CLAIMS RESULTING FROM INJURIES, INCLUDING DEATH, BODILY INJURY, PROPERTY DAMAGE OR ANY OTHER LOSSES ARISING OUT OF OR IN CONNECTION WITH OR IN ANYWAY ASSOCIATED WITH THE PERFORMANCE OF THE TERMS AND CONDITIONS OF THIS AGREEMENT, AND THE REASONABLE COSTS, INCLUDING ATTORNEY FEES, INCURRED IN THE DEFENSE OF ANY SUCH CLAIM.**
14. This Agreement shall be construed under and in accordance with the laws of the State of Texas. Venue shall be in Nueces County, Texas.

[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE TO MOTOR VEHICLE WEBDEALER AGREEMENT

IN WITNESS WHEREOF, the parties have executed this Agreement.

Distributor: Corpus Christi Cycle Sports, Inc.
dba Corpus Christi Harley-Davidson

Signature: *S. Preston Douglas, Jr.*
(Owner name), Dealer Principal

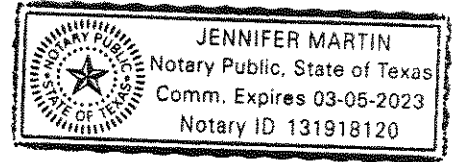
Date: June 23, 2020

Printed owner name: S. PRESTON DOUGLASS, JR.
Title: PRESIDENT

Subscribed and sworn to before me this 23 day of June, 2020.

Jennifer Martin
Notary Public, State of Texas

(seal)



Nueces County:

Signature: _____ Date: _____
Barbara Canales, Nueces County Judge

Attested:

Signature: _____ Date: _____
County Clerk, Kara Sands

Tax Assessor-Collector:

Signature: *Kevin Kieschnick* Date: 8/13/2020
Kevin Kieschnick
Nueces County Tax Assessor-Collector

Subscribed and sworn to before me this 13th day of August, 2020.

Suzan Cox
Notary Public, State of Texas

(seal)

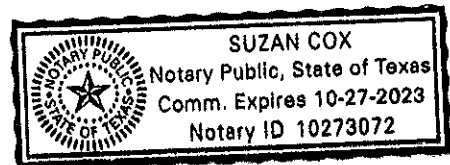


Exhibit "A"

Corpus Christi Cycle Sports, Inc.
Dba Corpus Christi Harley-Davidson
502 S. Padre Island Dr.
Corpus Christi, Texas 78405

Contact:

Kaylee Reed
kaylee@corpuschristiharley.com
502 S. Padre Island Dr.
Corpus Christi TX 78405
Phone: 361-854-3146
Fax: 361-854-3450

Ron Berglund
Controller
502 S. Padre Island Dr.
Corpus Christi, Tx 78405
Phone: 361-854-3146
Fax: 361-854-3450