

**SERVICE NEW BRUNSWICK**  
**SERVICE DELIVERY AGREEMENT**

**THIS AGREEMENT** made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ between

**Service New Brunswick,**  
a Crown corporation,  
82 Westmorland Street, Fredericton, NB, E3B 5G4  
(referred to as "SNB")

**AND:**

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(referred to as "Dealer")

**WHEREAS** the Registrar of Motor Vehicles has the authority to register vehicles, and issue licence plates pursuant to section 3 of the Motor Vehicle Act, R.S.N.B. 1973, c. M-17 as amended.

**AND WHEREAS** SNB is the duly authorized delegate of the Registrar of Motor Vehicles (RMV) pursuant to section 3 of the Motor Vehicle Act, R.S.N.B. 1973, c. M-17 as amended, and by written authority dated the 1st of April, 2003 is hereby authorised to act on behalf of the Registrar of Motor Vehicles and to contract on behalf of the Registrar of Motor Vehicles in all respects as if the Registrar of Motor Vehicles had been a party to this agreement;

**AND WHEREAS** the DEALER wishes to complete motor vehicle registrations by electronic means at the DEALER's dealership;

**AND WHEREAS** SNB is engaged in the business of providing services of the nature provided for in this Agreement; (as have been delegated by and on behalf of RMV)

**AND WHEREAS** the DEALER has represented itself to SNB as a "licensed dealer" under the **Motor Vehicle Act**, R.S.N.B. 1973, c. M-17, which representation is and shall remain a continuing representation by the DEALER to SNB throughout the duration of this Agreement;

**AND WHEREAS** the DEALER has entered into a Client Authentication System contract with SNB

**NOW, THEREFORE**, in consideration of these premises and the mutual covenants and agreements herein contained, the parties do agree as follows:

## **1. SERVICES:**

**1.1** SNB shall in accordance with the standards and procedures detailed in Appendix "A" attached hereto: allow the DEALER to access SNB's Motor Vehicle on-line Application and complete motor vehicle registrations, including the issuance of the associated licence plates, but excluding the issuance of the plate stickers and the registration certificate.

**1.2** For each transaction, the DEALER shall, in accordance with the standards and procedures detailed in Appendix "A" to this Agreement, provide SNB all information required under the Motor Vehicle Act, R.S.N.B. 1973, c. M-17, and such other information as may be deemed necessary by SNB in order for the DEALER to process by electronic means, motor vehicle registrations.

## **2. EFFECTIVE DATES:**

**2.1.** This Agreement shall take effect on the date this agreement is signed.

**2.2.** This Agreement shall remain in effect unless terminated in accordance with sections 9, 10 or 11.

## **3. PAYMENT OF FEES**

**3.1** The DEALER shall pay the registration fees and taxes for all vehicles registered.

**3.2** All monies, fees and taxes owed by the DEALER under this agreement will be paid using Electronic Fund Transfer (EFT) and will be withdrawn from the DEALER's bank account within 1 business day of completion of the transaction.

## **4. THE DEALER'S PREMISES AND SUPERVISION**

**4.1** Where the service is to be performed on any premises owned or leased by the DEALER, the DEALER shall provide SNB with such access to the said premises as is reasonably required for SNB to carry out audits.

**4.2** The DEALER shall, during normal business hours, allow SNB and its employees such access to any of the DEALER's premises as may be necessary for the performance by SNB, of audits in accordance with Appendix A of this Agreement. SNB agrees to observe all the DEALER's security measures in effect at any of the DEALER's premises to which access is granted under this Agreement.

## **5. CONFIDENTIALITY**

- 5.1** Except as may be necessary in the performance of this Agreement or under compulsion of law, SNB shall not at any time divulge any matters relating to the business of the DEALER or any customers or agents of the DEALER which may become known to it by reason of its services under this Agreement. Furthermore, SNB shall not use at any time (whether during the continuance of this Agreement or after its termination) for its own benefit or purposes or for the benefit or purposes of any other person, firm, corporation, association or other business entity, any trade secrets, business development programs, or plans belonging to or relating to the affairs of the DEALER, including knowledge relating to customers, clients, or employees of the DEALER.
- 5.2** Except as may be necessary in the performance of this Agreement, the DEALER shall not at any time or in any manner make or cause to be made any copies, pictures, duplicates, facsimiles or other reproduction or recordings of any type, or any abstracts or summaries of any reports, studies, licenses plates, memoranda, correspondence manuals, records, plans or other written, printed or otherwise recorded material of SNB for the Province of New Brunswick, or which relate in any manner to the present or prospective business of SNB. The DEALER shall have no interest in any of possession to SNB immediately upon the termination of this Agreement or at any time prior to the termination upon the request of SNB. Except as the DEALER may be compelled by law, the DEALER shall not divulge any of the information gathered through the transactions with SNB for the province of New Brunswick for the DEALER's benefit, nor shall the DEALER use any such information except for the purposes of the Agreement.

## **6. OWNERSHIP OF MATERIALS**

- 6.1** All original materials, data, specifications and programs, either in written or in magnetic or electronic form, which are provided by the DEALER to SNB in the performance of the work or which are prepared or produced by SNB specifically for and paid for by the DEALER under this Agreement shall remain the sole property of the DEALER.
- 6.2** Except as provided for in paragraph 6.1 of this Agreement, all other materials, data, specifications, and programs utilized or developed by SNB under this Agreement shall remain the sole property of SNB.
- 6.3** All licence plate inventories issued to the DEALER under this Agreement shall remain the sole property of the Province of New Brunswick.

## **7. RISK OF LOSS**

- 7.1** All work, including, but not limited to, the materials, data, specifications and programs which have been delivered to the DEALER by SNB under this Agreement shall become the responsibility of the DEALER to protect from loss, damage or destruction. The replacement of any such work lost, damaged or destroyed after delivery to the DEALER shall be at the sole expense of the DEALER.

## 8. LIABILITY

- 8.1 The DEALER shall be liable to and shall indemnify SNB for any loss suffered by SNB as a result of the commission of any dishonest or fraudulent act by any of the DEALER's employees or agents arising from this Agreement.

## 9. TERMINATION

- 9.1 This Agreement may be terminated by either party upon giving 30 days written notice to the other party.
- 9.2 In a termination under paragraph 9.1 of this Agreement, the DEALER shall pay to SNB such amounts as are properly attributable to the work performed or costs or financial commitments incurred by the DEALER prior to the date of termination.

## 10. TERMINATION FOR CAUSE

- 10.1 If either party to this Agreement is in breach of any of its obligations under this Agreement, the other party may give notice in writing of the breach to the defaulting party and request the latter to remedy it. If the party in breach fails to remedy the breach within two (2) days after the date of delivery of such written notice, then this Agreement may be terminated immediately by further written notice of termination given by the complaining party.
- 10.2 Notwithstanding the provisions of paragraph 10.1 hereof, SNB may terminate this Agreement by written notice to take effect immediately upon receipt of it by the DEALER if:
- a) the DEALER is in breach of Section 5 of this Agreement relating to the confidentiality of information; or
  - b) the DEALER becomes insolvent or bankrupt, or makes an assignment for the benefit of creditors, or a proposal for the benefit of its creditors or a receiver of the DEALER is appointed, or a voluntary or involuntary petition in bankruptcy is filed or proceedings for the re-organization or winding-up of the DEALER are instituted; or
  - c) the DEALER's license as a "dealer" under the **Motor Vehicle Act**, R.S.N.B. 1973, c. M-17 is suspended or revoked; or
  - d) the DEALER comes under the direct or indirect control of any corporation or person who does not control it at the date of execution of this Agreement.
  - e) the DEALER refuses SNB access for auditing purposes to their premises.
  - f) the DEALER knowingly registers a non-reparable or salvage vehicle.
  - g) the DEALER neglects to keep inventory locked at all times, free from public access.

- h) the DEALER fails to maintain the required Bond.
- i) court action is taken against the DEALER for unlawful conduct.
- j) the DEALER has complaints against him under the vehicle inspection program.
- k) the DEALER attempts to assign or transfer any interest in this Agreement
- l) the DEALER knowingly registered a vehicle with an "out of province" registration
- m) the DEALER registered a vehicle transferred to a purchaser without a valid inspection certificate if the vehicle required to be inspected

**10.3** Notwithstanding the provisions of paragraph 10.1 hereof, the DEALER may terminate this Agreement by written notice to take effect immediately upon receipt of it by SNB if SNB is in breach of Article 5 of this Agreement relating to the confidentiality of information.

## **11. EFFECT OF TERMINATION**

**11.1** Upon the termination of this Agreement, SNB shall, within thirty (30) days after the date of termination, forward an invoice with a written explanation of the charges to the DEALER for payment as per the terms of Article 10 of this Agreement.

## **12. NOTICES**

**12.1** Wherever in this Agreement it shall be required or permitted that notice be given or served by either party to or on the other, the notice shall be in writing and shall be sent by mail to the party to whom it is given, addressed as specified by the parties or sent by email, and each such notice shall be deemed given on the date of delivery namely three (3) days after mailing in the case of mail and two (2) hours after the time of transmission in the case of email. No notice may be given by mail during a real or apprehended mail strike in Canada. The specified addresses may be changed from time to time by either party by notice as above provided.

**12.2** Both parties agree that all written correspondence and notices required by the Agreement shall be addressed as follows:

To SNB: SERVICE NEW BRUNSWICK  
Auto Dealer Support  
140 Alison Blvd  
P.O. Box 1998  
Fredericton, NB  
E3B 5G4

To the DEALER: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

### 13. INTERPRETATION

- 13.1 Entire agreement and waiver.** This Agreement constitutes the entire Agreement between SNB and the DEALER with respect to the subject matter hereof and this Agreement supersedes all prior agreements, undertakings, negotiations and discussions, whether oral or written, of the parties and there are no warranties, representations or other agreements between the parties hereto in connection with the subject-matter of this Agreement except as may specifically be set forth or referred to in this Agreement.
- 13.2** No amendment, addition or supplement to this Agreement shall be binding unless made in writing.
- 13.3** SNB may amend the Agreement by sending a notice in writing 30 days in advance of the change to the DEALER.
- 13.4** No waiver of any provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions (whether or not similar) of this Agreement nor shall a waiver constitute a continuing waiver unless otherwise expressly provided in writing.
- 13.5** Headings are not to be considered part of this Agreement and they are included solely for the convenience of the parties and are not intended to be full or accurate descriptions of the content of any part of this Agreement.
- 13.6** In this Agreement, words importing the singular include the plural and vice versa, words importing the masculine gender include the feminine and neuter genders; and words importing persons include individuals, sole proprietors, corporations, partnerships, trusts and unincorporated associations.

**13.7** This Agreement shall be governed by and construed in accordance with the laws of New Brunswick in force therein and the parties hereto irrevocably attorn to the jurisdiction of the Courts of New Brunswick as the sole and proper forum for the determination of any disputes hereunder.

**AGREEMENT AUTHORITY**

**14.1** Service New Brunswick designates the SNB Manager of Service Quality to administer and carry out this Agreement on its behalf.

**14.2** The DEALER designates the individual noted in section 12.2 to administer and carry out this Agreement on its behalf.

**IN WITNESS** whereof SNB and the DEALER have caused this Agreement to be executed by their respective duly authorized officers.

**Service New Brunswick**

\_\_\_\_\_  
Name of Dealership

\_\_\_\_\_  
Per:

\_\_\_\_\_  
Name of Individual

\_\_\_\_\_  
Signature

Date\_\_\_\_\_

Date\_\_\_\_\_

## **Appendix A – Auto Dealers Administrative Responsibilities**

### **Automobile Dealers Licence**

Each Dealer has the responsibility to obtain and maintain in good standing a Motor Vehicle Services Licence from the Department of Public Safety (DPS). Any registered Dealer whose licence is expired, revoked or suspended will not be eligible to complete any transactions through the automated system.

Any registered Dealer who has demonstrated difficulties with maintaining good standing before DPS, such as failure to maintain a bond, a history of misuse of dealer licenses or permits, valid complaints under the vehicle inspection program, court action against the dealer or convictions related to vehicles, may be deemed ineligible for participation in the program until it becomes clear, buy sustained good conduct, that the Dealer is willing and able to maintain good standing.

### **Auto Dealers Service Delivery Agreement**

All Dealers must enter into a Service Delivery Agreement with Service New Brunswick (SNB) and abide by all of the restrictions and requirements as detailed. All correspondence from SNB pertaining to the Dealer's accounts and use of the system will be addressed to the Dealer at the mailing address or email address provided on the Dealer's Client Authentication System Form.

### **Account Security**

The approved Dealer must designate a client administrator to maintain the user accounts at the dealership. Each user must self-register, choosing their own user name and password. The client admin is responsible to assign the auto dealer roles to the employees that will be using the online system at the dealership. When an employee is no longer employed at the dealership, the client admin must remove the auto dealer roles from their accounts.

The Dealer is responsible for the security of the account and the online registration access privileges. Sharing of user names and passwords by employees is not permitted; this can result in suspension from the online program.

In the case of a user that cannot access the online program due to user account or password issues the user must call the SNB help line at 1-888-832-2762 or email [iam\\_gia@snb.ca](mailto:iam_gia@snb.ca) .

### **Inventory Management**

Each approved Dealer will be assigned an inventory of motor vehicle licence plates.  
Dealer responsibilities:

- Dealers are accountable for inventory. The inventory is the property of the Province of New Brunswick and is to be kept in a locked, secure location at all times. Stock should not be kept in view of the public or other non-authorized personnel.
- Dealers are to provide to SNB a listing of all stock on hand, by plate number, at the close of work on March 31<sup>st</sup> of each year. A physical count must be conducted and a report of stock is to be forwarded to the Service Delivery Support Branch. Service Delivery Support may conduct random checks to confirm stock levels among offices throughout the year.
- Requests for additional stock can be acquired by clicking on the "Auto Dealer - Request for Plates" link on the *Secure Log-in* tab of the Auto Dealer web page, and complete the online request. An email outlining stock shipped (by plate number) will be sent to the Dealer by the Service Delivery Support branch as soon as stock is shipped.



- Upon receipt of inventory, it must be checked and verified. Confirmation is to be made by replying to the shipment email. Any discrepancies must be reported immediately to SNB
- Plates are not to be issued out of sequence. Records of inventory used are to be made available to SNB Auditors.
- Dealers must report any damaged, missing or incorrectly issued plates immediately to SNB.
- Any stock that is deemed as "lost, stolen, missing or duplicate plate numbers" must be reported to the Service Delivery Support branch as soon as possible through the "Inventory Support" link on the *Secure Log-in* tab of the Auto Dealer web page.

### **Insurance Information**

Prior to registering any vehicle, the Dealer must verify that the purchaser has valid proof of insurance. The dealer must photocopy the liability card and attach it to the application to register the vehicle and submit it to SNB as part of the supporting documentation to be reviewed by SNB.

### **Staff Training**

In order to obtain access to the online system, Dealership staff (minimum of 2 people) must attend a SNB training session that will outline the duties and responsibilities of participation in this program. When the dealership has other employees that require training contact SNB to arrange for another session. Refresher training for all users is also available. Each Dealer shall restrict access to the registration program to those staff members who have completed a SNB training program.

### **Transaction Monitoring**

The Dealer shall ensure that the work it processes through the online registration system is accurate, complete and in all respects, conforms to the rules, policies and procedures established by SNB and DPS for the processing of registration transactions.

All transactions will be monitored by SNB. SNB staff will monitor and record errors in registration processing and follow up with the Dealer when errors are found. The Dealer is responsible to correct all errors that are reported to them.

If a Dealer is found to be in either willful or negligent violation of the terms of this agreement, the Dealer will be deemed ineligible for further participation in the program until DPS is satisfied the responsibilities attached to participation in the program can and will be fulfilled.

### **Equipment, Hardware and Software**

It is the responsibility of the Dealer to obtain and maintain an internet connected PC capable of 128 bit encryption with Internet Explorer 8 and a printer attached or networked to the PC that will allow for printing from the application. The Dealer shall bear all costs associated with its computer hardware, labor, electronic interface system charges and network charges.

### **Limited Authority**

Dealers will act under limited authority from the Registrar of Motor Vehicles and SNB to perform only the functions described in this contract. The Dealers shall not hold itself out as having authority from the Department of Public Safety (DPS) for any purpose other than registering vehicles. The Dealer has no authority, either expressed or implied, to bind SNB or DPS or to incur any obligation on behalf of SNB or DPS.

The Dealer must issue all DPS related materials to its customers only in accordance with the rules, regulations, policies and procedures established by DPS and SNB.

## **SNB Liaison**

Each Dealer will appoint one person to act as liaison with SNB. This person will be the contact person for any informational or service related communication with SNB.

## **Transaction Documentation**

Each Dealer, at the end of **each** business day, shall seal in an envelope the following:

- All NVIS cards and registrations signed off for transfer completed on-line
- Daily transaction report
- A copy of the insurance card

On the outside of the envelope, the Dealer must clearly write:

- Dealership name
- Dealership number
- Date of Transaction

Every Monday, the envelopes for the previous week should be packaged and delivered to the nearest SNB office or sent by courier to:

Service New Brunswick  
Auto Dealer Support  
140 Alison Blvd  
Fredericton, NB  
E3C 0A9

These envelopes cannot be sent by regular mail.

## **Dealership Transactions Only**

The Dealer cannot process any registration transactions other than those customers of the registered dealership.

## **Transactional Review**

SNB or DPS reserve the right to review at the Dealers location, any or all on-line motor vehicle registrations. This includes:

- Examination of on-site licence plate inventory
- Inspection of security measures for inventory
- Examination of all registration paperwork (i.e. copy of bill of sale, copy of insurance card)

SNB and /or DPS shall be granted full access to the Dealer premises, operations and records, with or without prior notice, for purposes of conducting such inspection, examination or review. The inspection, examination or audit provided for by this section may in the sole discretion of SNB or DPS be combined with any other type of inspection, examination or audit conducted by SNB or DPS.

## **Financial Responsibilities**

### **Electronic Transfer of Funds**

At the time of signing this contract, each Dealer must provide a blank, voided cheque from the bank account they wish to have debited for payment of monies owed SNB. This account will be debited (using Electronic Funds Transfer) each business day for any and all monies owed SNB.

### **Funds Availability**

It is the responsibility of the Dealer to ensure that sufficient funds are available in this bank account each day to cover all monies owed SNB.

### **Insufficient Funds**

If there are not sufficient funds available in the Dealer account to pay for the daily transactions, the following steps will occur:

- SNB will contact the Dealer to indicate that a problem has occurred and indicate the status of their account
- SNB will invoice the Dealer for the outstanding amount plus an additional insufficient funds handling fee of \$25.00
- SNB will prohibit the Dealer from completing any further transactions until the debt owed SNB has been paid in full and will notify DPS
- Upon receiving payment in full for all outstanding amounts and fees, SNB will reinstate the Dealer and notify DPS
- Any dealer who has 3 NSF transactions within a calendar year will be suspended from access to the online system.