

Business Partner Name _____ Account # _____

**STATE OF SOUTH CAROLINA
DEPARTMENT OF MOTOR VEHICLES**

ELECTRONIC LIEN AND TITLE PROGRAM

MEMORANDUM OF UNDERSTANDING

1. This agreement is between the South Carolina Department of Motor Vehicles, hereinafter referred to as the DMV, and _____, hereinafter referred to as the Business Partner.
2. The purpose of this agreement is to establish the parameters for the use of the DMV's Electronic Lien Holder and Title Program, hereinafter referred to as ELT, by the Business Partner and the DMV. Both parties agree the successful outcome of this project is of economic benefit to both parties and therefore agree to be bound by the terms and conditions set forth herein. This agreement includes and incorporates all terms, conditions, and definitions made between the DMV and the Business Partner for this project. Any amendment or modification to this agreement shall be in writing duly executed by each party's authorized official, which shall become effective at a time mutually agreed upon by the parties.
3. This agreement shall become effective on the date of execution and shall continue in force until modified, amended or terminated.
4. This agreement is subject to any restrictions, limitations or conditions enacted by the South Carolina Legislature, which may affect any or all terms or provisions of this agreement in any manner. The Business Partner agrees that upon written notice from the DMV of any such restrictions, limitations or conditions as may be enacted by the South Carolina Legislature will constitute a modification or amendment to this agreement until such time as they are put in writing and duly executed by each party's authorized official as required in paragraph two (2) of this agreement. The DMV will advise the Business Partner of any such actions taken by the South Carolina Legislature as soon as possible, but lack of notification by the DMV does not negate the legal requirement to comply with all applicable provisions of law. The Business Partner may immediately terminate this agreement if it decides not to comply with the modifications or amendments to this agreement.
5. No alteration or variation of the terms of this agreement shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein shall be binding on either party.
6. This agreement is subject to the right of either party to terminate the agreement at any time without cause by giving the other party at least thirty calendar days prior written notice of such termination at the addresses specified below. Notice is effective from the date sent by facsimile (FAX) transmission or, if served by mail, five days from the date of mailing.

Business Partner _____



7. This agreement is not assignable by the Business Partner, either in whole or in part, without the written consent of the DMV.

8. The Business Partner agrees that this agreement is subject to the Driver Privacy Protection Act, 18 U.S.C. Chapter 123, and South Carolina Code Ann. § 30-4-160 and -165 and certifies that all personal information and vehicle information which is considered privileged and confidential under state and federal law and is contained in any title information forwarded to the Business Partner under this agreement will not be released by the Business Partner to any individual or other legal entity who would not otherwise have access to such information. Any release of information by the Business Partner to any unauthorized individual or other legal entity will result in the DMV terminating this agreement and the Business Partner will hold the DMV harmless for any resulting damage or loss. Notwithstanding any other time limits herein, the DMV may terminate this agreement for such unauthorized use or disclosure by written notice to the Business Partner, such notice to be effective upon facsimile (FAX) transmission to the Business Partner or five (5) days from the date of mailing of such notice.

9. The Business Partner agrees to contact the DMV's Information Technology Office, herein referred to as ITO, at 803.896.0579 immediately upon discovering that the DMV has sent to the Business Partner by electronic or any other means ELT data or records intended to be sent to another entity. Notwithstanding any other time limits set forth herein, the DMV may terminate this agreement by written notice to the Business Partner for failure to immediately report such error to the DMV, such notice to be effective 5 (five) days after mailing or upon facsimile (FAX) transmission by the DMV.

10. The Business Partner agrees to obtain written permission from each registered owner prior to submitting a change of address to the DMV and further agrees that each submission of a change of address shall be deemed the Business Partner's certification that written permission was obtained in accordance with this provision.

11. The Business Partner may use the electronic mailbox or web transaction to complete the following transactions:

- a. Lien Notification from the DMV to lienholder;
- b. Lien Release Due to Error;
- c. Change Owner Address by Lienholder;
- d. Release Lien with 'Mail to' Address; and
- e. Request Printed Title.

When an electronic lien satisfaction is submitted to the DMV, the Business Partner assumes full responsibility for its accuracy and the DMV is held harmless for any damage or loss, if any, from issuing a title based upon such electronic lien satisfaction. Certificate of Title fees will be required when an electronic lien and title is established and, in some cases, when the title record is modified or corrected.

12. The transmission of on-line file transfer to the Business Partner by the DMV and to the DMV by the Business Partner will be accomplished utilizing the AAMVAnet/ADVANTIS mailbox or web transaction in a format designated by the DMV.

13. All costs incurred by the Business Partner to participate in ELT will be its sole responsibility.

14. Each DMV business day, the DMV will produce and send electronically to the Business Partner, after the close of business, data consisting of lien notification entered onto DMV record files that same day. In response, the Business Partner will match lien notification to its files and will send electronically an acknowledgment of the lien notification from its ELT file as well as any corrections or changes made to existing records on its ELT file.

15. When the DMV and the Business Partner agree to convert existing paper titles with liens to electronic titles, the parties will enter into a separate Memorandum of Understanding to govern the process and the destruction of the paper title documents.

16. Until the Certificate of Title is printed on secure paper by the DMV at the request of the Business Partner, the necessary information and data required to establish a lien will be electronically transmitted to the Business Partner's electronic mailbox or web transaction. This transmission of information will be considered by the parties to be a delivery of an electronic title. The Business Partner will then retain that information or any other information held by the Business Partner, which may then be configured in any electronic format the Business Partner may deem appropriate to fit within its system.

17. Once the lien has been satisfied and the Business Partner authorizes DMV to release the Certificate of Title, the DMV will print such Certificate of Title on secured paper and mail it to the registered owner at the address on DMV's file or to another address provided by the Business Partner on behalf of the registered owner. The DMV will be held harmless by the Business Partner for any resulting damage or loss due to the Business Partner's failure to notify the DMV to mail to an address other than that of the registered owner.

18. If the DMV decides to terminate the ELT concept, all ELT records of ownership shall have a paper title produced and delivered or mailed to the Business Partner without cost.

19. If the Business Partner decides to terminate their participation in this process or if the DMV terminates this agreement for cause and paper titles are requested, the DMV will print, deliver or mail such titles to the Business Partner without cost.

20. If the Business Partner sells or otherwise transfers ELT Titles to another financial institution, the transaction must comply with the provisions of Title 56, Chapter 19, South Carolina Code of Laws. Said transfer must be submitted to DMV on the proper forms and be accompanied by all required fees.

21. Except to the extent DMV or its employees or agents are liable pursuant to the DPPA and South Carolina law, the Business Partner agrees to indemnify and hold harmless the DMV and its officers, agents and employees from the Business Partner's unauthorized disclosure of DMV information, or the Business Partner's breach of this agreement.

22. If the Business Partner uses a service bureau or software provider ("Provider") for the performance of this agreement, the Business Partner agrees to enter into an agreement with the Provider in which the provider will agree to perform the terms of this agreement, including but not limited to paragraph eight (8) of this agreement, and indemnify and hold harmless the Business Partner and the DMV as to any and all claims for Provider's unauthorized disclosure of information, or Provider's breach of its agreement with the Business Partner. A Provider used by the Business Partner must be approved by the DMV. The Provider must demonstrate that they can meet the DMV technical standards.

23. The DMV shall not be responsible for any error or transmission of inaccurate information by the Business Partner or any Provider of the Business Partner resulting in erroneous release or satisfaction of lien by the DMV or by the motor vehicle authority of any other jurisdiction.

24. The Business Partner shall indemnify the DMV for and against any and all claims, losses, damages, judgments, liabilities or similar costs and expenses which arise in whole or in part out of the acts or omissions of the Business Partner with respect to or as a result of the Business Partner's failure to abide by the terms of this Contract, including, without limitation, reasonable attorneys fees and all other costs of defending any such action or claim.

25. This agreement is entered into in the State of South Carolina and is governed by the provisions of the laws of the State of South Carolina.

26. For notice purposes under this agreement, the notice address for the Business Partner is:

Business Partner: _____

Attention: _____

Address: _____

Telephone: _____

The notice address of the DMV is:

South Carolina Department of Motor Vehicles
Attention: Executive Director
Post Office Box 1498
Blythewood, South Carolina 29016
Telephone: 803.896.8924
Facsimile: 803.896.8926

Business Partner _____

As witness herein, the parties hereto have affixed their signatures and seals.

BUSINESS PARTNER

Business Partner

Authorized Representative (*print name and title*)

Authorized Representative (*signature*)

Date

Taxpayer Identification Number or Federal Employee Identification Number

Business Partner's Street Address of Principal Place of Business

DEPARTMENT OF MOTOR VEHICLES

Kevin A. Shwedo, Executive Director

Date