

VEHICLE SERVICE CONTRACT

This agreement describes the coverage **You** will have under **Your** Vehicle Service Contract (hereafter referred to as "Service Contract"). In return for payment by You of the **Service Contract Purchase Price** and subject to all of the terms of this Service Contract, We agree with You as follows:

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I. KEY TERMS

When used, Key Terms will appear in **bold print**.

"**Provider**", "**We**", "**Us**" and "**Our**" mean Automotive Warranty Services, Inc., except in the states of Alaska and New Jersey where **We, Us** and **Our** mean the **Selling dealer**; in the state of Alabama where **We, us** and **Our** mean Automotive Warranty Services, Inc., d.b.a. Alabama Warranty Services; in the states of Arizona, Iowa and Wyoming where **We, Us** and **Our** mean Consumer Program Administrators, Inc.; in the state of California where **We, Us** and **Our** mean Motor Warranty Services of North America, California License #OE40891; in the states of Florida, Louisiana, and Oklahoma where **We, Us** and **Our** mean Automotive Warranty Services of Florida, Inc., Florida License #60023; and in the state of Washington where **We, Us,** and **Our** mean the company obligated under this Service Contract, National Product Care Company, (NPCC); and in the state of West Virginia where **We, Us** and **Our** mean Automotive Warranty Services, Inc., d.b.a. West Virginia Warranty Services, all located at 175 West Jackson Blvd., Chicago, Illinois 60604, 1-800-870-6856.

"**Administrator**" means Total Warranty Service, P.O. Box 3948, West Palm Beach, FL 33402-3948, 1-800-870-6856, except in the state of Florida where **Administrator** means Automotive Warranty Services of Florida, Inc., 175 West Jackson Blvd., Chicago, Illinois 60604, 1-800-870-6856.

"**Breakdown**" means the failure of any original or like replacement part covered by this Service Contract to perform its intended function(s) in normal service, providing it has received all scheduled maintenance as recommended by the manufacturer in the Owner's Manual. **Breakdown** does not include the gradual reduction in operating performance caused by wear and tear where a failure has not occurred.

“Cost” means the reasonable and customary charges for parts and labor necessary to repair or replace the parts covered. These charges shall not exceed the manufacturer’s suggested retail price for parts and labor allowances derived from nationally recognized labor time publication.

At the Administrator’s option, replacement parts used in covered repairs may include new, remanufactured, used or non-original equipment manufacturer parts.

“Deductible” means the amount **You** must pay for covered repairs. If the \$100 Deductible box is checked, the **Deductible** is \$100 per visit.

“Miles” means the number of miles shown in Section 3 on the Information Schedule.

“Months” means the number of months shown in Section 3 on the Information Schedule.

“Repair Facility” means a franchised automobile dealer or licensed repair facility that provides a written parts and labor guarantee for covered repairs of not less than 6 months and 6,000 miles. Repairs performed by any facility must receive authorization from the administrator prior to beginning repairs.

“Selling Dealer” means the dealer from whom **You** purchased this Service Contract shown in Section 3 on the Information Schedule.

“Service Contract Purchased Price” means the amount **You** paid for the Service Contract shown in Section 3 on the Information Schedule.

“Service Contract Purchase Date” means the date **You** purchased this Service Contract shown in Section 3 on the Information Schedule.

“Vehicle” means the covered car or truck shown in Section 1 on the Information Schedule.

“Warranty” means any **Warranty** of the manufacturer, state required **Warranty**, dealer **Warranty** or Repair Facility guarantee.

“You” and **“Your”** means the customer (private individual) shown in Section 4 on the Information Schedule, or an eligible person to whom this Service Contract has been properly transferred.

“Waiting Period” means the duration of both time and miles during which there is no coverage provided by this service contract; this begins on the **Service Contract Purchase Date** and at the mileage listed as the current odometer reading in Information Schedule, Vehicle Information.

II. WHAT THIS SERVICE CONTRACT COVERS

A. BREAKDOWN COVERAGE

During the Service Contract Period, subject to the selected Coverage Plan, **We** will pay a **Repair Facility**, or at **Our** option, reimburse **You** the **Cost** to remedy any covered **Breakdown** of the following parts less **Your Deductible**.

At the Administrator’s option, replacement parts used in covered repairs may include new, remanufactured, used or non-original equipment manufacturer parts.

POWERTRAIN COVERAGE PLAN

When the POWERTRAIN Coverage Plan box has been checked on the Information Schedule, only the following parts are covered. Parts not listed are not covered.

ENGINE: Engine block and cylinder heads and all internally lubricated parts including pistons, piston rings, pins and cylinder sleeves; crankshaft, pulley, main bearings, caps and bolts; connecting rods, rod bearings, caps and bolts; camshaft(s), camshaft bearings, button and plugs; timing gears and timing chain or belt; rocker arms, rocker arm pivots, shafts and bushings; intake and exhaust valves, springs, guides, adjusters, retainers and seats; pushrods and lifters; intake manifold; exhaust manifolds; balance shaft; water pump; fuel pump; thermostat; oil pump, cover, gears, pressure relieve valve and screen; rotor housing, rotors, shims and silent shaft; all internal fasteners, nuts and bolts; turbocharger/supercharger assembly including boost valve and wastegate; seals and gaskets.

TRANSMISSION/TRANSAXLE/TRANSFER CASE: Transmission/transaxle case and all internally lubricated parts including ring and pinion gears; oil pump, cover, gears, housing and vanes; torque converter; valve body(s); throttle valve; valve pack; governor, gear and cover; parking gear and pawl; roll pins; sprags; sprockets; chain; springs; stator and shaft; pressure regulator valve; pressure switches; solenoids; bands; automatic transmission/transaxle clutch, drums, pistons and steel plates; planetary and sun gears; servos and rings; clockers; synchronizer hubs and keys; bearings; bushings; supports and shafts; control rings; yoke; extension housing; speedometer drive gears; accumulators and rings; adjusters; all internal fasteners, nuts and bolts; shift cover and forks; separate bell housing; transfer case and all internal parts contained within the transfer case; seals and gaskets. **(STANDARD TRANSMISSION CLUTCH ASSEMBLIES AND ALL COMPONENT PARTS ARE NOT COVERED.)**

DRIVE AXLE: Differential/axle housing(s) and all internally lubricated parts including the axle flange; ring and pinion gear/carrier assembly; spider gears and bearings; pins; retainers; positraction clutches, plates and springs; cover; seals and gaskets.

- B. RENTAL REIMBURSEMENT COVERAGE:** You will be allowed up to \$35 per day for a maximum of ten (10) days for car rental expense incurred, if required due to a covered **Breakdown**. You are responsible for obtaining the rental car and the rental car expense incurred must be from a licensed rental car agency or authorized dealer. We will then reimburse You. **RENTAL CAR REIMBURSEMENT IS NOT PROVIDED FOR PARTS DELAY, SHOP SCHEDULING OR FOR WORK NOT COVERED BY THIS SERVICE CONTRACT, YOU MUST RECEIVE PRIOR AUTHORIZATION FOR RENTAL EXPENSES. RENTAL REIMBURSEMENT IS LIMITED TO DOWNTIME REPAIRS AND ENDS ON THE DATE OF REPAIR COMPLETION OR TEN (10) DAYS, WHICHEVER OCCURS FIRST.**
- C. TOWING REIMBURSEMENT COVERAGE:** When a covered **Breakdown** disables Your **Vehicle**, We will pay for towing expenses not to exceed \$75 per disablement.
- D. EMERGENCY TRAVEL EXPENSE REIMBURSEMENT COVERAGE (Not available in Kentucky, New York and Texas):** We will pay for emergency local commercial lodging, meals and transportation expenses up to \$375 per occurrence (a maximum of \$75 per day for up to five (5) days from the date of **Your Breakdown**) when:
- The **Breakdown** occurs 100 miles or more from **Your** home;
 - The **Breakdown** renders **Your Vehicle** inoperable or unsafe to drive; and
 - **Your Vehicle** is required to be held overnight by a **Repair Facility** for covered repairs.
- E. DIAGNOSTICS COVERAGE:** We will pay for reasonable, necessary and customary diagnostic charges incurred in conjunction with a covered repair, not to exceed the labor time listed in a nationally recognized time publication. **DIAGNOSTIC TIME WILL NOT BE PAID FOR THOSE CONDITIONS WHERE THE PROPER REPAIR IS READILY APPARENT TO THE NORMAL SENSES OF SIGHT, TOUCH, SMELL AND/OR SOUND.**
- F. RELATED DAMAGE COVERAGE:** We will pay for the replacement of brake pads, belts and hoses that are damaged and require replacement as a direct result of a covered **Breakdown**. This coverage includes disc brake rotor or brake drum resurfacing required as a direct result of a covered **Breakdown**.
- G. FLUID COVERAGE:** We will pay for replacement of necessary fluids, oils, greases, lubricants and approved air conditioning gases that must be replaced in conjunction with a covered repair. **THIS COVERAGE DOES NOT APPLY TO SHOP SUPPLIES.**

III. WHAT THIS SERVICE CONTRACT DOES NOT COVER

MAINTENANCE AND PARTS NOT COVERED

THE FOLLOWING ARE NOT COVERED UNDER YOUR SERVICE CONTRACT;

- A. THE MAINTENANCE SERVICES AND PARTS DESCRIBED UNDER MAINTENANCE REQUIREMENTS AS SHOWN IN THIS SERVICE CONTRACT OR IN THE MANUFACTURER'S MAINTENANCE SCHEDULE FOR YOUR VEHICLE.**
- B. OTHER NORMAL MAINTENANCE SERVICES AND PARTS INCLUDING ENGINE TUNE-UP, (INCLUDES SPARK PLUS, GLOW PLUGS, IGNITION WIRES, DISTRIBUTOR CAP AND ROTOR), CARBURETOR, BATTERIES (INCLUDING BUT NOT LIMITED TO: HYBRID BATTERIES), FILTERS, LUBRICANTS OR FLUIDS, AIR CONDITIONING REFRIGERANT, ENGINE COOLANT, ALL HOSES AND BELTS (NOT SPECIFICALLY LISTED), FREEZE PLUGS, WIPER BLADES, BRAKE PADS AND SHOES, BRAKE ROTORS AND DRUMS, SUSPENSION ALIGNMENT, CONSTANT VELOCITY BOOTS, TIRES, WHEEL COVERS, WHEEL RIMS, WHEELS, WHEEL BALANCING, SHOCK ABSORBERS, SUSPENSION AIR BAGS, AIR BAGS, LOCK CYLINDERS, SAFETY RESTRAINT SYSTEMS, ELECTRONIC SUBMITTING DEVICES (EXCEPT FOR THOSE SPECIFICALLY LISTED UNDER) NEAR OBJECT AVOIDANCE SYSTEMS, ALL LASER RADAR CRUISE CONTROL COMPONENTS, CELLULAR PHONES, EXHAUST SYSTEM, CATALYTIC CONVERTER, FRICTION CLUTCH DISC AND PRESSURE PLATE AND CLUTCH RELEASE BEARING.**
- C. GLASS, GLASS FRAME WORK AND FASTENING ADHESIVES, SEALED BEAM HEAD LAMPS, LIGHT BULBS, LENSES, TRIM, MOLDINGS, BRIGHT METAL, UPHOLSTERY, VINYL AND CONVERTIBLE TOPS, PAINT, SHEET METAL, BUMPERS, ALIGNMENT OF BODY PARTS, FLEXIBLE BODY PARTS, DOOR PANELS, BODY PANELS, STRUCTURAL FRAMEWORK, CONVERTIBLE TOP FRAMEWORK, STRUCTURAL WELDS, HINGES, DOOR HANDLES AND REMOVABLE HARDTOP ASSEMBLIES.**
- D. AFTERMARKET ACCESSORIES OR EQUIPMENT, COMPONENTS AND SYSTEMS NOT INSTALLED BY THE MANUFACTURER, INCLUDING BUT NOT LIMITED TO: ANTI-THEFT SYSTEMS, RADAR DETECTORS, CB RADIOS, RADIO/SPEAKER EQUIPMENT, CRUISE CONTROL, SUNROOF, SOLAR POWERED DEVICES, TELEPHONES, TV/VCR/DVD AND RELATED COMPONENTS AND APPLIANCES.**

IN ADDITION WE WILL NOT PAY BENEFITS:

- 1. FOR COSTS COVERED BY ANY WARRANTY OR GUARANTEE REGARDLESS OF WHETHER THEY HONOR SUCH WARRANTY OR GUARANTEE.**
- 2. FOR ANY COSTS THAT ARE OR WOULD HAVE BEEN COVERED UNDER ANY VEHICLE MANUFACTURER WARRANTY WHETHER OR NOT SUCH WARRANTY IS IN EFFECT IN ANOTHER COUNTRY OR HAS BEEN VOIDED BY THE MANUFACTURER.**
- 3. IF YOUR VEHICLE HAD BEEN DECLARED A TOTAL LOSS, SALVAGED OR JUNK VEHICLE.**
- 4. WHEN REPAIRS ARE PERFORMED WITHOUT THE ADMINISTRATOR'S PRIOR AUTHORIZATION EXCEPT WHEN THE ADMINISTRATOR'S OFFICE IS CLOSED AND EMERGENCY REPAIRS ARE NECESSARY (SEE SERVICE CONTRACT SECTION VI. YOUR RESPONSIBILITIES).**

5. FOR EXPENSES CHARGED FOR THE DISPOSAL OF ENVIRONMENTALLY UNSAFE MATERIALS.
6. FOR EXPENSES CHARGED FOR NON-SPECIFIC MATERIALS OR SHOP SUPPLIES.
7. FOR A BREAKDOWN CAUSED BY OR INVOLVING COLLISION, FIRE, THEFT, VANDALISM, RIOT, TERRORIST ACTS, WAR, EXPLOSION, LIGHTNING, EARTHQUAKE, HURRICANE, TROPICAL STORM, VOLCANIC ERUPTION, WINDSTORM, HAIL, WATER, FREEZING OR FLOOD.
8. FOR LOSS OF TIME, ECONOMIC LOSS, INCONVENIENCE, LODGING, FOOD, FREIGHT CHARGES, CORE CHARGES, STORAGE CHARGES, OR OTHER CONSEQUENTIAL LOSS OR DAMAGE THAT RESULTED FROM A BREAKDOWN UNLESS AS PROVIDED UNDER EMERGENCY TRAVEL EXPENSE REIMBURSEMENT COVERAGE.
9. FOR A BREAKDOWN WHEN CONTAMINATED FLUIDS CAUSED OR CONTRIBUTED TO THE BREAKDOWN.
10. FOR ANY BREAKDOWN CAUSED BY CONTAMINATION, OVERHEATING, LACK OF COOLANT OR LUBRICANTS, IMPROPER SPECIFICATION (TYPE) OF FLUIDS, LACK OF OIL VISCOSITY, SLUDGE OR RESTRICTED OIL FLOW. EXAMPLES INCLUDE BUT NOT LIMITED TO: ENGINE AND TRANSMISSION.
11. IF YOUR VEHICLE WAS MANUFACTURED AS A NON-U.S. SPECIFICATION MODEL.
12. FOR A BREAKDOWN CAUSED BY TOWING A TRAILER OR ANOTHER VEHICLE UNLESS YOUR VEHICLE IS EQUIPPED FOR THIS AS RECOMMENDED BY THE MANUFACTURER.
13. FOR A BREAKDOWN CAUSED BY USING YOUR VEHICLE FOR RACING OR OTHER COMPETITION.
14. FOR A BREAKDOWN CAUSED BY OR INVOLVING MODIFICATIONS UNLESS THOSE MODIFICATIONS WERE PERFORMED BY THE MANUFACTURER AND THE MODIFICATIONS MEET THE MANUFACTURER'S SPECIFICATIONS (E.G. TIRES TWO OR MORE SIZES LARGER OR SMALLER THAN THE MANUFACTURER'S SPECIFICATIONS, LIFT KITS, AFTERMARKET PERFORMANCE PARTS OR SYSTEMS).
15. IF YOUR VEHICLE HAS BEEN MODIFIED TO PLOW SNOW, WHETHER THE SNOW PLOW BLADE IS ATTACHED TO THE VEHICLE OR NOT.
16. FOR ANY CONSEQUENTIAL OR INCIDENTAL DAMAGE OR LOSS SHOULD YOUR VEHICLE BE INVOLVED IN A COLLISION CAUSED BY OR INVOLVING A BREAKDOWN OF A COMPONENT COVERED BY THIS SERVICE CONTRACT.
17. FOR THE REPAIR OF VALVES AND/OR RINGS FOR THE PURPOSE OF RAISING THE ENGINE'S COMPRESSION WHEN A BREAKDOWN HAS NOT OCCURRED.
18. TO CORRECT A COSMETIC IMPERFECTION.
19. FOR A BREAKDOWN CAUSED BY ABUSE, MISUSE, ALTERATIONS OR LACK OF CUSTOMARY MAINTENANCE AS RECOMMENDED IN SERVICE CONTRACT SECTION IV. MAINTENANCE REQUIREMENTS AND/OR IN THE MANUFACTURER'S MAINTENANCE SCHEDULE FOR YOUR VEHICLE.
20. FOR A BREAKDOWN CAUSED BY RUST OR WEATHER RELATED CORROSION.

21. FORA BREAKDOWN OF A COVERED PART RESULTING FROM THE FAILURE OF A NON-COVERED PART. HOWEVER, COVERAGE WILL BE PROVIDED FOR A NON-COVERED PART RESULTING FROM A BREAKDOWN OF A COVERED PART.
22. IF YOUR VEHICLE IS USED FOR COMMERCIAL PURPOSES INCLUDING BUT NOT LIMITED TO: HAULING, CONSTRUCTION WORK, PRINCIPAL OFF-ROAD USE, PICKUP AND/OR DELIVERY SERVICE, DAILY RENTALS, CARRY PASSENGERS FOR HIRE (TAXI LIMOUSINE OR SHUTTLE SERVICES), TOWING OR ROAD SERVICE OPERATIONS, GOVERNMENT/MILITARY USE, LAW ENFORCEMENT, FIRE, AMBULANCE OR OTHER EMERGENCY SERVICES, SNOWPLOWING, COMPANY POOL USE OR BUSINESS TRAVEL WHEN THE VEHICLE IS USED BY MORE THAN ONE DRIVER.
23. IF YOUR VEHICLE IS AN EXOTIC VEHICLE OR IS A TRUCK RATED MORE THAN 1 TON.
24. FOR A BREAKDOWN CAUSED BY OR INVOLVING EQUIPMENT, COMPONENTS OR SYSTEMS NOT INSTALLED BY THE MANUFACTURER.
25. IF YOUR VEHICLE'S ODOMETER HAS BEEN STOPPED, ALTERED OR MISREPRESENTS YOUR VEHICLE'S ACTUAL MILEAGE INCLUDING BUT NOT LIMITED TO ODOMETER MISREPRESENTATION CAUSED BY THE USE OR MODIFICATION OF THE VEHICLE WITH UNDERSIZE OR OVERSIZE TIRE AND WHEEL ASSEMBLIES.
26. TO REPAIR, REPLACE, ADJUST OR ALIGN ANY PART NOT COVERED BY THIS SERVICE CONTRACT UNLESS REQUIRED IN CONJUNCTION WITH THE REPAIR OF A COVERED PART.
27. FOR DIAGNOSIS CHARGES, COST OF DISASSEMBLY OR ASSEMBLY IF YOUR REPAIR IS NOT COVERED OR HAS BEEN DENIED.
28. FOR A BREAKDOWN THAT IS A DIRECT RESULT OF A MECHANICAL OR STRUCTURAL DEFECT WHEN THE MANUFACTURER HAS ANNOUNCED A PUBLIC RECALL FOR THE PURPOSE OF CORRECTING SUCH A DEFECT.
29. FOR ADDITIONAL LOSS OR DAMAGE WHICH IS OCCASIONED BY YOU OR OPERATOR'S FAILURE TO USE ALL REASONABLE PRECAUTIONS TO PROTECT THE VEHICLE FROM ANY FURTHER LOSS OR DAMAGE AFTER A BREAKDOWN OR FAILURE HAS OCCURRED OR BEEN INDICATED.
30. FOR REPAIRS MADE SOLELY TO MEET OR MAINTAIN ANY GOVERNMENTAL EMISSION STANDARDS.
31. FOR DAMAGE CAUSED TO YOUR ENGINE RESULTING FROM THE INGESTION OF WATER THROUGH THE ENGINE AIR INTAKE SYSTEM (COMMONLY REFERRED TO AS WATER INGESTION).
32. FOR REPAIRS OF WATER AND AIR LEAKS, RATTLES, SQUEAKS AND WIND NOISE.
33. IF YOUR VEHICLE IS POWERED ENTIRELY BY A FUEL SOURCE OTHER THAN GASOLINE OR DIESEL FUEL (EXCLUDING HYBRIDS).
34. FOR A BREAKDOWN WHICH EXISTED OR WAS CAUSED BY A CONDITION WHICH EXISTED DURING THE WAITING PERIOD OR PRIOR TO THE SERVICE CONTRACT PURCHASE DATE.

IN ADDITION TO THE ABOVE (I.E. ITEMS 1-34), UNDER EMERGENCY TRAVEL EXPENSE REIMBURSEMENT COVERAGE, WE WILL NOT PAY BENEFITS:

- 35. FOR ADDITIONAL COMMERCIAL LODGING ENTERTAINMENT EXPENSES.**
- 36. FOR ANY BREAKDOWN THAT OCCURS LESS THAN 100 MILES FROM YOUR HOME.**

IV. MAINTENANCE REQUIREMENTS

In order to keep Your Service Contract valid, You must follow the maintenance procedures listed below. If Your failure to follow these procedures causes a Breakdown, You may be denied coverage.

Your Vehicle must be serviced receiving all scheduled maintenance as recommended by the Manufacturer in the Owners Manual, or

You must have Your Vehicle serviced in the following manner every six (6) months or six thousand (6,000) miles, whichever comes first:

- 1. Change engine oil and filter.**
- 2. Check PCV valve operation.**
- 3. Check and maintain power steering fluid level.**
- 4. Check and maintain transmission fluid level.**
- 5. Check and maintain drive axle fluid level.**
- 6. Lubricate front suspension.**
- 7. Check and maintain the proper level of coolant.**

In accordance with Manufacturer's prescribed service intervals You must; change transmission fluid, drive axle fluid and brake fluid. Follow all other recommendations of the manufacturer regarding other special services (if applicable to Your model) as outlined in the Owners Manual.

You must keep receipts which verify the Vehicle Identification Number, work orders and other documentation that shows date, a description of Your Vehicle, mileage and services performed. We may require You to furnish the Administrator with proof that the specified services have been performed. Failure to show proof of servicing may result in the denial of coverage.

V. WHO TO CALL FOR BREAKDOWN REPAIR AUTHORIZATION

Before any covered repairs can begin, You must contact the Selling Dealer. If You have moved or are traveling out of town, call the Administrator toll-free:

1-800-870-6856

VI. YOUR RESPONSIBILITIES

You are responsible for making sure the oil warning light/gauge and the temperature warning light/gauge are functioning before driving Your Vehicle. You are required to safely pull Your Vehicle off the road and shut down the engine immediately when either of these lights/gauges indicates a problem.

If You experience a Breakdown, You agree to:

- 1. Use all reasonable means to protect Your Vehicle from further damage.**
- 2. Notify the Administrator as soon as possible.**
- 3. Authorize the Repair Facility to perform necessary diagnostic work and provide "teardown authorization" so that the Repair Facility can provide an accurate diagnosis and estimate of repairs. IMPORTANT: WE WILL NOT PAY FOR DIAGNOSIS CHARGES FOR REPAIRS NOT COVERED UNDER THIS SERVICE CONTRACT.**

4. Furnish the Administrator with such information as the Administrator may reasonably require and if requested provide proof of Your Vehicle's regular maintenance during the Service Contract Period as defined in Service Contract Section IV. Maintenance Requirements.
5. Reserve for the Administrator the right to refer Your Vehicle to the Selling Dealer or a dealership that sells and services Your type of Vehicle, for certain repairs.
6. Allow the Administrator to examine Your Vehicle if the Administrator asks to do so.
7. Obtain authorization from the Administrator prior to beginning any repairs covered by this Service Contract.
8. Call the following business day or as soon as reasonably possible to receive claim filing instructions should a Breakdown occur on a weekend or holiday. Customer service hours are 8:00 AM — 6:00 PM (Eastern Time) Monday through Friday.

Emergency Repair Instructions: In the event that a Breakdown of a covered part occurs when the Administrator's office is closed and emergency repairs are necessary, You may follow the claim procedures and commence emergency repairs without securing the Administrator's prior authorization. However, You or the authorized service representative must notify the Administrator of the repairs as soon as the Administrator's office reopens. You must submit written information and documentation concerning the Breakdown and repairs no later than thirty (30) days after the Breakdown. Reimbursement of emergency repairs will be subject to all terms and conditions of this Service Contract and nothing herein authorizes repairs not otherwise covered. Emergency repairs are those required because Your Vehicle was inoperable or unsafe to drive. Parts must be available for inspection when the Administrator's office reopens.

VII. GENERAL PROVISIONS

1. Service Contract Period

This agreement is subject to a mandatory waiting period before Coverage takes effect. The **Waiting Period** means Coverage will begin after both the number of days and miles have passed from the **Service Contract Purchase Date** at 12:01 am (Your local standard time) and the Current Odometer Reading as determined in the Information Schedule listed under **Waiting Period**. The Service Contract ends when the **Months** from the **Service Contract Purchase Date** is reached or when the additional **Miles** are registered on the odometer, whichever occurs first.

2. When and Where You Are Covered

You are covered when this Service Contract is issued or transferred to You. This Service Contract applies only to **Breakdowns** occurring within the continental United States of America, Alaska, Hawaii and Canada.

3. If You Have Other Coverage

If the manufacturer or **Repair Facility** agrees to cover all or some of the **Cost** of a **Breakdown** after a **Warranty** or guarantee has expired, **We** will pay only for any extra **Cost**. If You have any other Rental Reimbursement coverage, Towing Reimbursement coverage or Emergency Travel Expense Reimbursement coverage, **We** will pay only the amount in excess of that coverage, subject to the limits of this Service Contract.

4. Your Help And Cooperation

Your help and cooperation is required if **We** ask You to help **Us** enforce Your rights against any manufacturer or **Repair Facility** who may be responsible to You for the **Cost** of repairs covered by this Service Contract.

5. Limit of Liability

Our limit of liability is the **Cost** to repair or replace any covered **Breakdown**; but in no event shall this **Cost** exceed the average retail value of Your Vehicle as determined by the NADA Official Used Car Guide at the time of loss. The total of all benefits paid or payable during the Service Contract Period shall not exceed the price You paid for Your Vehicle.

6. Subrogation

If **We** pay for a loss, **We** may require **You** to assign to **Us** **Your** rights of recovery against others. **We** will not pay for a loss if **You** impair these rights to recover. **Your** rights to recover from others may not be waived.

7. Dispute Resolution — Arbitration

This Service Contract requires binding arbitration if there is an unresolved dispute between **You** and **Us** concerning this Service Contract (including the **Cost** of, lack of or actual repair or replacement arising from a **Breakdown**). Under this Arbitration provision, **You** give up **Your** right to resolve any dispute arising from this Service Contract by a judge and/or a jury. **You** also agree not to participate as a class representative or class member in any class action litigation, any class arbitration or any consolidation of individual arbitrations. In arbitration, a group of three arbitrators (each of whom is an independent, neutral third party) will give a decision after hearing **Your** and **Our** positions. The decision of a majority of the arbitrators will determine the outcome of the arbitration and the decision of the arbitrators shall be final and binding and cannot be reviewed or changed by, or appealed to, a court of law.

To start arbitration, either **You** or **We** must make a written demand to the other party for arbitration. This demand must be made within one (1) year of the earlier of the date the **Breakdown** occurred or the dispute arose. **You** and **We** will each separately select an arbitrator. The two arbitrators will select a third arbitrator called an "umpire." Each party will each pay the expense of the arbitrator selected by that party. The expense of the umpire will be shared equally by **You** and **Us**. Unless otherwise agreed to by **You** and **Us**, the arbitration will take place in the county and state in which **You** live. The arbitration shall be governed by the Federal Arbitration Act (9 U.S.C.A. § 1 et. seq.) and not by any state law concerning arbitration. The rules of the American Arbitration Association (www.adr.org) will apply to any arbitration under this Service Contract. The laws of the state of Illinois (without giving effect to its conflict of law principles) govern all matters arising out of or relating to this Service Contract and all transactions contemplated by this Service Contract, including, without limitation, the validity, interpretation, construction, performance and enforcement of this Service Contract.

8. How This Service Contract May Be Transferred

Your rights and duties under this Service Contract may only be transferred to a subsequent purchaser directly by **You** within thirty (30) days from the date of sale to the subsequent owner and upon payment to **Us** of a \$40 transfer fee. This Service Contract may not be transferred to any entity in the business of selling or leasing motor vehicles. This Service Contract can only be transferred if the remaining portion of the Warranty including Powertrain Warranty or the Limited Warranty provided by **Us** has not been reduced or voided. In the event of **Your** death, the benefits of this Service Contract will be available to **Your** spouse or legal representative.

9. How This Service Contract May Be Canceled — Including Refunds And Charges Cancellation By You

You may cancel this Service Contract at any time. To cancel, contact the **Selling Dealer**. The **Selling Dealer** will assist with **Your** cancellation request and verify the mileage of **Your** **Vehicle**. If **You** are unable to return to the **Selling Dealer**, **You** must provide written notice to the **Administrator**. A copy of **Your** Service Contract and an odometer reading statement must be included with **Your** request for cancellation.

Cancellation By Us

If **We** cancel this Service Contract, **We** will mail **You** written notice at least thirty (30) days prior to cancellation. **We** may cancel this Service Contract for any reason within ninety (90) days of the **Service Contract Purchase Date**. After ninety (90) days, **We** may cancel this Service Contract:

- If there has been a material misrepresentation or fraud;
- If **You** have failed to maintain **Your** **Vehicle** as prescribed by the manufacturer;

- If the odometer has been tampered with or disabled and **You** have failed to repair the odometer;
- If **You** do not pay the **Service Contract Purchase Price**;
- If **Your Vehicle** has a salvage title; or
- If **You** use **Your Vehicle** in any manner not covered by this Service Contract.

Cancellation By Lienholder

If this Service Contract is financed, the Lienholder (shown in Section 2 of the Information Schedule) may cancel the Service Contract in the event **You** default in **Your** obligation to such Lienholder or in the event **Your Vehicle** is declared a total loss or is repossessed.

How Refunds are Calculated

If this Service Contract is canceled within sixty (60) days of the **Service Contract Purchase Date** and a claim has not been incurred, a 100% refund of the **Service Contract Purchase Price** will be made. After sixty (60) days or if **You** have incurred a claim, a pro-rata refund of the unused **Months** or unused **Miles** will be made. The pro-rata refund will be calculated by multiplying the **Service Contract Purchase Price** by the lesser percentage of the unused **Months** or unused **Miles** compared to the total **Months** or total **Miles** of **Your** Service Contract Period, less an administrative fee of \$50. All refunds will be paid to the Lienholder if any, otherwise to **You**. If the Service Contract is canceled by **Us**, the cancellation period of sixty (60) days is changed to ninety (90) days.

10. Insurance

Our obligations under this Service Contract are insured under an insurance policy issued by Virginia Surety Company, Inc., 175 West Jackson Blvd., Chicago, Illinois 60604. In the event **We** cease to operate, are bankrupt or **Your** claim is not paid within sixty (60) days after proof of loss has been filed, **You** may file a direct claim with Virginia Surety Company, Inc. To do so, please call the following toll-free number for instructions: 1-800-209-6206.

11. Entire Service Contract

This Service Contract represents the entire agreement between **You** and **Us**. No person has the authority to change this Service Contract or to waive any of its provisions. No other written or oral statements apply to this Service Contract.

VIII. STATE AMENDMENTS

This service Contract is amended to comply with the following state requirements:

Alabama

GENERAL PROVISIONS — Section 9 "How This Service Contract May Be Canceled — Including Refunds And Charges"

Cancellation By You is amended as follows:

If **You** cancel this Service Contract within sixty (60) days of the **Service Contract Purchase Date** and **You** have not incurred a claim, a ten percent (10%) penalty per month shall be added to a refund that is not paid within forty-five (45) days of return of this Service Contract to the **Selling Dealer** or the **Administrator**.

How Refunds are Calculated is amended as follows:

The \$50 administrative fee is deleted and replaced with a \$25 administrative fee.

Alaska

WHAT THIS SERVICE CONTRACT DOES NOT COVER — is amended as follows:

Exclusion #7 —Any reference to "TERRORISTS ACTS" within this exclusion is deleted in its entirety.

Exclusion #15 is amended to include "UNLESS YOUR VEHICLE IS PROPERLY EQUIPPED FOR SUCH USE AND IS NOT USED COMMERCIALY." Exclusion #16 is deleted in its entirety.

Arizona

NOTICE TO CUSTOMER — is amended as follows:

In the event a **Breakdown** occurs when the **Administrator's** office is closed, **You** may follow the claim procedures in the Service Contract without prior authorization. Reimbursement will be made to **You** or the **Repair Facility** in accordance with Service Contract provisions.

WHAT THIS SERVICE CONTRACT DOES NOT COVER — is amended as follows:

Exclusion #33 is revised to read, **"IF YOUR VEHICLE IS MODIFIED TO BE POWERED ENTIRELY BY A FUEL SOURCE OTHER THAN GASOLINE OR DIESEL FUEL, WHILE THE VEHICLE IS OWNED BY YOU."**

Exclusions #10, 12, 13, 14, 15, 19, 22, 24, 25, & 31 are amended to include: **"WHILE THE VEHICLE IS OWNED BY YOU."**

Exclusions #3, 11, 23 & 34 are deleted in their entirety.

GENERAL PROVISIONS — Section 7 "Dispute Resolution — Arbitration" is deleted in its entirety.

GENERAL PROVISIONS — Section 9 "How This Service Contract May Be Canceled — Including Refunds And Charges, **Cancellation By Us**" is deleted in its entirety and replaced by the following:

If **We** cancel this Service Contract, **We** will mail **You** written notice at least thirty (30) days prior to cancellation. **We** may cancel this Service Contract at any time for the following reasons:

- If there has been a material misrepresentation or fraud by **You**;
- If **You** have failed to maintain **Your Vehicle** as prescribed by the manufacturer;
- If, while owned by **You**, the odometer has been tampered with or disabled and **You** have failed to repair the odometer; or
- If **You** do not pay the **Service Contract Purchase Price**.

California

KEY TERMS — **"Repair Facility"** definition is amended to include:

If a franchised automobile dealer or licensed repair facility does not provide a written parts and labor guarantee of 6 months and 6,000 miles, the **Administrator** will refer **Your Vehicle** to a franchised automobile dealer or licensed repair facility that provides a written parts and labor guarantee for covered repairs of 6 months and 6,000 miles or greater.

"Breakdown" definition is deleted and replaced by the following:

"Breakdown" means the failure of any original or like replacement part due to defects in material or workmanship covered by this Service Contract to perform its intended function(s) in normal service, providing it has received all scheduled maintenance as recommended by the manufacturer in the Owner's Manual. Breakdown does not include the gradual reduction in operating performance caused by wear and tear where a failure has not occurred.

GENERAL PROVISIONS — Section 6 "Subrogation" is deleted in its entirety.

GENERAL PROVISIONS — Section 7 "Dispute Resolution — Arbitration" is deleted in its entirety and replaced by the following:

Mandatory arbitration is not allowed under this Service Contract. If **You** and **We** mutually agree, this Service Contract provides for binding arbitration if there is an unresolved dispute between **You** and **Us** concerning this Service Contract (for example the **Cost** of, lack of or actual repair of replacement arising from a **Breakdown**). Under this Arbitration provision, **You** give up **Your** right to resolve any dispute arising from this Service Contract by a judge and/or a jury. In arbitration, a group of three arbitrators (each of whom is) an independent, neutral third party) will give a decision after hearing **You** and **Our** positions. The decision of a majority of the arbitrators will determine the outcome of the arbitration and the decision of the arbitrators shall be final and binding and cannot be reviewed or changed by, or appealed to, a court of law. The arbitrators shall not have the power to commit errors of law or legal reasoning, and the award may be vacated or corrected on appeal to a court of competent jurisdiction of any such error.

To start arbitration, either **You** or **We** must make a written demand to the other party for arbitration. This demand must be made within one (1) year of the earlier of the date the **Breakdown** occurred or the dispute arose. **You** and **We** will each separately select an arbitrator. The two arbitrators will select a third arbitrator called an "umpire." Each party will each pay the expense of the arbitrator selected by that party. The expense of the umpire will be shared equally by **You** and **Us**. Unless otherwise agreed to by **You** and **Us**, the arbitration will take place in the county and state in which **You** live. The arbitration shall be governed by the California Code of Civil Procedure (1750 et. seq.) and the California Arbitration Act

(California Civil Code 1280 et. seq.). The laws of the state of California govern all matters arising out of or relating to this Service Contract and all transactions contemplated by this Service Contract, including, without limitation, the validity, interpretation, construction, performance and enforcement of this Service Contract.

All fees and costs charged to **You** under this provision shall be waived if **You** are an indigent consumer. "Indigent consumer" means a person having a gross monthly income that is less than 300 percent of the federal poverty guidelines. If **You** are determined to be an indigent consumer all provisions of California Code of Civil Procedure §1284.3 apply.

GENERAL PROVISIONS — Section 9 "How This Service Contract May Be Canceled — Including Refunds And Charges"

Cancellation By Us is deleted in its entirety and replaced by the following:

If **We** cancel this Service Contract, **We** will mail **You** written notice at least sixty (60) days prior to cancellation. **We** may cancel this Service Contract for any reason within sixty (60) days of the **Service Contract Purchase Date**. After sixty (60) days, **We** may cancel this Service Contract:

- If there has been a material misrepresentation or fraud; or
- If **You** do not pay the **Service Contract Purchase Price**.

How Refunds are Calculated is amended as follows:

No administrative fee will be charged within the first sixty (60) days of cancellation from the **Service Contract Purchase Date**.

The \$50 administrative fee is deleted and replaced with an administrative fee of \$25 or 10% of the refund amount, whichever is less.

The sentence "If the Service Contract is canceled by **Us**, the cancellation period of sixty (60) days is changed to ninety (90) days." is deleted in its entirety.

If the Service Contract is canceled by **Us**, no administrative fee will be charged.

GENERAL PROVISIONS — Section 10 "Insurance" is deleted in its entirety and replaced by the following:

Performance to **You** under this Service Contract is guaranteed by a California approved insurance company. **You** may file a claim with this insurance company if any promise made in the Service Contract has been denied or has not been honored within sixty (60) days after **Your** request. The name and address of the insurance company is: Virginia Surety Company, Inc., 175 West Jackson Blvd., Chicago, Illinois 60604. If **You** are not satisfied with the insurance company's response, **You** may contact the California Department of Insurance at 1-800-927-4357.

Colorado

GENERAL PROVISIONS — Section 10 "Insurance" is amended to include: Insurance Policy #2631.

Connecticut

The coverage afforded by this Service Contract is still available should the Service Contract Period lapse while **Your Vehicle** is in the custody of a **Repair Facility** for a covered repair.

GENERAL PROVISIONS — Section 7 "Dispute Resolution — Arbitration" is amended as follows:

The State of Connecticut has established an arbitration process to settle disputes between **You** and **Us** arising from extended **Warranty** contracts. A written complaint may be mailed to: State of Connecticut, Insurance Department, P.O. Box 816, Hartford, CT 06142-0186, Attention: Consumer Affairs. The written complaint must contain a description of the dispute, the purchase price of the product, the **Cost** of repair of the product and a copy of this Service Contract.

GENERAL PROVISIONS — Section 9 "How This Service Contract May Be Canceled — Including Refunds and Charges, **Cancellation By Us**" is amended to include: The thirty (30) day written notice prior to cancellation is deleted and replaced with forty-five (45) days.

Florida

The rate charged for this Service Contract is not subject to regulation by the Department of Insurance.

WHO TO CALL FOR BREAKDOWN REPAIR AUTHORIZATION — is amended as follows:

The first sentence is revised to read: "**Before any covered repairs can begin, You must contact the Selling Dealer or the Administrator.**"

WHAT THIS SERVICE CONTRACT DOES NOT COVER — is amended as follows: Exclusion #11 is deleted in its entirety.

YOUR RESPONSIBILITIES — "**Emergency Repair Instructions**" is amended as follows: The thirty (30) day time period for filing a claim after a **Breakdown** is deleted and replaced with ninety (90) days.

GENERAL PROVISIONS — Section 7 "Dispute Resolution — Arbitration" is deleted in its entirety.

GENERAL PROVISIONS — Section 9 "How This Service Contract May Be Canceled — Including Refunds And Charges" is deleted in its entirety and replaced by the following:

Cancellation By You

You may cancel this Service Contract at any time. To cancel, contact the **Selling Dealer** or the **Administrator**. The **Selling Dealer** will assist with **Your** cancellation request and verify the mileage of **Your Vehicle**. If **You** are unable to return to the **Selling Dealer**, **You** must provide written notice to the **Administrator**. A copy of **Your** Service Contract and an odometer reading statement must be included with **Your** request for cancellation. If **You** cancel this Service Contract within sixty (60) days of the **Service Contract Purchase Date**, a 100% refund of the **Service Contract Purchase Price** will be made less any claims paid on the Service Contract. After sixty (60) days or if **You** have incurred a claim, a pro-rata refund of the lesser of unused **Months** or unused **Miles** will be made. The pro-rata refund will be calculated by multiplying the **Service Contract Purchase Price** by the lesser percentage of the unused **Months** or unused **Miles** compared to the total **Months** or total **Miles** of **Your** Service Contract Period, less an administrative fee of \$50 or 10% of the refund amount, whichever is less. All refunds will be paid to the Lienholder if any, otherwise to **You**.

Cancellation By Us

We may cancel this Service Contract for any reason within sixty (60) days of the **Service Contract Purchase Date**. After sixty (60) days, **We** may cancel this Service Contract:

- If there has been a material misrepresentation or fraud;
- If **You** have failed to maintain **Your Vehicle** as prescribed by the manufacturer;
- If the odometer has been tampered with or disabled and **You** have failed to repair the odometer; or
- If **You** do not pay the **Service Contract Purchase Price**.

If **We** cancel this Service Contract, **We** will mail **You** written notice at least thirty (30) days prior to cancellation. A pro-rata refund of the lesser of unused **Months** or unused **Miles** will be made. The pro-rata refund will not be less than 100% of the paid unearned pro-rata premium less any claims paid on the Service Contract. All refunds will be paid to the Lienholder if any, otherwise to **You**.

If this Service Contract is financed and **Your Vehicle** is a total loss or is repossessed, **You** authorize **Your** Lienholder (shown in Section 2 of the Information Schedule) to cancel this Service Contract and receive the refund.

Georgia

Notice to Customer is amended to including the following:

The Coverage under this Service Contract begins 30 days from the Service Contract Purchase Date and 1,000 miles from the Current Odometer Reading at Service Contract Purchase Date.

However, 30 days and 1,000 miles will be added to the end of the term of Your Service Contract.

WHAT THIS SERVICE CONTRACT DOES NOT COVER — is amended as follows: Exclusion #10 — Any reference to "**SLUDGE**" within this exclusion is deleted in its entirety.

Exclusion #14 is amended to include the text: "**MADE SUBSEQUENT TO THE PURCHASE OF THIS SERVICE CONTRACT.**" Exclusion #22 Any reference to "**DELIVERY SERVICE**" is deleted in its entirety.

Exclusion #25 is amended to include the text: "**WHILE OWNED BY YOU**".

Exclusion #34 is deleted in its entirety.

YOUR RESPONSIBILITIES — is amended as follows:

Item #3 is deleted in its entirety.

GENERAL PROVISIONS — Section 7 "Dispute Resolution — Arbitration" is deleted in its entirety.

GENERAL PROVISIONS — Section 9 "How This Service Contract May Be Canceled — Including Refunds And Charges" is deleted in its entirety and replaced by the following:

Cancellation By You

You, or a person authorized by **You**, may cancel this Service Contract at any time. To cancel, contact the **Selling Dealer**. The **Selling Dealer** will assist with **Your** cancellation request and verify the mileage of **Your Vehicle**. If **You** are unable to return to the **Selling Dealer**, **You** must provide written notice to the **Administrator**. A copy of **Your** Service Contract and an odometer reading statement must be included with **Your** request for cancellation. If **You** cancel this Service Contract, **You** will receive 100% of the unearned pro-rata **Service Contract Purchase Price**, less an administrative fee of \$50 or 10% of the unearned pro-rata **Service Contract Purchase Price**, whichever is less. The refund will be paid to the Lienholder if any, otherwise to **You**.

Cancellation By Us

We may cancel this Service Contract:

- In the event of fraud;
- In the event of material misrepresentation; or
- If **You** do not pay the **Service Contract Purchase Price**.

If **We** cancel this Service Contract, **We** will mail **You** written notice:

- At least ten (10) days prior to the effective date of cancellation if **You** do not pay the **Service Contract Purchase Price**; or
- At least thirty (30) days prior to the effective date of cancellation for fraud or material misrepresentation.

If **We** cancel this Service Contract, **You** will receive 100% of the unearned pro-rata **Service Contract Purchase Price**. The refund will be paid to the Lienholder if any, otherwise to **You**.

If this Service Contract is financed and **Your Vehicle** is a total loss or is repossessed, **You** authorize **Your** Lienholder (shown in Section 2 of the Information Schedule) to cancel this Service Contract and receive the refund.

Should **We** fail to refund the unearned consideration, **You** have the right to receive the refund directly from Virginia Surety Company, Inc.

Hawaii

GENERAL PROVISIONS — Section 9 "How This Service Contract May Be Canceled — Including Refunds And Charges, **Cancellation By You**" is amended to include:

If **You** cancel this Service Contract within sixty (60) days of the **Service Contract Purchase Date** and **You** have not incurred a claim, a ten percent (10%) penalty per month shall be added to a refund that is not paid within forty-five (45) days of return of this Service Contract to the **Selling Dealer** or the **Administrator**.

Idaho

Coverage afforded under this Service Contract is not guaranteed by the Idaho Insurance Guarantee Association.

Illinois

GENERAL PROVISIONS — Section 9 "How This Service Contract May Be Canceled — Including Refunds And Charges, **How Refunds are Calculated**" is amended as follows: The \$50 administrative fee is deleted and replaced with an administrative fee of \$50 or 10% of the refund amount, whichever is less.

Indiana

This Service Contract is not insurance and is not subject to Indiana Insurance Law.

Your proof of payment to the **Selling Dealer** for this Service Contract shall be considered proof of payment to the insurance company, which guarantees **Our** obligation to **You**, providing such insurance was in effect at the time **You** purchased this Service Contract.

Iowa

This Service Contract is subject to the applicable provisions of the Iowa Consumer Credit Code, Chapter 357.

If **You** have questions regarding **Your** Service Contract, **You** may address them to the Iowa Insurance Commissioner at the following address: Iowa Insurance Department, 330 Maple Street, Des Moines, Iowa 50319-0065

WHAT THIS SERVICE CONTRACT COVERS — is amended to include:

Used parts will not be used to replace covered parts without prior written authorization from **You**. Rebuilt parts will not be used to replace covered parts unless the parts are rebuilt according to national standards recognized by the Insurance Division.

GENERAL PROVISIONS — Section 9 "How This Service Contract May be Canceled — Including Refunds And Charges"

Cancellation By You is amended to include:

If **You** cancel this Service Contract within sixty (60) days of the **Service Contract Purchase Date** and **You** have not incurred a claim, a ten percent (10%) penalty per month shall be added to a refund that is not paid within thirty (30) days of return of this Service Contract to the **Selling Dealer** or the **Administrator**.

How Refunds are Calculated is amended as follows:

The sentence "All refunds will be paid to the Lienholder if any, otherwise to **You**." is revised to read "All refunds will be paid by the **Selling Dealer** to the Lienholder if any, otherwise to **You**."

Kentucky

WHAT THIS SERVICE CONTRACT COVERS — is amended as follows:

Section D. Emergency Travel Expense Reimbursement Coverage is deleted in its entirety.

Louisiana

GENERAL PROVISIONS — Section 7 "Dispute Resolution — Arbitration" is deleted in its entirety.

GENERAL PROVISIONS — Section 9 "How This Service Contract May Be Canceled — Including Refunds And Charges, **How Refunds are Calculated**" is deleted in its entirety and replaced by the following:

If this Service Contract is canceled within sixty (60) days of the **Service Contract Purchase Date**, a 100% refund of the **Service Contract Purchase Price** will be made. After sixty (60) days, a pro-rata refund of the unused **Months** or unused **Miles** will be made. The pro-rata refund will be calculated by multiplying the **Service Contract Purchase Price** by the lesser percentage of the unused **Months** or unused **Miles** compared to the total **Months** or total **Miles** of **Your** Service Contract Period, less an administrative fee of \$50. All refunds will be paid to the Lienholder if any, otherwise to **You**. If the Service Contract is canceled by **Us**, the cancellation period of sixty (60) days is changed to ninety (90) days.

Maine

GENERAL PROVISIONS — Section 7 "Dispute Resolution — Arbitration" is deleted in its entirety.

GENERAL PROVISIONS — Section 9 "How This Service Contract May Be Canceled — Including Refunds And Charges" **Cancellation By You** is amended to include: If **You** cancel this Service Contract within sixty (60) days of the **Service Contract Purchase Date** and **You** have not incurred a claim, a ten percent (10%) penalty per month shall be added to a refund that is not paid within forty-five (45) days of return of this Service Contract to the **Selling Dealer** or the **Administrator**.

How Refunds are Calculated is amended as follows: The fifty dollar (\$50) administrative fee is deleted and replaced with an administrative fee of fifty dollars (\$50) or ten percent (10%) of the refund amount, whichever is less.

Maryland

GENERAL PROVISIONS — Section 9 "How This Service Contract May Be Canceled — Including Refunds And Charges, **Cancellation By You**" is amended to include:

If **You** cancel this Service Contract within sixty (60) days of the **Service Contract Purchase Date** and **You** have not incurred a claim, a ten percent (10%) penalty per month shall be added to a refund that is not paid within forty-five (45) days of return of this Service Contract to the **Selling Dealer** or the **Administrator**.

Massachusetts

NOTICE TO CUSTOMER: THE COVERAGE **YOU** ARE BUYING IS **NOT** REQUIRED IN ORDER TO REGISTER OR FINANCE A VEHICLE. THE BENEFITS PROVIDED **MAY** DUPLICATE EXPRESS MANUFACTURER'S OR SELLER'S **WARRANTIES** THAT COME AUTOMATICALLY WITH EVERY SALE. **YOU** CAN BE REQUIRED BY THE SELLER OF THIS COVERAGE TO PURSUE THOSE **WARRANTIES** WHICH ARE AVAILABLE TO **YOU** WITHOUT THIS CONTRACT.

Michigan

GENERAL PROVISIONS — Section 1 "Service Contract Period" is amended to include:

If performance under this Service Contract is interrupted because of a strike or work stoppage at the **Selling Dealer** or **Repair Facility**, the term of this Service Contract shall be extended for the period of the strike or work stoppage.

Minnesota

GENERAL PROVISIONS — Section 9 "How This Service Contract May Be Canceled — Including Refunds And Charges, **Cancellation By You**" is amended to include:

If **You** cancel this Service Contract within sixty (60) days of the **Service Contract Purchase Date** and **You** have not incurred a claim, a ten percent (10%) penalty per month shall be added to a refund that is not paid within forty-five (45) days of return of this Service Contract to the **Selling Dealer** or the **Administrator**.

Mississippi

GENERAL PROVISIONS — Section 7 "Dispute Resolution — Arbitration" is deleted in its entirety.

Missouri

GENERAL PROVISIONS — Section 9 "How This Service Contract May Be Canceled — Including Refunds And Charges, **Cancellation By You**" is amended to include:

If **You** cancel this Service Contract within sixty (60) days of the **Service Contract Purchase Date** and **You** have not incurred a claim, a ten percent (10%) penalty per month shall be added to a refund that is not paid within forty-five (45) days of return of this Service Contract to the **Selling Dealer** or the **Administrator**.

Cancellation by **You** will become effective as of the date the written notice of **Your** cancellation is received by **Us**. **We** will mail **You** written notice of **Our** receipt and resulting cancellation of **Your** Service Contract within forty-five (45) days of the date of cancellation.

GENERAL PROVISIONS — Section 10 "Insurance" is amended to include:

A claim against the **Provider** may also include a claim for return of the unearned **Provider** fee.

This Service Contract is not an insurance contract.

Nebraska

GENERAL PROVISIONS — Section 7 "Dispute Resolution — Arbitration" is deleted in its entirety and replaced by the following:

Notwithstanding anything in the Service Contract to the contrary, if **You** and **We** mutually agree at the time of loss, this Service Contract provides for arbitration if there is an unresolved dispute between **You** and **Us** concerning this Service Contract. **You** agree not to participate as a class representative or class member in any class action litigation, any class arbitration or any consolidation of individual arbitrations. In arbitration, a group of three arbitrators (each of whom is an independent, neutral third party) will give a decision after hearing **Your** and **Our** positions. The decision of a majority of the arbitrators will determine the outcome of the arbitration and the decision of the arbitrators shall not be binding upon **You**.

To start arbitration, either **You** or **We** must make a written demand to the other party for arbitration. This demand must be made within one (1) year of the earlier of the date the loss occurred or the dispute arose. **You** and **We** will each separately select an arbitrator. The two arbitrators will select a third arbitrator called an "umpire." Each party will each pay the expense of the arbitrator selected by that party. The expense of the umpire will be shared equally by **You** and **Us**. Unless otherwise agreed to by **You** and **Us**, the arbitration will take place in the county and state in which **You** live. The arbitration shall be governed by the Federal Arbitration Act (9 U.S.C.A. § 1 et. seq.) and not by any state law concerning arbitration. The rules of the American Arbitration Association (www.adr.org) will apply to any arbitration under this Service Contract.

Nevada

GENERAL PROVISIONS — Section 1 "Service Contract Period" is amended to include: This Service Contract is not renewable. **WHAT THIS SERVICE CONTRACT DOES NOT COVER - is amended as follows:**

Exclusion #34 is revised to read: FOR A BREAKDOWN WHICH EXISTED OR WAS CAUSED BY A CONDITION WHICH EXISTED DURING THE WAITING PERIOD OR PRIOR TO THE SERVICE CONTRACT PURCHASE DATE.

GENERAL PROVISIONS — Section 7 "Dispute Resolution — Arbitration" is deleted in its entirety.

GENERAL PROVISIONS — Section 9 "How This Service Contract May Be Canceled — Including Refunds And Charges"

Cancellation By You is amended to include:

If **You** cancel this Service Contract within sixty (60) days of the **Service Contract Purchase Date** and **You** have not incurred a claim, a ten percent (10%) penalty per month shall be added to a refund that is not paid within forty-five (45) days of return of this Service Contract to the **Selling Dealer** or the **Administrator**.

Cancellation By Us is amended as follows:

Our right to cancel for any reason is changed from ninety (90) days to seventy (70) days.

We may only cancel this Service Contract after seventy (70) days for the following reasons:

- If **You** do not pay the **Service Contract Purchase Price**;
- If **You** are convicted of a crime that results in an increase in the risk covered under this Service Contract;
- If there has been a material misrepresentation or fraud; or
- If **We** discover an act or omission by **You**, or a violation by **You** of any terms or conditions of this Service Contract, after the **Service Contract Purchase Date**, that substantially and materially increases the risk covered under this Service Contract.

How Refunds are Calculated is amended as follows:

If the Service Contract is canceled by **Us**, the cancellation period of sixty (60) days is changed to seventy (70) days. If the Service Contract is canceled by **Us**, no administrative fee will be charged.

New Hampshire

GENERAL PROVISIONS — Section 10 "Insurance" is amended to include:

If **You** are not satisfied with the insurance company's response, **You** may contact the New Hampshire Department of Insurance, 21 Fruit Street, Concord, New Hampshire 03301, 1-603-271-2261.

New Mexico

GENERAL PROVISIONS — Section 1 "Service Contract Period" is amended to include: This Service Contract is not renewable.

GENERAL PROVISIONS — Section 9 "How This Service Contract May Be Canceled — Including Refunds And Charges"

Cancellation By You is amended to include:

If **You** cancel this Service Contract within sixty (60) days of the **Service Contract Purchase Date** and **You** have not incurred a claim, a ten percent (10%) penalty per month shall be added to a refund that is not paid within sixty (60) days of return of this Service Contract to the **Selling Dealer** or the **Administrator**.

Cancellation By Us is amended as follows:

Our right to cancel for any reason is changed from ninety (90) days to seventy (70) days.

We may only cancel this Service Contract after seventy (70) days for the following reasons:

- If **You** do not pay the **Service Contract Purchase Price**;
- If **You** are convicted of a crime that results in an increase in the risk covered under this Service Contract;
- If there has been a material misrepresentation or fraud; or
- If **We** discover an act or omission by **You**, or a violation by **You** of any terms or conditions of this Service Contract, after the **Service Contract Purchase Date**, that substantially and materially increases the risk covered under this Service Contract.

How Refunds are Calculated is amended as follows:

If the Service Contract is canceled by **Us**, the cancellation period of sixty (60) days is changed to seventy (70) days.

New York

WHAT THIS SERVICE CONTRACT COVERS — Section D. Emergency Travel Expense Reimbursement Coverage is deleted in its entirety.

GENERAL PROVISIONS — Section 9 "How This Service Contract May Be Canceled — Including Refunds And Charges, **Cancellation By You**" is amended to include:

If **You** cancel this Service Contract within sixty (60) days of the **Service Contract Purchase Date** and **You** have not incurred a claim, a ten percent (10%) penalty per month shall be added to a refund that is not paid within thirty (30) days of return of this Service Contract to the **Selling Dealer** or the **Administrator**.

North Carolina

GENERAL PROVISIONS — Section 9 "How This Service Contract May Be Canceled — Including Refunds And Charges"

Cancellation By Us is deleted in its entirety and replaced by the following:

If **We** cancel this Service Contract, **We** will mail **You** written notice at least thirty (30) days prior to cancellation. **We** may only cancel this Service Contract at any time for any of the reasons listed below:

- If there has been a material misrepresentation or fraud; or
- If **You** do not pay the **Service Contract Purchase Price**.

How Refunds are Calculated is amended as follows:

The \$50 administrative fee is deleted and replaced with an administrative fee of \$50 or 10% of the refund amount, whichever is less.

Ohio

This Service Contract is not insurance and is not subject to the insurance laws of the state of Ohio.

Oklahoma

Coverage afforded under this Service Contract is not guaranteed by the Oklahoma Insurance Guaranty Association.

This Service Contract is not issued by the manufacturer or a wholesale company marketing the product. This Service Contract will not be honored by such manufacturer or wholesale company.

GENERAL PROVISIONS — Section 9 "How This Service Contract May Be Canceled — Including Refund And Charges" is deleted in its entirety and replaced by the following:

Cancellation By You

You may cancel this Service Contract at any time. To cancel, contact the **Selling Dealer**. The **Selling Dealer** will assist with **Your** cancellation request and verify the mileage of **Your Vehicle**. If **You** are unable to return to the **Selling Dealer**, **You** must provide written notice to the **Administrator**. A copy of **Your** Service Contract and an odometer reading statement must be included with **Your** request for cancellation. If **You** cancel this Service Contract, **You** will receive 100% of the unearned pro-rata premium, less an administrative fee of fifty dollars (\$50) or ten percent (10%) of the unearned pro-rata premium, whichever is less. All refunds will be paid to the Lienholder if any, otherwise to **You**.

Cancellation By Us

We may cancel this Service Contract for any reason within ninety (90) days of the **Service Contract Purchase Date**. After ninety (90) days, **We** may cancel this Service Contract:

- If there has been a material misrepresentation or fraud;
- If **You** have failed to maintain **Your Vehicle** as prescribed by the manufacturer;
- If the odometer has been tampered with or disabled and **You** have failed to repair the odometer;
- If **You** do not pay the **Service Contract Purchase Price**;
- If **Your Vehicle** has a salvage title; or
- If **You** use **Your Vehicle** in any manner not covered by this Service Contract.

If **We** cancel this Service Contract, **We** will mail **You** written notice at least thirty (30) days prior to cancellation. The pro-rata refund will be 100% of the unearned pro-rata premium. All refunds will be paid to the Lienholder if any, otherwise to **You**.

If this Service Contract is financed and **Your Vehicle** is a total loss or is repossessed, **You** authorize **Your** Lienholder (shown in Section 2 of the Information Schedule) to cancel this Service Contract and receive the refund.

Oklahoma service warranty statutes do not apply to commercial use reference in service warranty contracts.

Oregon

GENERAL PROVISIONS — Section 7 "Dispute Resolution — Arbitration" is deleted in its entirety.

South Carolina

If **You** have questions, concerns or complaints regarding **Your** Service Contract, **You** may address them to:

South Carolina Department of Insurance, P.O. Box 100105, Columbia, South Carolina 29201-3105, 1-803-737-6180

GENERAL PROVISIONS — Section 9 "How This Service Contract May Be Canceled — Including Refunds And Charges, **Cancellation By You**" is amended to include:

If **You** cancel this Service Contract within sixty (60) days of the **Service Contract Purchase Date** and **You** have not incurred a claim, a ten percent (10%) penalty per month shall be added to a refund that is not paid within forty-five (45) days of return of this Service Contract to the **Selling Dealer** or the **Administrator**.

Texas

The **Administrator** is Total Warranty Services, Texas Provider #223

Unresolved complaints or questions concerning the regulation of service contracts may be directed to the Texas Department of Licensing and Regulation at P.O. Box 12157, Austin, TX 78711, 1-800-803-9202.

WHAT THIS SERVICE CONTRACT COVERS — Section D. Emergency Travel Expense Reimbursement Coverage is deleted in its entirety.

GENERAL PROVISIONS — Section 9 "How This Service Contract May Be Canceled — Including Refunds And Charges, **Cancellation By You**" is amended to include: If **You** cancel this Service Contract within sixty (60) days of the **Service Contract Purchase Date** and **You** have not incurred a claim, this Service Contract shall be void and a 100% refund of the **Service Contract Purchase Price** will be made. A ten percent (10%) penalty per month shall be added to any refund on a voided Service Contract that is not paid within forty-five (45) days of return of this Service Contract to the **Selling Dealer** or the **Administrator**. If **Your** cancellation refund is not paid within forty-five (45) days after the Service Contract has been returned to the **Selling Dealer** or the **Administrator**, **You** may request a refund from Virginia Surety Company, Inc., 175 West Jackson Blvd., Chicago, Illinois 60604. The right to cancel this Service Contract is not transferable to a subsequent holder of this Service Contract. **How Refunds are Calculated** is amended to include: If this Service Contract is canceled by Us, no administrative fee will be charged.

Utah

Coverage afforded under this Service Contract is not guaranteed by the Property and Casualty Guaranty Association.

This Service Contract is subject to limited regulation by the Utah Insurance Department. To file a complaint, contact the Utah Insurance Department.

YOUR RESPONSIBILITIES — "**Emergency Repair Instructions**" is amended to include: Utah residents are not limited to filing claims within thirty (30) days for reimbursement consideration.

GENERAL PROVISIONS — Section 7 "Dispute Resolution — Arbitration" is deleted in its entirety and replaced by the following:

Any matter in dispute between **You** and **Us** may be subject to arbitration as an alternative to court action pursuant to the rule of The American Arbitration Association or other recognized arbitrator, a copy of which is available on request from **Us**. Any decision reached by arbitration shall be binding upon both

You and Us. The arbitration award may include attorney's fees if allowed by state law and may be entered as a judgment in any court of proper jurisdiction.

GENERAL PROVISIONS — Section 9 "How This Service Contract May Be Canceled — Including Refunds And Charges"

Cancellation By Us is deleted in its entirety and replaced by the following:

If **We** cancel this Service Contract, **We** will mail **You** written notice at least thirty (30) days prior to cancellation. **We** may cancel this Service Contract for any reason within sixty (60) days of the **Service Contract Purchase Date**. After sixty (60) days, **We** may cancel this Service Contract:

- For nonpayment of premium;
- For material misrepresentation;
- For substantial changes in the risk assumed, unless the insurer should reasonably have foreseen the change or contemplated the risk when entering into the contract; or
- For substantial breaches in contractual duties, conditions or warranties.

Cancellation By Lienholder is deleted in its entirety and replaced by the following:

If this Service Contract is financed and **Your Vehicle** is a total loss or is repossessed, **You** authorize **Your Lienholder** (shown in Section 2 of the Information Schedule) to receive the refund.

How Refunds Are Calculated is amended as follows:

The sentence "If the Service Contract is canceled by **Us**, the cancellation period of sixty (60) days is changed to ninety (90) days." is deleted in its entirety.

Washington

GENERAL PROVISIONS — is amended to include:

Implied Warranty

The Implied Warranty of Merchantability on **Your Vehicle** is not waived if the Service Contract has been purchased within ninety (90) days of the purchase date of the **Vehicle** from the dealer who also sold the **Vehicle** covered by this Service Contract.

GENERAL PROVISIONS — Section 6 "Subrogation" is deleted and replaced with the following:

If **We** make any payment under this Service Contract and **You** have the right to recover against another party, **Your** rights shall become **Our** rights and **You** shall do whatever is necessary to enable **Us** to enforce these rights. **Our** subrogation rights become effective after **You** are made whole.

GENERAL PROVISIONS — Section 7 "Dispute Resolution — Arbitration" is amended as follows:

The sentence "The laws of the state of Illinois..." is revised to read: The laws of the state of Washington (without giving effect to its conflict of law principles) govern all matters arising out of or relating to this Service Contract and all transactions contemplated by this Service Contract, including, without limitation, the validity, interpretation, construction, performance and enforcement of this Service Contract.

GENERAL PROVISIONS — Section 9 "How This Service Contract May Be Canceled — Including Refunds And Charges" is deleted in its entirety and replaced by the following:

Cancellation By You

You may cancel this Service Contract at any time. To cancel, contact the **Selling Dealer**. The **Selling Dealer** will assist with **Your** cancellation request and verify the mileage of **Your Vehicle**. If **You** are unable to return to the **Selling Dealer**, **You** must provide written notice to the **Administrator**. A copy of **Your** Service Contract and an odometer reading statement must be included with **Your** request for cancellation. If **You** cancel this Service Contract within sixty (60) days of the **Service Contract Purchase Date** and **You** have not incurred a claim, a ten percent (10%) penalty per month shall be added to a refund that is not paid within thirty (30) days of return of this Service Contract to the **Selling Dealer** or the **Administrator**.

Cancellation By Lienholder

If this Service Contract is financed, the Lienholder (shown in Section 2 on the Information Schedule) may cancel the Service Contract in the event **You** default in **Your** obligation to such Lienholder or in the event **Your Vehicle** is declared a total loss or is repossessed.

How Refunds are Calculated

If this Service Contract is canceled by **You** or the Lienholder within sixty (60) days of the **Service Contract Purchase Date** and a claim has not been incurred, a 100% refund of the **Service Contract Price** will be made. After sixty (60) days or if **You** have incurred a claim, a pro-rata refund of the unused **Months** or unused **Miles** will be made. The pro-rata refund will be calculated by multiplying the **Service**

Contract Price by the lesser percentage of the unused **Months** or unused **Miles** compared to the total **Months** or total **Miles** of Your Service Contract Period, less an administrative fee of \$25. All refunds will be paid to the Lienholder if any, otherwise to **You**.

Cancellation By Us

If **We** cancel this Service Contract for any reason within sixty (60) days of the **Service Contract Purchase Date**, a 100% refund of the **Service Contract Price** will be made. All refunds will be paid to the Lienholder if any, otherwise to **You**.

GENERAL PROVISIONS — Section 10 "Insurance" is deleted in its entirety and replaced by the following:

Our obligations under this Service Contract are guaranteed under an Insurance Policy #2622 issued by Virginia Surety Company, Inc., 175 West Jackson Blvd., Chicago, Illinois 60604. **You** may file a direct claim with Virginia Surety Company, Inc. To do so, please call the following toll-free number for instructions: 1-800-209-6206.

Wisconsin

THIS CONTRACT IS SUBJECT TO LIMITED REGULATION BY THE OFFICE OF THE COMMISSIONER OF INSURANCE.

WHAT THIS SERVICE CONTRACT COVERS — is amended to include:

Emergency Roadside Assistance is provided by Brickell Financial Services Motor Club, Inc., 7300 Corporate Center Drive, Suite 601, Miami, FL 33126, 1-305-392-4300. **WHAT THIS SERVICE CONTRACT DOES NOT COVER** — is amended to include: Exclusion #4 is deleted in its entirety.

YOUR RESPONSIBILITIES — "**Emergency Repair Instructions**" is amended to include: The thirty (30) day time period for filing a claim after a **Breakdown** is deleted and replaced with as soon as reasonably possible.

GENERAL PROVISIONS — Section 6 "Subrogation" is amended to include: **You** will be made whole before **We** retain any amount **We** may recover. **GENERAL PROVISIONS** — Section 7 "Dispute Resolution — Arbitration" is deleted in its entirety.

GENERAL PROVISIONS — Section 9 "How This Service Contract May Be Canceled — Including Refunds And Charges"

Cancellation By You is amended to include:

If **You** cancel this Service Contract within sixty (60) days of the **Service Contract Purchase Date** and **You** have not incurred a claim, a ten percent (10%) penalty per month shall be added to a refund that is not paid within forty-five (45) days of return of this Service Contract to the **Selling Dealer** or the **Administrator**.

Cancellation By Us is deleted in its entirety and replaced by the following:

If **We** cancel this Service Contract, **We** will mail **You** written notice at least thirty (30) days prior to cancellation. This notice shall state the effective date of and the reason for cancellation. **We** may cancel this Service Contract:

- If there has been a material misrepresentation or fraud by **You**;
- If **You** do not pay the **Service Contract Price**; or
- For substantial breach of duties by **You** relating to the use of the covered **Vehicle**.

How Refunds are Calculated is amended as follows:

The sentence "If the Service Contract is canceled by **Us**, the cancellation period of sixty (60) days is changed to ninety (90) days." is deleted in its entirety.

The fifty dollar (\$50) administrative fee is deleted and replaced with an administrative fee of fifty dollars (\$50) or ten percent (10%) of the refund amount, whichever is less.

In the event **Your Vehicle** is declared a total loss, **You** may cancel the Service Contract and receive a pro rata refund of the **Service Contract Price**, less any claims paid. No administrative fee will be charged.

Wyoming

GENERAL PROVISIONS — Section 7 "Dispute Resolution — Arbitration" is deleted in its entirety.

GENERAL PROVISIONS — Section 9 "How This Service Contract May Be Canceled — Including Refunds And Charges"

Cancellation By You is amended to include:

If **You** cancel this Service Contract within sixty (60) days of the **Service Contract Purchase Date** and **You** have not incurred a claim, a ten percent (10%) penalty per month shall be added to a refund that is not paid within forty-five (45) days of return 'of this Service Contract to the **Selling Dealer** or the **Administrator**.

Cancellation By Lienholder is deleted in its entirety and replaced by the following:

If this Service Contract is financed and **Your Vehicle** is a total loss or is repossessed, **You** authorize **Your Lienholder** (shown in Section 2 of the Information Schedule) to receive the refund.

How Refunds are Calculated is amended as follows:

The sentence "All refunds will be paid to the Lienholder if any, otherwise to **You**." is revised to read "All refunds will be made payable to the Lienholder and **You**."

FOR BREAKDOWN REPAIR AUTHORIZATION, CALL YOUR SELLING DEALER OR: — Call the Administrator toll-free: 1-800-870-6856

SPECIMEN