



ULTRA PROTECTION PLAN
Administrative Office
800 Roosevelt Road, E-300
Glen Ellyn, IL 60137
(800) 579-2233 / Fax: (630) 790-6035

VEHICLE SERVICE CONTRACT TERMS AND CONDITIONS

This Contract is subject to the following terms and conditions. **No alterations, changes or waivers of provisions may be made to this Contract.** The benefits available under this Contract are strictly provided to You for repairs to the Vehicle. This Contract is not an Insurance Policy. The purchase of this Contract is not required to obtain financing or purchase the Vehicle. Important: State Guidelines and Regulations where the Contract was sold take precedent over the Terms and Conditions.

COVERAGE

- 1. ENGINE (Gas or Diesel):** All internally lubricated parts including: pistons, piston rings, piston pins, crankshaft and main bearings, connecting rods and bearings, camshaft and bearings, timing chain or belt, timing gears, engine block, cylinder heads, intake and exhaust valves, valve springs, valve guides, oil pump, push rods, rocker arms, rocker arm shafts, hydraulic and solid lifters
- 2. WATER PUMP:** Impeller shaft; bearings; bushings and housing.
- 3. TURBO/SUPERCHARGER:** Housing and all internally lubricated parts; vanes; shafts; and bearings.
- 4. TRANSMISSION: (Automatic or Standard):** Transmission case and all internally lubricated parts; torque converter; vacuum modulator and mounts. Does not include clutch assembly; pressure plate; flywheel; throw out bearing; worn synchronizers; cables or electrical items.
- 5. TRANSFER UNIT (4x4):** Transfer case housing and all internally lubricated parts including: bearings, bushings, sprockets, chains, sleeves and gears (excluding electrical items).
- 6. DRIVE AXLE.** Differential housing, transaxle housing & final drive housing, and all internally lubricated parts contained within the housings.
- 7. SEALS AND GASKETS:** Seals and Gaskets are replaced only as part of repair or replacement of the above covered components. Leaking gaskets or seals are not covered as individual repairs.
- 8. TAXES AND FLUIDS:** State and Local taxes where applicable. Fluid needed to complete a covered repair.

OPTIONAL COVERAGE

- 1. COMMERCIAL USE:** When indicated on the information page and a surcharge has been paid. The Administrator will cover repairs subject to the following conditions: **Eligible Vehicles:** passenger cars, light trucks and vans up to and including one ton trucks used for: route sales and/or route service, inspections, maintenance or repair purposes, carrying tools to a job site, farming and ranching. If towing, the vehicle must be equipped with the manufacturer's installed towing package and not specifically excluded under Ineligible Vehicles. **Note: Extra Maintenance is required:** The owner must perform the manufacturer's "Severe Duty" maintenance service schedule in the manufacturer's Vehicle owner's manual and provide receipts proving the required maintenance was performed in the event of a claim. **Ineligible Vehicles:** multiple driver vehicles and any vehicle used for commercial hauling, delivery, shuttle, taxi or limousine service, police, law enforcement or emergency services, security services, snow plowing, cable or line installation, or removal, any rental vehicle, vehicles equipped with flat beds, dump beds, commercial towing equipment, lifting or hoisting equipment, step vans, high cube vans or box bodies. Vehicles used for carrying or towing payloads in excess of manufacturer specifications are also not eligible.
- 2. INCREASED LIMITS OF LIABILITY (total \$7,000):** When indicated on the application page and a surcharge has been paid, the Administrator will increase the limits of liability to the following aggregate values: *Engine, Turbo/Supercharger and Water Pump claims* – aggregate \$3,500; *Transmission and Transfer Unit Claims* – aggregate \$2,000; *Differential* – aggregate \$1,500; the limit of liability for the total of all claims and repairs is \$7,000. All other terms and conditions outlined in the Section Limits of Liability shall apply.
- 3. AIR CONDITIONING COMPRESSOR:** When indicated on the application page and a surcharge has been paid, the Administrator will provide an additional \$1,000 of coverage for a failure of the Air Conditioning Compressor. The limit of liability for the total of all claims and repairs of the Air Conditioning Compressor shall not exceed \$1,000.

BENEFITS

- 1. CAR RENTAL REIMBURSEMENT:** Should the Contract Holder's Vehicle become inoperable and have to remain overnight for repair at the Dealership or Authorized Repair Facility, Administrator agrees, in the event of a Failure of a covered component, to reimburse the Contract Holder for rental car transportation from a commercial rental agency. Such expense shall be limited to thirty dollars (\$30) per calendar day and not to exceed one hundred fifty dollars (\$150) per occurrence. In computing the amount due under this rental Coverage, only actual factory manual repair time on the Vehicle is covered. Example 1 to 8 hours = 1 day; 8.1 to 16 hours = 2 days; 16.1 to 24 hours = 3 days; 24.1 to 32 hours = 4 days, 32.1 to 40 hours = 5 days. Car rental benefit will not be extended to include downtime waiting for parts or other delays beyond control of the Dealer or Authorized Repair Facility. To receive reimbursement, You must present receipts, including proof of payment, from the licensed rental agency within sixty (60) days of the completion of the covered repairs.
- 2. TOWING ASSISTANCE:** When towing is necessary as a result of the failure of a covered component and the Vehicle is towed to the nearest authorized service facility, You will be reimbursed up to fifty dollars (\$50). To receive reimbursement, You must present receipts, including proof of payment, from the licensed towing agency within sixty (60) days of the completion of the covered repairs.
- 3. TRAVEL REIMBURSEMENT:** Reimburse the Contract Holder for motel and restaurant expenses up to fifty dollars (\$50) per day for a maximum of three (3) days in the event of a Breakdown covered by the Contract, which occurs more than one hundred (100) miles from your home and results in a Repair Facility keeping the vehicle overnight. The maximum benefit per occurrence is one hundred fifty dollars (\$150). To receive motel and restaurant reimbursement, the Contract Holder must supply the Administrator with receipts from the providers of such services.

Insurance Company Statement

Our obligations are guaranteed by an insurance policy (No. 3312) issued by Virginia Surety Company, Inc. In the event that We cease to operate, are bankrupt, or fail to pay an authorized claim within sixty (60) days after proof of loss is filed, You may file a claim directly with Virginia Surety Company, Inc., 175 West Jackson Blvd., Chicago, IL 60604 (800) 209-6206.

DEFINITIONS

Administrator-means **American Guardian Warranty Services, Inc. (AGWS), 800 Roosevelt Rd, E-300, Glen Ellyn, IL 60137 (800) 579-2233** except in the State of Florida where **Administrator** means **American Guardian Warranty Services of Florida, Inc., 800 Roosevelt Rd, E-300, Glen Ellyn, IL 60137 (FL License #60116)**.

Contract -means this service Agreement that is a Contract between You and Us.

Breakdown or Failure-means the failure of an original or replacement part, covered by this Contract, to perform its function as it was originally designed to work in normal service with required maintenance due to material failure or defects in workmanship and outside the manufacturer's tolerance.

Commercial Use Vehicle – means a vehicle registered to a business and/or used for business purposes. Unless identified on the application page and a surcharge is paid, as outlined in Section Optional Coverage: Commercial Use, Commercial Use Vehicles are expressly excluded from coverage under this Contract.

Cost-means the usual and fair charges for parts and labor necessary to repair covered parts. **Replacement of any covered part may be made with new, remanufactured, rebuilt or like kind and quality at the time of Breakdown at the discretion of the Administrator. Parts will be reimbursed up to manufacturer's suggested list price. Labor time will be reimbursed using nationally recognized labor time standards.**

Deductible-means the amount that You must pay for covered repairs per occurrence as indicated on the application page of this Agreement.

Obligor – means **American Guardian Warranty Services, Inc.** except in the State of Florida where **Obligor** means **American Guardian Warranty Services of Florida, Inc.**

Pre-Existing Condition-means a condition or Breakdown that occurred before Your purchase of the Contract that would have been obvious and apparent if the component had been inspected at the time of purchase.

Selling Dealer-means the retail seller of this Contract to You for the covered Vehicle described in Section 1, Vehicle Information.

Vehicle or Covered Vehicle-means the Vehicle described under Part One, Vehicle Information.

We, Us or Our- means **American Guardian Warranty Services, Inc., 800 Roosevelt Road, E-300, Glen Ellyn, IL 60137 (800) 579-2233** except in the State of Florida where **We, Us or Our** means **American Guardian Warranty Services of Florida, Inc., 800 Roosevelt Rd, E-300, Glen Ellyn, IL 60137 (800) 579-2233 (FL License #60116)** who is the **Administrator** and **Obligor** identified on the Information Page of this Agreement.

You and Your-means the purchaser identified on the Information Page of this Contract.

GENERAL PROVISIONS

1. CONTRACT PERIOD. This Contract begins on the date this Contract was purchased and expires upon the passing of the number of months or miles of the Contract Term specified on the application page. Both Parties agree to the thirty (30) day and 1,000 mile exclusionary period identified under the section titled **Exclusions-What is Not Covered (See Exclusion #1)**.

2. OUR RESPONSIBILITIES. Subject to the Coverage and **Deductible** identified on the application page of this Contract, the Limits of Liability and items found under Exclusions-What is Not Covered, We will reimburse you for the Cost of necessary repairs. We reserve the right to inspect Your Vehicle to evaluate coverage and covered repairs.

3. YOUR RESPONSIBILITIES. (1) You must perform the manufacturer's recommended maintenance including keeping receipts for services from the date of purchase. The required receipts include date, mileage, service performed and service provider. If You perform the maintenance yourself, You must keep dated receipts verifying purchase of ALL materials necessary to perform the maintenance. These records will be requested by Us for the investigation of a claim. (2) Use all reasonable means to protect Your Vehicle from further damage when a Breakdown occurs. (3) You must authorize necessary labor time for the repairer to diagnose a Breakdown. (4) Direct the repair facility to call American Guardian at (800) 579-2233 to report a claim. **YOU MUST OBTAIN REPAIR AUTHORIZATION FROM AMERICAN GUARDIAN WARRANTY SERVICES PRIOR TO REPAIRING ANY COVERED COMPONENT.** (5) To receive reimbursement for Your authorized claim, You must submit the following within sixty (60) days of approval: **(A) the original Repair Order signed by You; (B) Proof of payment with a cash register receipt and credit card/personal check copy; (C) Where applicable, copies of original towing or rental bill with proof of payment.**

4. PAYMENT PLAN AGREEMENTS. If this Contract is provided under a payment plan, failure to make timely payments to the payment plan provider will result in cancellation with no refund due, unless state law mandates otherwise. Should a claim arise before this Contract is paid in full, the balance owed will be deducted from the claim payment, unless State Law mandates otherwise.

5. FAILURE OF COVERED PARTS. Subject to the Limits of Liability and items found under Exclusions, the Administrator will pay or reimburse You or the Repair Facility for the Cost to repair or replace any Failure of a part included in Your Coverage. **Replacement parts may be new, remanufactured or replacement parts of like kind and quality.** The Administrator reserves the right to inspect Your Vehicle to evaluate covered repairs.

6. TERRITORY. This Contract is limited to Failures, which occur, and repairs that are made, within the United States of America and Canada.

7. LIMIT OF LIABILITY. The Maximum limit of liability shall be equal to \$5,000 or the actual cash value (ACV) of the vehicle at the time of repair according to the most recent published NADA guide for retail price, whichever is less. **For the \$5,000 Limit of Liability, the aggregate limit of liability per covered vehicle is as follows: (a) \$3,000 in Engine, Turbo/Supercharger and Water Pump claims; (b) \$2,000 in Transmission and Transfer Unit claims; (c) \$1,500 in Differential claims.** **Optional:** When indicated on the application page and a surcharge has been paid, the Administrator will increase the limits of liability, subject to the terms of the Section titled Optional Coverage: **INCREASED LIMITS OF LIABILITY** to a total \$7,000. **Note:** Once the Limit of Liability of this Contract has been reached (maximum amount for liability has been paid through claims), this Contract, its transfer and cancellation rights terminate.

8. TRANSFER RIGHTS. In the event that You sell the covered Vehicle, this Agreement shall terminate. You may apply for a transfer to the new owner. Where applicable, the manufacturer's warranty must transfer to the new owner to obtain coverage under the transfer provisions of this Contract. Within thirty (30) days from the date of sale to a private party and not a dealer or entity in the business of selling, trading or leasing Vehicles, submit the following: (1) a check for one hundred dollars (\$100.00) transfer fee payable to American Guardian Warranty Services, Inc; (2) a copy of the Information Page of this Contract; (3) a signed affidavit stating the date of sale, the mileage at sale and the new owners name, (4) Copies of Your maintenance documents for the covered. Proof of continuation of regular maintenance will be necessary in the event of a claim. We reserve the right to reject a transfer request. This Agreement may not be assigned separately from the covered Vehicle, nor can it be assigned

to a New or Used Car Dealership or anyone other than an individual person that purchased Your Vehicle. This Agreement may only be transferred once.

9. DEDUCTIBLE: In the event of a Failure covered by this Contract, You will be required to pay a one-hundred (\$100) Deductible. The Deductible type and amount You have to pay is shown on the Contract, for covered Failures on a per repair visit basis. Should a covered Failure require more than one visit to repair, only one Deductible will apply to that Failure.

10. SUBROGATION: If You receive benefits under this Contract, We will be entitled to Your rights to recover against any manufacturer, insurance company or service agreement provider who may be responsible to You for Costs covered under this Contract or any payments made by Us. If We ask, You agree to cooperate with Us in any matter concerning this Contract or, to enforce Our rights.

11. CANCELLATION BY US: We may cancel this Agreement for any reason within ninety (90) days of the Agreement purchase date. After ninety (90) days, We may cancel this Agreement: 1) If there has been a material misrepresentation or fraud at the time of sale of this Agreement or when filing a claim under this Service Contract 2) If You have failed to maintain Your vehicle as prescribed by the manufacturer 3) If the odometer has been tampered with or disabled and You have failed to repair the odometer 4) If You do not pay the Agreement price 5) If Your vehicle has a salvage title 6) If You use Your vehicle in any manner not covered by this Agreement 7) If We cancel this Agreement, We will mail You written notice at least thirty (30) days prior to cancellation. A pro-rata refund of the lesser of unused time or unused mileage (less claims paid) will be made. The pro-rata refund will be calculated by multiplying the service contract price by the lesser percentage of the unused time or unused mileage compared to the total time or total mileage of Your Service Contract Period. 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 8 of Information Schedule) to cancel this Service Contract and receive the refund.

12. CANCELLATION: In the event the covered Vehicle is repossessed, declared a total loss, or, You give notice of cancellation, the Agreement shall terminate. Submit written notification immediately to the Selling Dealer including the following: 1) the Agreement Number 2) Vehicle Identification Number 3) Vehicle Mileage. If this Agreement is cancelled within thirty (30) days of the Sale Date and no claim has been made, We will refund the full amount of the Cost of the Agreement. If the Agreement is cancelled after the first thirty (30) days or a claim has been filed, the refund will be made on an amount of the Agreement charge according to the pro-rata method reflecting the greater days in force or the miles driven based on the term of the plan selected and the date coverage begins, less a \$50.00 dollar administrative fee. In the event of a cancellation, the lienholder, if any, will be named on the refund check and, in the event of a cancellation upon repossession, the sole payee. Important: State Guidelines and Regulations where Agreement was sold take precedent over these terms. Where permitted by State law, any claim incurred or paid will be deducted from the amount of the cancellation refund.

13. ARBITRATION: Any controversy or dispute arising out of or relating in any way to this Contract or sale thereof, including the applicability of this arbitration clause and validity of the Contract, shall be resolved by neutral binding arbitration by the National Arbitration Forum (NAF), under the Code of Procedure in effect at the time the claim is filed. All preliminary issues will be decided by the arbitrator.

- a. If You dispute Our determination to deny You benefits under this Contract, You must submit written notice to Us of Your intent to arbitrate that dispute no later than sixty (60) days following Our determination. Your failure to meet this time requirement will prevent You from disputing Our determination, whether through arbitration or otherwise.
- b. The arbitration shall take place in a location near Your residence before a single arbitrator selected in accordance with NAF Code of Procedure, NAF rules and forms may be obtained and all claims shall be filed at any NAF office, www.arb-forum.com, or POB 50191, Minneapolis, MN 55405. The NAF may be reached at 615-631-1105 or 1-800-474-2371.
- c. Except for filing fee and the costs You may incur to present Your case, the cost of the arbitration shall be borne by Us, provided that should the arbitrator find that You have raised a dispute without substantial justification, the arbitrator shall have the authority to order that the cost of the arbitration shall be borne by You.
- d. It is understood and agreed that the arbitration shall be binding upon the parties, that the parties are waiving their right to seek remedies in court, including the right to a jury trial, and, that an arbitration award may not be set aside in later litigation except upon the limited circumstances set forth in the Federal Arbitration Act.
- e. All statutes of limitation that would otherwise be applicable shall apply to any arbitration proceeding. Neither party shall be precluded from instituting an action in a court of competent jurisdiction to obtain a temporary restraining order, a preliminary injunction or other equitable relief to preserve the status quo or prevent irreparable harm pending the selection of the arbitrator of the commencement and completion of the arbitration hearing. Neither party may recover punitive or exemplary damage awards in any arbitration proceeding.
- f. The Contract to arbitrate will survive the termination of this Contract.
- g. IF THIS CONTRACT IS FOUND TO BE NOT SUBJECT TO ARBITRATION, ANY LEGAL PROCEEDING WITH RESPECT TO ANY DISPUTE WILL BE TRIED IN A COURT OF COMPETENT JURISDICTION BY A JUDGE WITHOUT A JURY. BOTH PARTIES WAIVE ANY RIGHT TO A JURY TRIAL IN ANY SUCH PROCEEDING.
- h. Please see Your State Requirements for other important Contract provisions.

WHAT TO DO IN THE EVENT OF A FAILURE

1. **Prevent Further Damage - You should use all reasonable means and precautions to protect Your Vehicle from further damage. This Contract will not cover damage caused by not securing a timely repair of the failed component.**
2. **Take Your Vehicle to a Licensed Repair Facility - If Your Vehicle breaks down, return to the Issuing Dealer during normal service department hours. If this is not possible, take Your Vehicle to the licensed repair facility of your choice (You may contact Administrator for assistance in locating a repair facility).**
3. **Instruct the repair facility that they must obtain an authorization number from Administrator prior to proceeding with repairs. The amount so authorized is the maximum that will be paid. Any additional amounts need prior approval.**
4. **In some cases, You may be required to authorize the repair facility to inspect or tear down Your Vehicle to determine the cause and cost of the repair. You will be responsible for these charges if the Failure is not covered by this Contract. We reserve the right to require an inspection of Your Vehicle prior to any repair being performed.**
5. **After Administrator has been contacted, review with the repair facility components that will be covered by this Contract.**

6. Administrator will reimburse the repair facility or You for the cost of authorized repairs performed on Your Vehicle, less Your Deductible. All repair orders and necessary documentation must be submitted to Administrator within thirty (30) days.

Repair Facility Guidelines for Claims Handling

These steps are to be followed when handling a claim:

1. Advise Contract holder that evaluation of a Failure does not mean that the repair is covered under this Contract. All covered repairs must receive prior authorization from the Administrator.
2. Have Contract holder authorize inspection/tear down of the Vehicle to determine Failure's cause and cost to repair. Save all components, including fluids and filters, should Administrator require outside inspection. Notify Contract Holder that cost of tear down will not be paid if it is determined that Failure is not covered under this Contract.
3. Determine the cause of Failure, correction required and cost of the repairs.
4. **Contact Administrator's Claims Advisor at 800-579-2233 to get authorization to proceed with the claim (Authorization must be obtained prior to any repair).** Be prepared with the following when placing the call:
(a) Customer's Name and Contract Number; (b) Cause of Failure and recommended correction; (c) Cost of repair.
5. The Claims Advisor will verify Coverage and do one of the following: (a) Approve Claim - if approved, You will be given an authorization number to be recorded on the repair order. The authorized amount is the maximum that will be paid. Additional amounts must receive prior approval; (b) Require Additional Evaluation, Inspection or Tear Down - Administrator may require an inspection prior to repair being completed. If a tear down is required to determine cause of Failure, Contract holder must authorize same. Notify Contract holder that if the repair is not covered, then Contract holder will be responsible for cost of the tear down. Repair facility should save all components requiring inspection, including fluids and filters. The Claims Advisor will arrange for the inspection. If inspection is not made within forty-eight (48) hours, contact the Claims Advisor; (c) Deny the claim and provide the reason for the denial.
6. Review Administrator's findings with Contract holder as well as what will be covered by Contract and what portion of the repairs, if any, will not be covered.
7. Obtain Contract holder's authorization to complete repairs. All repair orders must have customer's signature to qualify for payment
8. Submit repair order(s) which should contain Contract number, authorization number and authorized amount to Administrator within thirty (30) days at the following address: **AGWS 800 Roosevelt Road, E-300, Glen Ellyn, IL 60137**

Emergency Repair: if a covered part has a Covered Breakdown at any time outside of Claims Department regular business hours, You may take one of the following steps.

- Wait until regular business hours and then follow the normal claims procedure outlined above.
- Authorize and pay for any teardown or diagnostic time needed to determine whether your vehicle has a Covered Breakdown. If you reasonably determine that you have a Covered Breakdown and you choose to have your vehicle repaired, you are responsible for paying the repair. You must then call the Administrator during the next available regular business hours so that the Administrator may determine whether there was a Covered Breakdown. If the Administrator determines that there was a covered Breakdown, then we will pay you in accordance with the terms and conditions of this Agreement.

You must obtain a Repair Authorization Number from Our Claims Department to assure reimbursement under this Agreement.

Call Toll Free at 1-800-579-2233 for Instructions and Repair Authorization.

No Payment for a Claim will be made without Authorization.

EXCLUSIONS-WHAT IS NOT COVERED

Where permitted by state requirements the following are not covered (See State Requirements):

1. ***Failure of a covered component within the first thirty (30) days and 1,000 miles after the start date will not be covered.***
2. ***Pre-Existing Condition(s).*** When the Selling Dealer or Independent Repair Facility using the Administrator's inspection form verifies that the protected assemblies are in proper working condition, We will waive the Pre-Existing Condition exclusion in this Agreement.
3. For damage to a covered component caused by the failure of a component not listed as covered under this Agreement.
4. Repairs covered under the original manufacturer's warranty whether or not that warranty was transferred to You. Any Cost, repair, replacement or benefit for which the manufacturer has announced its responsibility through any means including recalls or service bulletins.
5. Repairs beyond those required to correct a Breakdown.
6. Any covered repair not authorized in advance by Us.
7. Damage caused by continued operation of an impaired Vehicle.
8. Damage caused by towing the Vehicle in a manner not consistent with the manufacturer's recommendations.
9. Overloading the Vehicle beyond the manufacturer's recommended capacity.
10. Repairs when Your Vehicle's odometer reading does not reflect the true mileage the vehicle has been driven for whatever reason.
11. A Breakdown caused by or involving modifications, alterations or additions to Your Vehicle unless those modifications, alterations or additions were performed by or recommended by the original Vehicle manufacturer.
12. For towing a trailer or another vehicle unless Your Vehicle was equipped by the manufacturer for that purpose.
13. Repairs required because of technician negligence, overheating, detonation, sludge or carbon deposits, contamination, rust, corrosion, electrolysis, operation without the proper lubrication levels or fluid type, and the failure to perform the manufacturer's recommended maintenance.

14. Repairs made outside the United States and Canada.
 15. Repairs required because of: fraud, collision, abuse, negligence, neglect, misuse, abuse, road hazard, racing, off-road use, vandalism, riot, theft, flood, fire, war, acts of God or, loss that is normally covered by Casualty Insurance.
 16. The Cost of teardown, disassembly or assembly when a Breakdown is not covered by this Agreement.
 17. Repairs that are covered under a repairer's guarantee or another Service Agreement Provider's coverage.
 18. Incidental or consequential damage, loss of profits, property damage, personal injury, inconvenience, loss of Vehicle use, commercial loss, punitive or exemplary damages, attorney fees.
 19. Service adjustments and cleaning, reprogramming not related to the repair of a covered Breakdown, alignment not related to a covered Breakdown, carburetor, and throttle body. Air conditioning recharge, refrigerant, coolant, lubricants, fluids not related to the repair of a covered Breakdown. Batteries, belts, hoses, filters and PCV. EGR Valve and Oxygen Sensor (except Platinum and Gold Coverage Level). Ignition wires, distributor cap, spark plugs, glow plugs, tune up, wiper blades, fasteners unless required for the repair of a covered Breakdown, tires, wheels, wheel balancing, MacPherson Struts or Suspension Struts, shock absorbers, disc brake pads, brake shoes, brake rotors, brake drums, manual clutch disc/pressure plate, pilot and throw out bearing and clutch slave cylinder, light bulbs, sealed beams, exhaust system including catalytic converter(s), storage, freight charges, shop supply charges, miscellaneous charges, document charges, hazardous waste charges, repairs to retrofit or replace components due to compliance with any law or legislation.
- Warranty of Merchantability and Warranty of Fitness for a particular purpose are expressly excluded.

Where permitted by State Law, (See State Requirements) this Agreement provides no benefits or coverage and We have no obligation under this Agreement if:

1. The Vehicle Odometer fails to register or record actual mileage for any reason while owned by You.
2. You rent Your Vehicle to someone else.
3. Your Vehicle is used for business, deliveries, construction, commercial hauling, postal service, taxi, police or other emergency services.
4. Your Vehicle is used for snow plowing, competition, or speed events.
5. Your Vehicle is modified from the Vehicle manufacturer's original specifications regardless of who or when the modifications were made.
6. For fraudulent representations to obtain this Agreement or presenting a claim under this Agreement.
7. Your Vehicle is identified as a Gray Market Vehicle, Total Loss, Salvaged, Rebuilt, Flood damaged or where the odometer reading is beyond mechanical limits.

STATE AMENDATORY PROVISIONS

If this Agreement was purchased in any of the following states, the Agreement is amended as indicated after each State. The Administrator of this Extended Service Agreement makes diligent effort to include all state notices as they become effective, but in cases where a state's notice is not present on this printing of the Agreement, State Law will take precedence over the terms and conditions of this Vehicle Service Agreement.

Alabama: Cancellation, transfer, or administrative fees may not exceed \$25. The cancellation provision of the Agreement is deleted and replaced by the following: If You return this Agreement within 30 days of the date this Agreement and if no claim has been made under this Agreement prior to its return to Us, this Agreement is void and We shall refund to You the full purchase price of this Agreement. Any refund due to You may be credited to any outstanding balance of Your account and the excess, if any, shall be refunded to You. This right to void Your account is not transferable, and applies only to the original Agreement purchaser. In the event You make a written demand for cancellation of this Agreement pursuant to the terms of this Agreement, We shall refund to You the unearned portion of the full purchase price of this Agreement, including the unearned portion of any premium paid for any applicable reimbursement insurance policy. The refund will be based on the unearned pro-rata premium, which is the greater usage of miles or months from the commencement of the Agreement term in relation to the maximum Agreement term. We will provide written notice five (5) days prior to cancellation stating the reason for and the effective date of cancellation. Notice is not required if cancellation is due to nonpayment or material misrepresentation by You.

Arizona: American Guardian Warranty Services, Inc. (AGWS) is the Obligor. Cancellation: To cancel Your policy, contact the Obligor, AGWS, at 800-579-2233. Exclusion 1 & 2: The exclusionary period and Pre-Existing conditions exclusions only apply if this Contract was purchased subsequent to Your purchase of the Vehicle. If you purchased your Contract at the same time the Vehicle was purchased, the Exclusionary Period and Pre-Existing Conditions exclusions does not apply and coverage begins on the Purchase Date. No claim incurred or paid will be deducted from the amount of the cancellation refund. Your Agreement may not be cancelled due to acts or omissions of the service company, assignees, or sub-contractors for their failure to provide correct information of their failure to perform the services in a timely and competent manner; parts or components repaired or replaced under the Service Agreement may not be excluded; this Agreement cannot be cancelled or voided by the service company or its representatives for Pre-Existing Conditions, prior use or unlawful acts relating to the product, misrepresentation by either the service company or its sub-contractors, ineligibility for the program, including gray market, high performance, and GM diesel autos. We may not deny a claim for modifications outside of the manufacturer's original specifications unless the modification may have caused the breakdown. All Exclusions shall ONLY apply to occurrences "after the Agreement start date" or "while owned by You." Arbitration: If We and You do not agree on the amount of damages, either party may make a written demand for arbitration. Provided You and We BOTH agree TO SUCH ARBITRATION, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within thirty (30) days, We may request that selection be made by a judge of a Court having jurisdiction. Each party will pay the expenses they incur and bear the expenses of the third party arbitrator equally. A decision agreed to by two of the arbitrators will be binding. The Arbitration clause does not preclude an Arizona Consumer's right to file a complaint with the Arizona Department of Insurance Consumer Affairs Division for relief under the provisions of Arizona Revised Statutes (ARS) §§ 20-1095.04 and/or 20-1095.09. If any of the terms or provisions of this Contract are in conflict with the provisions of A.A.C. rule R20-6-407(E), the terms of A.A.C. rule R20-6-407(E) shall apply.

Connecticut: In Connecticut, all disputes must be resolved in accordance with the Regulations of Connecticut State Agencies §42-260. If the term of this Agreement is less than one (1) year, the Agreement term shall be automatically extended while any repairs covered under the Agreement are being done and the vehicle is in the

custody of the repair facility. If the Agreement Holder returns the vehicle or the vehicle is sold, lost, stolen, or destroyed, the Agreement Holder may cancel this Agreement, subject to the cancellation provisions of this Agreement.

Florida: The Contract Obligor and Administrator is American Guardian Warranty Services of Florida, Inc. (FL License #60116), 800 Roosevelt Road, E-300, Glen Ellyn, IL 60137 (800) 579-2233. TERMS AND CONDITIONS – SECTION 5 “TRANSFER OF RIGHTS” is amended to include: **The one hundred dollar (\$100.00) transfer fee is deleted and replaced with a forty dollar (\$40.00) transfer fee.** TERMS AND CONDITIONS - SECTION 9. Arbitration is deleted in its entirety. CANCELLATION OF THIS VEHICLE SERVICE CONTRACT is amended to include: If you cancel this Contract within sixty (60) days of the purchase date, a one hundred percent (100%) refund of the Agreement price will be made less any claims paid on the Agreement. The thirty (30) day cancellation is extended to sixty (60) days for a pro rata refund based on elapsed time or miles and the fifty dollar (\$50.00) cancellation fee is deleted and replaced with a cancellation fee of ten percent (10%) of the refund amount or fifty dollars (\$50.00), whichever is less. Our right to cancel for any reason is sixty (60) days. We may only cancel this Contract after sixty days for the following reasons: if there has been a material misrepresentation or fraud at the time of sale of this Agreement or when filing a claim under this Agreement; 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 Contract price. If we cancel this Agreement, we will mail you written notice at least thirty (30) days prior to cancellation. A pro rata refund of the lesser of unused time or unused mileage will be made.

INSURANCE COMPANY STATEMENT is amended to read: Our obligations are guaranteed by an insurance policy (No. 3413) issued by **Virginia Surety Company, Inc., 175 West Jackson Blvd., Chicago, IL 60604 (800) 209-6206.** In the event that We, cease to operate, are bankrupt, or fail to pay an authorized claim within sixty (60) days after proof of loss is filed, You may file a claim directly with Virginia Surety Company, Inc. WHAT TO DO IN THE EVENT OF A FAILURE is amended to include: You may take Your vehicle to the Selling Dealer or any Licensed Repair Facility for repairs. All other terms and conditions including requirements for prior authorization remain intact. In the event You are making a claim for reimbursement under this Contract, the sixty (60) day requirement is extended to ninety (90) days to file a claim for reimbursement.

Georgia: The Arbitration provision of this Agreement is deleted in its entirety. Any claim or dispute will be adjudicated in the Agreement holder’s county of residence. The following Exclusions are amended as followed: Pre-existing conditions *known to You* at the time of Your purchase of the vehicle service Agreement is excluded from coverage. Also, repairs when the covered vehicle’s odometer has been altered or tampered with *while owned by You* are excluded from coverage. Modifications to the vehicle *made by You* results in rejection of coverage under this Agreement. Damage due to sludge may not be excluded from coverage. Cancellation: The cancellation provision is amended to abide by Chapter 33 of the Georgia Code. This includes that We may not cancel this Agreement except for fraud, material misrepresentation, or non-payment. A cancellation by the Administrator will comply with Georgia Code Chapter 33-24-44. There is a 30-day written notice of cancellation for reasons other than non-payment regardless of when the service Agreement was cancelled. We will return the unearned premium to the Agreement holder within 10 working days after cancellation. There is no cancellation fee. No claim incurred or paid may be deducted from the amount of the cancellation refund requested by either You or the Administrator. A 10-day written notice of cancellation will be given if canceled for non-payment. In Georgia, the 30 days and 1,000 miles exclusionary period will be added to the end of the term of the Contract.

Illinois: In the State of Illinois, American Guardian Warranty Services, Inc. is the Obligor. You may cancel this Agreement by contacting Us through the Selling Dealer. You will be entitled to a full refund of the Agreement Price if You provide a written notice of cancellation to the Selling Dealer within the first 30 days after the Agreement purchase date, and if You have not filed a claim under this Agreement. If You provide a written notice of cancellation to the Selling Dealer after the first 30 days after the Agreement purchase date, or if We or the Lienholder cancel this Agreement at any time, You will be entitled to a pro-rated refund of the Agreement Price based on the greater of the number of days the Agreement was in force or the miles driven compared to the total time or mileage specified in the Agreement, less a cancellation fee equal to the lesser of \$50.00 or ten percent (10%) of the amount of the pro-rated refund, and the amount of claims paid under this Agreement. Under “What is Not Covered” by this Vehicle Service Agreement include, Wear and Tear: a gradual reduction in operating performance due to normal wear and use IS NOT included in this Agreement.

Iowa: For Iowa Residents only: If You have problems or questions about this Agreement, You may contact the Commissioner of Insurance of the State of Iowa or the Iowa Securities Bureau at (515) 281-4441, 340 East Maple Street, Des Moines, Iowa 50319-0066. The following sentence is added to the Cancellation section: The Administrator is primarily responsible for providing any refund to You, which You may be entitled under this Agreement. Also, a ten percent (10%) penalty will be added each month to the cancellation refund not paid to the holder within thirty (30) days of the return of the Service Agreement to the Administrator.

Maryland: The repair of a malfunction or defect covered under this mechanical repair Agreement shall include the Cost of the tear down and diagnosing the malfunction or defect. The provider shall refund the holder the appropriate refund within 45 days of cancellation notification. If the provider does not provide a refund within 45 days, a 10% of the Service Agreement price penalty per month will be added.

Michigan: If the performance of this Agreement is interrupted because of a strike or work stoppage at Our place of business, the effective period of this Agreement shall be extended for the period of the strike or work stoppage.

Minnesota: Your rights and obligations are fully explained in the Used Vehicle Limited Warranty Document provided to You by the Selling Dealer or Administrator. If Your covered Vehicle does not have an owner's manual contact the Administrator or selling dealer to receive a copy for a fee not to exceed \$10. Minnesota Statute #325F.662, provides for express warranty Coverage on used Vehicles as follows: 1. If the used motor Vehicle has less than 36,000 miles, the warranty must remain in effect for at least 60 days or 2,500 miles, whichever comes first. 2. If the used motor Vehicle has 36,000 miles or more but less than 75,000 miles, the warranty must remain in effect for at least 30 days or 1,000 miles, whichever comes first. The Agreement provisions are amended as follows: There is no waiting period in Minnesota. The sentence on the application page “Any material misrepresentations made by the purchaser may result in cancellation of the Agreement” does not apply in Minnesota. Motor Vehicle Service Agreements may NOT exclude or terminate Coverage due to any Pre-Existing Condition. Damage to a covered component caused by the failure of a component not listed as covered IS covered in this Vehicle service Agreement. Agreements may exclude or cancel Coverage in the event of misrepresentation or fraud ONLY IF such misrepresentation or fraud occurs “in the submission of a claim”. Agreements may NOT exclude repairs covered under the original manufacturer’s warranty. Agreements may NOT exclude Coverage for damage caused by rust, corrosions, carbon, varnish, engine sludge or foreign material. Agreements may exclude repairs required due to contamination. Contamination refers to the unnatural presence of a foreign substance within a Vehicle system using fluids, liquids, or lubricants. Agreements may NOT exclude Coverage for damage

caused to a Covered Part by a non-Covered Part or by “consequential” damage from a non-Covered Part. Agreement may exclude or cancel Coverage in the event an odometer is found to be tampered with ONLY IF the tampering occurs while the affected Vehicle is owned by the person holding the motor Vehicle Service Agreement. Agreements may exclude or cancel Coverage for failure to repair a broken odometer ONLY IF such failure to repair occurs while the person holding the Agreement actually owns the Vehicle. Agreements may NOT exclude or cancel Coverage in the event a Vehicle is found to be rebuilt or refurbished from a total loss or to have a branded title. AGWS will inspect Your Vehicle and require proof of performed services. Note: For the state of Minnesota, the venue for arbitration is required to be in Minnesota.

Missouri: In Missouri, a notice of cancellation/termination will be mailed to You within fifteen (15) days of the date of termination. A ten percent (10%) penalty per month shall be added to a refund that is not paid within thirty (30) days of the request for refund to the provider.

Nebraska: In reference to specific parts, the cash value is determined using either Kelly Blue Book or the NADA standard parts calculation guide. In Nebraska the Arbitration provision is stricken in its entirety.

Nevada: American Guardian Warranty Services, Inc. is the Obligor. Virginia Surety Company, Inc. guarantees Our obligations. Mailing address is 175 West Jackson Blvd., Chicago, IL 60604 (800) 209-6206. Cancellation: The cancellation provision in this Agreement is replaced by the following: If You return this Agreement within 30 days of the date this Agreement and if no claim has been made under this Agreement prior to its return to Us, this Agreement is void and We shall refund to You the full purchase price of this Agreement. The provider shall refund to the holder the purchase price of the Service Agreement within 45 days after a Service Agreement is returned pursuant to subsection 1 of NRS 690C.250. A ten percent (10%) penalty per month will be added to any refund not paid within 45 days after the Selling Dealer receives Your request for cancellation. Grounds for Cancellation by Provider: Authorized claims will not be deducted from a refund. We may cancel the Agreement the first 70 days for any reason. After 70 days, We cannot cancel the Agreement except for nonpayment of the Agreement price or a material misrepresentation related to obtaining this Agreement or making a claim. If We cancel the Agreement, You will receive a pro-rata refund based on time and mileage, whichever is less. The cancellation is not effective until 15 days after notice of cancellation is mailed to You. Agreement Renewal: This Agreement is not renewable. Exclusions: Consequential damages and Pre-Existing Conditions are not covered in this Agreement. If the claim involves goods essential to the health and safety of the Agreement Holder, You should follow the procedures for filing a claim outside of normal business hours. If the claim involves the loss of plumbing, heating, cooling, or electrical, repairs will commence within 24 hours after the report of the claim. In Nevada, the 30 day and 1,000 mile exclusionary period is waived.

New Hampshire: In the event that You do not receive satisfaction under this Agreement, You may contact the New Hampshire Insurance Department at: 21 South Fruit Street-Suite 14, Concord, NH 03301, ph. (603) 271-2261.

New York: Obligations of the provider under this service contract are backed by the full faith and credit of the provider. The Obligor's financial responsibilities are guaranteed by a financial security deposit for the customers of New York and a surety bond issued by an authorized surety. If AGWS terminates this Agreement, a notice will be mailed to You within fifteen (15) days of the date of termination. A ten percent (10%) penalty per month shall be added to a refund not made within thirty (30) days of the receipt of the cancellation request.

North Carolina: The seller of this Coverage is required to inform You of any warranties available to You without this Agreement. No Agreements may be cancelled by the Seller or Administrator prior to the expiration of the term as stated in the Vehicle Service Agreement without the consent of the Agreement Holder, except in the case of nonpayment of the Agreement Price, a material misrepresentation related to this Agreement made by You or any other act by You constituting a breach of duty under this Agreement. You may cancel at any time after purchase and receive a pro rata refund less any claims paid on the Agreement and a reasonable administrative fee not to exceed 10% of the amount of the pro-rata refund or fifty dollars (\$50.00), whichever is less. The term of this Agreement for cancellation purposes will be based on the date You purchased Your Vehicle and the Vehicle mileage on the date purchased.

Oklahoma: This service warranty is not issued by the manufacturer or wholesale company marketing the product. This warranty will not be honored by such manufacturer or wholesale company. For an Agreement sold in the State of Oklahoma, the following language replaces number 11 and 12 of the cancellation provisions of this Agreement: If the Agreement is cancelled by the warranty holder, return of premium shall be based upon (90%) of the unearned pro-rata premium. The service charge assessed will be ten percent (10%) or fifty dollars (\$50.00), whichever is less. In the event the Agreement is cancelled by the Seller or Administrator, the return of premium shall be based upon one-hundred percent (100%) of unearned pro-rata premium. In accordance with 36 O.S. 6614, the making or filing of a claim shall not alter the ability of the holder to receive a cancellation refund as prescribed above. No paid claims will be deducted from a cancellation refund. Oklahoma service warranty Statutes do not apply to commercial use references in service warranty contracts.

South Carolina: Any unresolved complaints or questions about this Agreement may be addressed to: South Carolina Department of Insurance, P.O. Box 100105, Columbia, SC 29202-3105, (803) 737-6134.

Texas: If We cancel this Agreement, We will mail a written notice to You at Your last known address contained in Our records at least six (6) days prior to cancellation. The notice will state the effective date of cancellation and the reason for cancellation. We will not send You advance notice if the reason for cancellation is nonpayment of the Agreement Price, a material misrepresentation by You to Us or a substantial breach of duties by You relating to the Vehicle or its use. We will provide You with a refund within 45 days after the Selling Dealer receives Your written notice of cancellation, and if We fail to do so within that time, We will send You a penalty of 10 percent (10%) of the Agreement Price for each month that the refund remains unpaid. The right to cancel this Agreement is non-transferable. Any unresolved complaints or questions concerning the regulation of Service Agreement providers may be addressed to: Texas Department of Licensing and Regulation, PO Box 12157, Austin, TX 78711, Telephone (800) 803-9202 or (512) 463-6599.

Utah: This Service Contract or warranty is subject to limited regulation by the Utah Insurance Department. To file a complaint, contact the Utah Insurance Department. Coverage afforded under this Agreement is not guaranteed by the Property and Casualty Guarantee Association. Arbitration in Utah is binding and shall be in compliance with the “Utah Arbitration Act” (Title 38, Chapter 31a). In Utah, arbitration does not have to take place within 60 days of the filed loss. ANY MATTER IN DISPUTE BETWEEN YOU AND THE COMPANY MAY BE SUBJECT TO ARBITRATION AS AN ALTERNATIVE TO COURT ACTION PURSUANT TO THE RULES OF THE AMERICAN ARBITRATION ASSOCIATION, A COPY OF WHICH IS AVAILABLE ON REQUEST FROM THE COMPANY. ANY DECISION REACHED BY ARBITRATION SHALL BE BINDING UPON BOTH YOU AND THE COMPANY. THE ARBITRATION AWARD MAY INCLUDE ATTORNEY'S FEES IF ALLOWED BY STATE LAW AND MAY BE ENTERED AS JUDGEMENT IN ANY COURT OF PROPER JURISDICTION. Agreement Coverage: Failure to give any notice or file any proof of loss required by the policy within the time specified in the policy does not invalidate a

claim made by the insured, if the insured shows that it was not reasonably possible to give the notice or file proof of loss within the prescribed time. The Cancellation portion of this Agreement is amended to abide by the Utah Code 31A-21-303. This includes that within sixty (60) days, We may cancel for any reason We see fit. After sixty (60) days, We may only cancel for fraud, material misrepresentation, or non-payment. Cancellation of this Agreement at any time is effective no sooner than 30 days from the delivery or first-class mailing of a written notice to the Agreement Holder. This Agreement cannot be voided for any reason and may only be cancelled with proper notice. You may purchase this Agreement through payment up front or through installment payments.

Wisconsin: American Guardian Warranty Services, Inc. is the Obligor and Administrator of all of AGWS Vehicle Service Agreements. The Vehicle Service Agreement is subject to limited regulation by the Office of the Commissioner of Insurance. The Administrator should be contacted prior to the performance of any repair. The Administrator may not be responsible for any repairs that are not authorized to the Repair Facility. However, the Administrator may not deny an otherwise valid claim solely because the Agreement Holder did not receive prior authorization. Authorized claims should be submitted to the Administrator in writing within sixty (60) days of authorization or as soon as reasonably possible and within one year of the date of the authorization. If the Agreement Holder receives any benefits under this Agreement, We will be entitled to all the Agreement Holder's rights of recovery against any manufacturer, repairer or other party who may be responsible for the Costs covered by this Agreement or for any other payment made by Us, but only after the Agreement Holder has been fully compensated for damages. Cancellation: Claims paid may NOT be deducted from the cancellation refund. Note: In Wisconsin, Roadside Assistance Benefits are provided by Nation Motor Club, Inc. d/b/a Nation Safe Drivers. In Wisconsin, the arbitration provision is amended to provide for non-binding arbitration upon the agreement of both parties.

Wyoming: American Guardian Warranty Services, Inc. is the Obligor. Arbitration is non-binding in Wyoming and any proceedings will take place in accordance with the Wyoming Arbitration Act. Litigation is required to be in the state wherein the Service Agreement is purchased. In Wyoming, the lienholder/financial institution is not considered a party to the Agreement and is not permitted to cancel the Service Agreement (except for repossession or destruction of Vehicle) or have settlement of a claim applied to reduce any unpaid, outstanding balances that have been financed. A ten percent (10%) penalty per month shall be added to a refund that is not paid or credited within forty-five (45) days after return of the service contract provider.

All States: Venue-The parties hereto agree that for purposes of litigation the venue shall be in the appropriate judicial district in the County of DuPage, State of Illinois, unless venue is required to be in the state wherein the Service Agreement is purchased. Venue is then deferred to the state's requirements.