

VEHICLE SERVICE PLAN TERMS AND CONDITIONS

I. AGREEMENT

The Declaration Page and Vehicle Service Plan Terms and Conditions make up the entire Agreement (the "Agreement") between **You** and **Us** regarding the **Coverage** and related benefits for **Your Vehicle**. This Agreement begins on the **Effective Date** and ends on the **Expiration Date** or when the **Expiration Mileage** has been reached on the **Vehicle Odometer**, whichever occurs first.

II. DEFINITIONS

Throughout this Agreement, the words "**You**" and "**Your**" refer to the named Agreement holder as shown in the declaration page. This Agreement is between QBE Administration Services, Inc. (the Obligor) and **You**. The words "**We**", "**Us**" and "**Our**" refers to the Obligor providing this Agreement. Other words and phrases that appear in bold face type have special meaning. They are defined as follows:

1. **Administrator** means QBE Administration Services, Inc. **You** may contact the **Administrator's** office at any time for coverage questions or receive assistance in filing a claim at 1-800-773-9980, P.O. Box 372790, Denver, CO 80237-9714.

Any personal data provided to the **Administrator** will be processed in compliance with all applicable laws and regulations, and in accordance with the privacy notice which can be viewed at: <https://www.qbe.com/us/legal/privacy-policies>

2. **Approved Vehicle** means the vehicle identified by the **VIN** in the Declarations Page.

3. **Coverage** means the **Coverage You** selected for the **Approved Vehicle** as fully described under Section IV. **COVERAGES**.

4. **Covered Part**: if you purchased the Olive Powertrain Coverage or the Olive Powertrain Plus Coverage, **Covered Parts** are the parts installed at the time of the manufacturing of the **Approved Vehicle** that are specifically listed after each component group heading of the **Coverage** plan purchased. Any part not listed on the **Coverage You** purchased is not covered, regardless of the cause for its failure.

If you purchased the Olive Complete Care Coverage, all parts installed at the time of the manufacturing of the **Approved Vehicle** are covered, except for those parts and services found in Section VI. **EXCLUSIONS** of this Agreement. Repairs needed to a non-covered part caused by the **Mechanical Breakdown** of a **Covered Part** will also be covered under the Olive Complete Care Coverage.

5. **Deductible**: The amount shown in Section B of the Declaration Page for which **You** are responsible to pay to the repair facility in the event of a claim being covered by this Agreement. This does not include any non-covered repairs or expenses which **You** will be responsible for.

6. **Effective Date** means the date on which **Your** Agreement will become effective, for the **Coverage You** have selected.

7. **Emergency Repair** means a necessary repair to **Your Approved Vehicle** at a state licensed repair facility when the **Administrator's** offices are closed.

8. **Expiration Date** means the date shown on the Declaration Page that will cause this Agreement to expire, even if the **Expiration Mileage** has not been reached.

9. **Expiration Mileage** means the maximum total mileage indicated on the **Vehicle's** odometer that will cause this Agreement to automatically expire, even if the **Expiration Date** has not been reached.

10. **Mechanical Breakdown** means the failure of a **Covered Part** to perform its intended function due to defects in materials or faulty workmanship in its manufacturing. This does not include the normal reduction in operating performance of a **Covered Part** due to normal wear and tear, including parts in which wear tolerances that are outside the manufacturer's specifications are exceeded that are not due to defect in material or faulty workmanship in the manufacturing of a **Covered Part**. (Please refer to Section VI. **EXCLUSIONS** for other exclusion that may apply). Leaks of a **Covered Part** will only be considered a **Mechanical Breakdown** if

it is an active leak to a drip. Seepage and/or buildup is considered normal and will not be covered.

11. **Retail Value of the Vehicle** means the retail value of the **Vehicle** at the time of repair or service, as determined by NADA (<https://www.nadaguides.com/Cars>), taking into consideration the location, mileage and condition of the **Approved Vehicle**.

12. **Vehicle Identification Number (VIN)** means the seventeen alphanumeric identifiers assigned to a motor vehicle by the manufacturer.

III. HOW TO MAKE A CLAIM

1. If the **Approved Vehicle** is inoperable, and to prevent any further damage, immediately stop the vehicle and call for towing or roadside assistance. It is **Your** responsibility to use all reasonable means and precautions to protect the **Approved Vehicle** from further damage. Continued operation of the **Approved Vehicle** after any **Mechanical Breakdown** shall constitute failure to protect the **Approved Vehicle**. Any damage from failure to protect the **Approved Vehicle** shall not be recoverable.

2. Prior to starting repairs, the repair facility must contact the **Administrator's** claims office at 1- 800-773-9980 with diagnosis and estimate of repairs. If **You** experience an **Emergency Repair** when a covered **Mechanical Breakdown** occurs when the **Administrator's** office is closed, **You** must have the repair facility contact the **Administrator** during the next business day. Failure to contact the **Administrator** and report the claim on the next business day may result in nonpayment (see **Section VI. EXCLUSIONS**).

3. **You** must authorize **Your** chosen state licensed repair facility to inspect and diagnose the **Mechanical Breakdown**, as necessary, to determine the cause of failure and the cost of parts and labor to repair. IMPORTANT: **You** must call the **Administrator** prior to any engine or transmission disassembly. **You** are responsible for the cost of disassembly in the event the **Mechanical Breakdown** is NOT payable under this Agreement (see General Agreement Exclusions).

4. If requested, permit inspection of the **Approved Vehicle** by the **Administrator** BEFORE repairs are performed.

5. Upon request, provide proof of maintenance (see **V. YOUR RESPONSIBILITIES**).

6. **You** must pay the **Deductible** and any other non-covered expenses as applicable.

7. Payment for covered **Mechanical Breakdowns** will be made to either the repair facility or **You** in accordance with Agreement provisions within thirty (30) days after receipt of the repair order. Repair orders must be received by the **Administrator** within ninety (90) days of completion of repairs and the repair order must be signed by **You**. Failure to sign repair order may cause delays in processing **Your** claim.

Claims mailed in without prior authorization from the Administrator will be denied.

IV. COVERAGES

1. Olive Powertrain Coverage

If **You** elected the Olive Powertrain Coverage, the following parts listed after each component group heading are covered:

Engine: Engine block; cylinder head; rotor housing (rotary engine); oil pan; valve cover; timing cover; all internally lubricated parts contained within the engine block, cylinder head, or rotor housing; oil pump; timing chain, timing chain gears and timing chain tensioners; timing belt and timing belt tensioner; balance belt; variable valve camshaft actuator (not the variable valve solenoid); intake and exhaust manifolds (If the catalytic converter is permanently attached to the exhaust manifold, the exhaust manifold will not be covered if the mechanical breakdown is the catalytic converter.); harmonic balancer; engine mounts; water pump; flywheel or flexplate.

Transmission, transaxle and transfer case: Case housings, housing covers and pans; all internally lubricated parts contained within the housings; torque converter; viscous couplings; vacuum modulator; transmission mounts; transfer case shift/encoder motor; transmission/transaxle range position sensor/switch.

Drive axle (includes FWD, 4WD and AWD vehicles): Front and rear drive axle housings and covers; all internally lubricated parts contained within the drive axle housings; axle shafts; constant velocity joints and boots; driveshafts; universal joints; flex discs; driveshaft center support bearing; driveshaft yokes; 4WD engagement actuators and motors; 4WD manual locking hubs.; all seals and gaskets forth.

Air and Fuel System: Fuel pumps; supercharger/turbocharger housing and all internal parts of the housings (does not include wastegates or other attaching parts).

Seals and Gaskets: Seals and Gaskets are covered for only the listed parts in this section.

2. Olive Powertrain Plus Coverage

If **You** elected the Olive Powertrain Plus Coverage, your Coverage includes Olive Powertrain and the additional listed parts shown for Olive Powertrain Plus.

Odometer & Speedometer: Odometer and speedometer and their cables and connectors.

Steering: Steering gear assembly; rack and pinion housing all internally lubricated parts contained within the housing; power steering pump and it's reservoir; seals and gaskets for the steering gear assembly and the rack and pinion housing; power steering pump pulley; steering column shafts, their couplings and bearings; tie rod ends; pitman arm, idler arm, and all other steering linkages; power steering metal lines.

Front Suspension: MacPherson struts; upper and lower control arms; control arm shafts and bushings; upper and lower ball joints; Front wheel hub and bearing; steering knuckles and spindles; stabilizer bar, stabilizer bar bushings and links; coil springs; torsion bars.

Brakes: Master cylinder, vacuum or hydro booster; calipers; wheel cylinders; equalizer and distributing valves, proportioning valve.

Interior Climate Control; A/C Compressor, compressor clutch and it's pulley; accumulator; receiver dryer; evaporator; condenser; serpentine belt tensioner and idler pulley; expansion valve; orifice tube; A/C pressure switches, blower motor and blower motor resistor.

Electrical – Alternator; voltage regulator; starter motor; starter solenoid; manually operated electrical switches; ignition switch; wiper motors; electronic ignition control module; radiator fan relay; wiring harnesses; and electrical components of a heated back glass defroster. **NOTE: Heated backglass coverage is for electrical components only and does not include general glass or other physical damage.**

Seals and Gaskets: Seals and Gaskets are covered for only the listed parts in this section

3. Olive Complete Care Coverage

If **You** elected the Olive Complete Care Coverage, all parts installed at the time of the manufacturing of the **Approved Vehicle** are covered, except for those parts and services found in Section V Exclusion section of this Agreement. Repairs needed to a non-covered part caused by the **Mechanical Breakdown** of a **Covered Part** will also be covered under the Olive Complete Care plan.

4. Additional Benefits of the Agreement

Towing Reimbursement:

If towing is necessary because a covered **Mechanical Breakdown** occurs or services provided by **Your Coverage** are required, **We** will reimburse **You** for towing costs up to \$100 per covered claim occurrence.

Car Rental:

If **Your Approved Vehicle** becomes inoperative due to a **Mechanical Breakdown** that is covered by this Agreement or any repair being covered under a manufacturer's warranty, **We** will pay for Car Rental reimbursement up to \$35 per day, not to exceed 5 days for a total of \$175 for any one (1) period. Car Rental will be based on the number of labor hours approved for the **Mechanical Breakdown** repair. Each eight (8) hours or portion thereof of

approved labor counts as one (1) day Car Rental. In the event the **Approved Vehicle** needs to be inspected by **Us**, **We** will pay up to an additional two (2) days Car Rental. Car Rental is not provided for delays because of shop scheduling or for work not covered by this Agreement. Car Rental will be reimbursed only upon receipt of an invoice from a licensed car rental agency.

V. YOUR RESPONSIBILITIES

To obtain coverage or reimbursement under this Agreement, **You** must: (i) properly operate the **Vehicle** and (ii) provide proof of scheduled maintenance services. Proof of scheduled maintenance services includes maintenance records that show mileage, date of maintenance service, **VIN** and the maintenance that was performed.

Scheduled maintenance service requires periodic service checks based on mileage and/or time intervals based on the year, make and model of **Your Vehicle**. Please review the Owner's Guide for **Approved Vehicle** for **Your** scheduled maintenance service requirements. If **You** perform **Your** own scheduled maintenance services, **You** must maintain a log including date, mileage and description of each maintenance service and provide corresponding receipts for purchases of parts and fluids. **Covered Parts** that require replacement at certain time and/or mileage intervals are not covered due to scheduled maintenance service requirements. In the event a **Covered Part** was not replaced at its prescribed replacement interval it will not be covered in the event a **Mechanical Breakdown** occurs.

VI. EXCLUSIONS

This Agreement Excludes the Following:

1. Any claim submitted without the authorization of the Administrator prior to starting any repairs. (see How to Make a Claim)
2. Any Mechanical Breakdown or damage resulting from continued operation, such as not stopping Your Vehicle immediately or having it towed or caused by Your failure to take reasonable precautions to prevent further damage when an apparent problem exists (see section III. HOW TO MAKE A CLAIM).
3. The repair or replacement of any Covered Part if a Mechanical Breakdown has not occurred.
4. Any costs incurred for diagnostics or disassembly work if a Mechanical Breakdown is not covered by this Agreement (see X. PAYMENT OF COVERED REPAIRS).
5. Any preexisting conditions (a condition that already existed on the Approved Vehicle when You purchased Your Agreement) or any Mechanical Breakdown occurring prior to the Effective Date of the Agreement, whether it be known or unknown.
6. Any repair or replacement of a Covered Part that has failed due to normal wear and tear and not due to a defect in material or faulty workmanship in the manufacturing of a Covered Part.
7. Repair or replacement of an engine due to oil consumption, loss of compression or misfires (which may cause a check engine light), if the only problem is due to normal wear and tear such as worn piston and/or piston rings, lining up of piston rings, worn engine block, worn valves or valve guides, or carbon/sludge build up on these parts.
8. Any environmental surcharges, waste disposal fees, shop supplies, and other similar miscellaneous charges.
9. For Olive Powertrain Coverage and Olive Powertrain Plus Coverage: Any part that is not listed for coverage is not covered.
10. Any non-covered parts or services, including but not limited to, the performance of normal maintenance services as set forth in the owner's guide for the Approved Vehicle, scheduled replacement of parts and wear items, and parts and services such as: adjustments of any type unless required with a repair being covered by this Agreement; all rubber, plastic and metal lines, hoses and tubes; fittings and connectors for lines, hoses and tubes; spark plugs; tune-ups; fan, engine, and serpentine belts; all filters; oil drain plug and oil filter housing caps and covers; glow plugs; engine block plugs (also called Welch or freeze plugs); adjustments to carburetors or fuel injection systems; complete exhaust systems including catalytic converters and particulate filters; brake rotors; brake drums; brake shoes; brake pads; brake springs and other brake mounting hardware; all batteries; external charging stations

- or systems; battery cables and connectors; fuses and circuit breakers; clutch slave and master cylinder; clutch disc, pressure plate, throw-out (release) bearing, dry clutch assemblies for automatically shifted manual transmissions, and pilot bearings; body and frame mounts; wheel alignments; wheel balance; tires, wheels and rims; flushing or cleaning of any system; wiper blades and arms; clamps; attaching hardware; grommets; glass; mirror glass; body parts; body and glass seals; paint/trim; soft trim; moldings; bright metal and chrome; door and window weather stripping; upholstery; fabric; convertible top frames and upholstery; electronic device software; digital video and compact audio discs; all HID, LED, halogen bulbs and standard incandescent bulbs; headlight, taillight, turn light and all other all other lighting assemblies; freight and core charges; any part that was not originally installed by the manufacturer; oil, coolant, additives, and refrigerants or other fluids, except in conjunction with the repair of a Covered Part (this is limited to necessary amounts required to refill the system one (1) time for the repair of the Covered Part); nuts, bolts, and fasteners except when required to complete a covered repair on a Covered Part.
11. Any part that a repair facility or manufacturer recommends or requires to be repaired, replaced, or is an update (including updated software or programming), and is not a Mechanical Breakdown. This includes modifications, replacement or alteration of existing parts or systems necessitated by the replacement of an obsolete, superseded, or unavailable part, and improper maintenance or repair.
 12. Any Mechanical Breakdown or damage resulting from misuse; abuse; negligence; damage due to overcharging; jump starting; allowing an electric or hybrid drive vehicle's high voltage drive battery to reach zero or near zero; exposing the vehicle to temperatures above 120 degrees Fahrenheit over 24 hours or -13 degrees Fahrenheit for over 7 days; use of any electric or hybrid vehicle charger not recommended by the manufacturer;
 13. Any Mechanical Breakdown or damage resulting from collision or upset; fire or smoke; theft or attempted theft; vandalism; riot or civil commotion; acts of war or invasion; terrorism; explosion; lightning; earthquake; freezing; rust or corrosion; windstorm; hail; water or flood; acts of God; salt; pollution or contamination; environmental and road hazard damage; chemical or nuclear incident; ionizing radiations or contamination by radioactivity from any irradiated nuclear fuel.
 14. Any Mechanical Breakdown caused by a lack of required maintenance as set forth under Section V. YOUR RESPONSIBILITIES; contaminants or contaminated fluids, fuel, coolants, oils, and lubricants; foreign objects; improper amounts or types of lubricants, fuels, or coolants; sludge and/or varnish.
 15. Any loss or expense that is a direct result of a mechanical or structural defect for which a manufacturer has announced a recall or other announcement for the purpose of correcting a defect, or the repair of any part covered by the Federal Emission Warranty, whether collectable or not.
 16. Any vehicle that currently has or at any time has had an altered, or inoperative odometer that has been left unrepaired, whether such repair is covered by this Agreement or not.
 17. Any vehicle modified or altered with, but not limited to, high performance, off-road equipment, and/or battery/electrical system that is not original factory equipment, done before or after the Effective Date of this Agreement. Any vehicle used for any type of competitive driving or racing.
 18. Any vehicle that is used or equipped with any of the following: Any tire or wheel sizes and/or offsets not recommended by the manufacturer. Any vehicle equipped with a lift kit or has any parts that are used to lift a vehicle or its suspension.
 19. Mechanical Breakdown or failure as a result of spinning of tires or over revving.
 20. Any vehicle used for pulling a trailer, unless the vehicle was properly equipped beforehand for this purpose as recommended by the manufacturer.
 21. Any vehicle that is reconstructed from salvage; declared a total loss; is a manufacturer or Dealer buyback; declared a lemon; the vehicle identification number has been changed or altered; or if the original manufacturer's warranty has been voided for any reason.
 22. Any loss or expense if Your Approved Vehicle is used for the following: Any commercial or business use (full or part time), taxi, livery or ride share services; municipal, volunteer or professional emergency services; fleet or pool services; towing a trailer whose weight exceeds the manufacturer's recommendations for that vehicle, or is used for any snowplowing.
 23. Any vehicle that has the following characteristics: step-van; high-cube van; box body; cab and chassis or other incomplete vehicle; right hand steering; any vehicle that has business related equipment permanently mounted to the chassis or bed of the vehicle; or that have special bodies designed for construction, hauling or delivery.
 24. Any vehicle not originally manufactured to be sold in the U.S. meeting U.S. specifications, commonly known as a gray market vehicle.
 25. Consequential damages to non-covered parts caused by the failure of a covered part are excluded from coverage Unless you have purchased the Olive Complete Coverage.
 26. Our liability for incidental and consequential damages including, but not limited to, personal injury, physical damage, property damage, loss of use of Your Approved Vehicle, loss of time, inconvenience, and commercial loss resulting from the operation, maintenance, or use of Your Approved Vehicle is expressly excluded.
 27. Any Mechanical Breakdown covered by any limited warranty, manufacturer's warranty, manufacturer's and/or dealer customer assistance program, repairer's guarantee, road club, or any other guarantee, warranty, or insurance policy, whether collectible or not. It is Your responsibility for making sure that all remaining manufacturer's original warranties are transferred to You.
 28. Loss, damage, cost, expense, or any other sum payable under this Agreement of whatsoever nature directly or indirectly caused by, resulting from or in connection with:
 - (a) any actual or threatened unauthorized, malicious, or criminal act, or series of actual or threatened unauthorized, malicious, or criminal acts, or any hoax relating to any of these.
 - (b) any failure to act, error, omission or accident or series of related failures to act, series of related errors, series of related omissions or series of related accidents; or
 - (c) partial or total unavailability or failure, or series of related partial or total unavailability or failures, involving or affecting the use or operation of, access to, or the processing of any computer, hardware, software, data, information technology and communications system, electronic device, server, cloud or microcontroller including any similar system or any configuration of the aforementioned, and including any associated input, output or data storage device.
 29. We shall not provide cover nor be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose Us or any member of Our group to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of any country.
- VII. LIMIT OF LIABILITY**
This Agreement is limited to the repair or replacement of a failed Covered Part, due to a covered Mechanical Breakdown, only to restore the Approved Vehicle to the same or like condition prior to the Mechanical Breakdown. The aggregate total of all claims paid will not exceed the Retail Value of the Vehicle, or \$10,000, whichever is higher, at the time of a current claim. Once this limit has been reached no further claims will be payable.
- VIII. PARTS REPAIR AND REPLACEMENT**
Replacement of parts shall be made with parts of like kind and quality, which may include new, remanufactured, rebuilt, refurbished, reconditioned, or used parts. Aftermarket parts that meet original equipment specification may also be used. At times it may be necessary

to request repair facilities to send out parts for refurbishing at special facilities. **You** may also request a betterment offer in which you may pay the difference between the part **We** will authorize and part you wish to use (Example: **We** will authorize a rebuilt part but **You** wish to use a new part. **We** will pay the amount that we would authorize towards the new part and you will pay the difference.)

IX. REPAIRERS GUARANTEE

Any repair facility repairing **Your Approved Vehicle** for a **Mechanical Breakdown** covered by this Agreement is fully responsible for that repair for the term of the warranty indicated on the repair order (minimum ninety (90) days). This Agreement has no liability for similar repairs to the same part(s) during the warranty period. If more than one mechanical breakdown contract or insurance policy can be applied to a **Mechanical Breakdown** covered by this Agreement, then this Agreement shall be excess over all other contracts or policies, regardless of collectability.

X. PAYMENT OF COVERED REPAIRS

We will pay for the reasonable cost or reimburse **You** for the reasonable cost to repair a covered **Mechanical Breakdown** (diagnostic and repair time are allowed only for Covered Repairs and as indicated in a current edition of a Mitchell or AllData labor guides, or in the event there is a Technical Service Bulletins (TSB) **We** will use that published time listed on the TSB.), when repaired by a state licensed repair facility or, if necessary, **We** will arrange for the repair of such covered **Mechanical Breakdown** at **Our** expense. The payment of sales tax on Covered Repairs will be made in accordance with the regulations of the taxing authority in the state where **Your Approved Vehicle** has been repaired. Payment of covered **Mechanical Breakdowns** will only be released upon the receipt of a verifiable invoice signed by the Agreement holder shown on the Declaration Page or the person to whom this Agreement was properly transferred, indicating that the authorized repairs were properly performed and completed. Failure to sign the repair order may cause delays in processing **Your** claim. In the event **We** will be reimbursing you for repairs, reimbursement will be made via electronic fund transfer and **We** will contact you with instructions for this.

XI. DEDUCTIBLE

The deductible is the amount stated on the Declarations Page that **You** must pay for each repair visit.

XII. GENERAL PROVISIONS

1. Dispute Resolution & Arbitration

Any controversy or claim arising out of or relating to this Agreement or the breach thereof, may be settled by mutually agreed upon arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association and judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction thereof. Unless both parties agree otherwise, arbitration will take place in the county in which the address shown in the Declarations is located. Local rules of law to procedure and evidence will apply.

2. Fraud or Misrepresentation

This Agreement is issued in reliance upon the truth of all representations made by **You**. **We** will not pay a claim where **You** have made any misrepresentations, omissions, concealment of fact or made incorrect statements that were fraudulent or are material in either **Our** acceptance of the risk or hazard from the Agreement holder.

3. Transferability

You may transfer the remaining coverage of the **Approved Vehicle** under this Agreement, if **You** or the transferee of this Agreement initiates the transfer process and provides the following items to **Us**, within thirty (30) days of the **Approved Vehicle** sale:

- (i) a statement of the mileage on the **Vehicle** at the time of transfer; and
- (ii) the name, address and phone number of the transferee.

You may not transfer coverage if the **Approved Vehicle** becomes ineligible for coverage or is repossessed. Transferred Agreements may not be cancelled by **You**.

4. Legal Action Against Us

No suit or action may be brought against **Us** unless there has been full compliance with all terms of this Agreement.

5. Right to Recover

If anything is paid under this Agreement and **You** have the right to recover from another party, **Your** rights became subrogated to **Us**

up to the amount paid. **You** must do whatever is necessary to enable **Us** to enforce these rights.

6. No Benefit to Bailee

We do not cover, directly or indirectly, any person or organization transporting or holding property for a fee.

7. Non-Renewal

We are under no obligation to renew this Agreement. Once **We** choose to non-renew this Agreement or condition its renewal upon changes of limits or elimination of any **Coverages**, **We** shall mail or deliver written notice to **You** at least thirty (30) days before the end of the Agreement's **Expiration Date**. The notice of non-renewal or conditional renewal shall include the reason for non-renewal or conditional renewal, which may be based on **Your** involvement in an accident, a change in, or addition of, a **Vehicle** or an insured; a change in the location of the use or storage of the **Vehicle**, payment of claims filed by **You** or someone else, or other reasons that are both lawful and not unfairly discriminatory.

8. Entire Agreement

This Agreement represents the entire agreement between **You** and **Us**. No person has the authority to change this Agreement or to waive any provisions.

9. Territory

This Agreement applies to a **Mechanical Breakdown** occurring within the United States of America or Canada.

XIII. CANCELLATION AND REFUNDS

1. Cancellation

- (a) **You** may cancel this Agreement by returning it to **Us**; or by notifying **Us** in writing when, at a future date, cancellation is to take effect.
- (b) **We** may only cancel this Agreement for the following reasons:
 - (i) Nonpayment of premium.
 - (ii) Fraud by **You**.
 - (iii) Material misrepresentation by **You**.
 - (iv) Gross negligent acts or omissions by **You** which substantially increase the hazards insured against; or
 - (v) Physical changes in the property causing it to be uninsurable.

If **We** cancel due to nonpayment of premium, **We** will give you at least ten (10) days advance written notice. If **We** cancel because of fraud or material misrepresentation by **You**, **We** will give **You** at least twenty (20) days written notice. If **We** cancel for any other reason, **We** will give **You** at least thirty (30) days advance written notice. Notice of cancellation shall state the reason for cancellation. Proof of mailing will be sufficient proof of notice.

A lienholder or financier of this Agreement, if any, may cancel this Agreement for nonpayment or if the **Vehicle** is declared a total loss or is repossessed by providing written notice of cancellation at least ten (10) days before the effective date of cancellation. If the Agreement is canceled for any of these reasons, any refunds will be issued to the lienholder on behalf of **Your** account.

2. Refunds

If **We** receive a written cancellation request, including a copy of **Your** Application and proof of payment on or before the 30th day from the **Signature Date** or **Effective Date** and no claims have been filed under this Agreement, **We** will cancel this Agreement and refund any premium paid either to you, or if there is a lienholder or financier, back to the lienholder or financier.

If **We** receive a written cancellation request, including a copy of **Your** Application and proof of payment after the 30th day or if a claim has been filed at any time during the term of this Agreement from the **Signature Date** or **Effective Date**, **We** will refund **Your** premium on a pro rata basis either to you, or if there is a lienholder or financier, back to the lienholder or financier.

XIV. AGREEMENT INSURED BY

This Agreement is not an insurance policy. However, **We** have an reimbursement insurance policy in effect with QBE Insurance Corporation, P.O. Box 372390, Denver, CO 80237-9714, 1-800-773-9980. You are entitled to make a direct claim against QBE Insurance Corporation, upon **Our** failure to perform under the Agreement within sixty (60) days after the repair order has been filed with **Us**. QBE

Insurance Corporation, which issued the reimbursement insurance policy, shall pay on behalf of **Us** any sums **We** are legally obligated to pay or shall provide the service which **We** are legally obligated to perform according to **Our** contractual obligations under the Agreement issued or sold by **Us**.

XV. STATE SPECIFIC PROVISIONS

This Agreement is amended, and the language below governs if **You** purchased this Agreement in the state listed below:

ALABAMA:

Dispute Resolution & Arbitration

Any controversy or claim arising out of or relating to this Agreement or the breach thereof, may be settled by mutually agreed upon arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association and judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction thereof. The arbitration shall be held in the county in which the contract holder lives and in the state of Alabama.

Cancellation by You: **You** may cancel this Agreement by returning it to **Us**; or by notifying **Us** in writing when, at a future date, cancellation is to take effect. If **You** cancel after thirty (30) days, an administrative fee, not to exceed \$25.00, will be charged by **Us**.

Refunds: If **You** have not received **Your** refund amount within forty-five (45) days of **Your** cancellation request, **You** are entitled to receive ten percent (10%) of the refund amount outstanding for every month that the refund is delayed.

ALASKA:

III. HOW TO MAKE A CLAIM is amended as follows:

2. Prior to starting repairs, the repair facility must contact the **Administrator's** claims office at 1- 800-773-9980 with diagnosis and estimate of repairs. If **You** experience an **Emergency Repair** when a covered **Mechanical Breakdown** occurs when the **Administrator's** office is closed, **You** or the authorized service representative must notify the **Administrator** of the repairs as soon as reasonably possible. No claim will be denied for timeliness unless the late reporting prejudiced **Us**.
7. Payment for covered **Mechanical Breakdowns** will be made to either the repair facility or **You** in accordance with Agreement provisions within thirty (30) days after receipt of the repair order. Failure to sign repair order may cause delays in processing **Your** claim.

In paragraph 27. of section VI - **EXCLUSIONS** the phrase "any other guarantee" is deleted

Paragraph 29. under section VI. **EXCLUSIONS** is deleted in its entirety.

IX. REPAIRERS GUARANTEE

Any repair facility repairing **Your Approved Vehicle** for a **Mechanical Breakdown** covered by this Agreement is fully responsible for that repair for the term of the warranty indicated on the repair order (minimum ninety (90) days). This Agreement has no liability for similar repairs to the same part(s) during the warranty period.

XII. GENERAL PROVISIONS

1. **Dispute Resolution & Arbitration** is amended to include the following: An arbitrator's expenses and fees, together with other expenses, shall be paid as provided in the award.

The following additional option is added to 1. **DISPUTE RESOLUTION AND ARBITRATION: APPRAISAL OPTION:**

The parties to this Agreement have the ability to resolve a dispute over the value of a covered loss without the need to go to court. If **You** and **We** fail to agree on the amount of a covered first party loss, either may make written demand upon the other to submit the dispute for appraisal. Within ten (10) days of the written demand, **You** and **We** must notify the other of the competent appraiser each has selected. The two appraisers will promptly choose a competent and impartial umpire. Not later than fifteen (15) days after the umpire has been chosen, unless the time period is extended by the umpire, each appraiser will separately state in writing the amount of the loss. If the appraisers submit a written report of agreement on the amount of the loss, the agreed amount will be binding upon **You** and **Us**. If the appraisers fail to agree, the appraisers will promptly submit their differences to the umpire. A decision agreed to by one of the appraisers and the umpire will be binding upon **You** and **Us**. All expenses and fees, not including counsel or adjuster fees, incurred because of the appraisal shall be paid as determined by the umpire.

Paragraph 2. **Fraud or Misrepresentation** is deleted in its entirety.

XIII. CANCELLATION AND REFUNDS

(a) The Agreement must allow **You** to cancel the Agreement not later than 30 days after the date that the Agreement was delivered to **You**. If **You** return the Agreement to **Us** within the applicable time period and a claim has not been made under the Agreement before the Agreement is returned to **Us**, the Agreement is void, and **We** shall refund the full amount of the provider fee to **You** or credit **Your** account not later than 45 days after the return of the Agreement to **Us**. If **We** do not pay or credit a refund owed under this subsection not later than 45 days after **You** return the Agreement, a penalty in the amount of 10 percent of the provider fee paid by **You** for each month the refund remains unpaid shall be added to the refund.

(b) After the time specified in (a) of this section, or if a claim has been made under the Agreement within that time, **You** may cancel the Agreement, and **We** shall refund to or credit **Your** account the prorated amount of the unearned Provider Fee, less any claims paid, not later than 45 days after the return of the Agreement to **Us**.

If **We** do not pay or credit a refund owed under this subsection not later than 45 days after **You** returns the Agreement, a penalty in the amount of 10 percent of the unearned provider fee paid by **You** for each month the refund remains unpaid shall be added to the refund. **We** may charge a reasonable cancellation fee of 7.5 percent of the unearned provider fee paid by **You**.

(c) The Agreement shall state the terms, restrictions or conditions governing cancellation of the Agreement by **Us**. **We** may only cancel the Agreement for:

- (i) nonpayment of the provider fee.
- (ii) conviction of **You** of a crime having as one of its necessary elements an act increasing a hazard covered by the Agreement.
- (iii) discovery of fraud or material misrepresentation made by **You** or a representative of **You** in obtaining the Agreement or by **You** in pursuing a claim under the Agreement.
- (iv) discovery of a grossly negligent act or omission by **You** that substantially increases the hazards covered by the Agreement.
- (v) physical changes in the property covered by the Agreement that result in the property becoming ineligible for coverage under the Agreement; or
- (vi) a substantial breach of duties by **You** related to the covered motor **Vehicle**.

(d) **We** shall mail a written notice to **You** at **Your** last known address contained in **Our** records at least five days before cancellation by **Us**. The notice shall state the effective date of the cancellation and the reason for the cancellation. Prior notice is not required if the reason for cancellation is nonpayment of the provider fee or fraud or a material misrepresentation by **You** in obtaining the Agreement or by **You** in pursuing a claim under the Agreement. If **We** cancel the Agreement, **We** shall refund or credit to the **Your** account the prorated amount of the unearned provider fee, less any claims paid, within 45 days after the return of the Agreement to **Us**. If **We** do not pay or credit a refund owed under this subsection within 45 days after **We** cancel the Agreement, a penalty in the amount of 10 percent of the unearned provider fee paid by **You** for each month the refund remains unpaid shall be added to the refund.

XIV. AGREEMENT INSURED BY

This Agreement is not an insurance policy. However, **We** have an reimbursement insurance policy in effect with QBE Insurance Corporation, P.O. Box 372390, Denver, CO 80237-9714, 1-800-773-9980. You are entitled to make a direct claim against QBE Insurance Corporation, upon **Our** failure to perform under the Agreement within thirty (30) days after the repair order has been filed with **Us**. QBE Insurance Corporation, which issued the reimbursement insurance policy, shall pay on behalf of **Us** any sums **We** are legally obligated to pay or shall provide the service which **We** are legally obligated to perform according to **Our** contractual obligations under the Agreement issued or sold by **Us**.

ARIZONA:

Exclusions:

5. **Any claim as a result of a preexisting conditions (a condition that already existed on the Approved Vehicle when You purchased Your Agreement) or any Mechanical Breakdown occurring prior to the Effective Date of the Agreement that can reasonably determined to have occurred prior to the Agreement purchase date or if the**

information provided by You is found to be deceptively inaccurate. In accordance with ARS 20-1095.06(D)(12), We may not exclude pre-existing conditions if such conditions were known or should have reasonably been known by Us or the person selling the Agreement on Our behalf.

Dispute Resolution & Arbitration: Arbitration cannot be an absolute dispute remedy and both parties must agree to arbitration. This arbitration provision does not prohibit an Arizona resident from following the process to resolve complaints under the provisions of A.R.S. §20-1095.09, Unfair Trade Practices as outlined by the Arizona Department of Insurance and Financial Institutions. To learn more about this process, You may contact the Arizona Department of Insurance and Financial Institutions at 100 N. 15th Ave., Suite 261, Phoenix, AZ 85007-2630, Attn: Consumer Protection. You may directly file any complaint with the A.D.I.F.I. against a Service Company issuing an approved Service Contract under the provisions of A.R.S. §§ 20-1095.04 and/or 20-1095.09 by contacting the Consumer Protection Division of the A.D.I.F.I. at 602-364-3100.

Cancellation and Refunds:

- (a) This Agreement may be cancelled by You at any time during the Agreement period. To cancel this Agreement, You must return this Agreement to Your selling provider of this Agreement or the Administrator.
- (i) If You cancel during the first thirty (30) days, a one hundred percent (100%) refund of the Agreement purchase price will be made.
 - (ii) If You cancel after thirty (30) days, the administration fee that We will charge and retain will be no more than ten percent (10%) of the amount paid by the You or \$50, whichever is less
- (b) We cannot cancel or void this Agreement due to acts or omissions of Us or Our assignees or subcontractors for their failure to provide correct information or their failure to perform the services or repairs provided in a timely, competent, or workmanlike manner. Parts or components repaired or replaced pursuant to this Agreement will not be excluded. We may not cancel or void this Agreement for the following: (1) preexisting conditions that were known or that reasonably should have been known by Us; (2) prior use or unlawful acts relating to the product; or (3) misrepresentation by either Us; (4) ineligibility for the program.

CONNECTICUT:

If this Agreement's term is for less than one (1) year, Your Agreement will be automatically extended if Your Vehicle is in Our custody for a repair.

Dispute Resolution & Arbitration: If You purchased this Agreement in Connecticut, You may pursue arbitration to settle disputes between You and Us. You may mail your complaint to: State of Connecticut, Insurance Department, P.O. Box 816, Hartford, CT 06142-0816, Attention: Consumer Affairs. The written complaint must describe the dispute, identify the price of the product and cost of repair, and include a copy of this Agreement.

Cancellation by You: If Your Covered Vehicle is sold, lost, stolen, or destroyed, You may cancel this Agreement.

DISTRICT OF COLUMBIA (WASHINGTON D. C.):

Refunds: If We fail to provide Your full refund within forty-five (45) days, a ten percent (10%) per month penalty shall be added to a refund not paid or credited.

FLORIDA:

Our Florida license number is 48688. The Florida Office of Insurance Regulation does not regulate the rates charged for this Agreement.

Transferability: You may transfer the remaining coverage of the Vehicle under this Agreement, if You or if the transferee of this Agreement initiates the transfer process and provides the following items to Us at P.O. Box 372790, Denver, CO 80237-9714 within 180 days of the vehicle sale: a letter, signed by You, transferring this Agreement to the transferee; a statement of the mileage on the Vehicle at the time of transfer; and the name and address of the transferee.

You may not transfer coverage if the Vehicle becomes a Branded Vehicle or is repossessed. Transferred Agreements may not be cancelled.

Cancellation by You: You may cancel this Agreement within sixty (60) days after purchase and You will receive a refund equal to one hundred percent

(100%) of the gross premium paid by. After sixty (60) days, if this Agreement is cancelled by You, lender, finance company, or creditor, We shall return directly to You no less than ninety percent (90%) of the unearned pro rata premium, less any claims paid. Cancellations initiated by lenders, creditors, or finance companies are only valid if authorized by the terms of this Agreement.

Cancellation Us: After this Agreement has been in effect for sixty (60) days, We can only cancel this Agreement for the following reasons:

- (i) there has been a material misrepresentation or fraud at the time of sale of this Agreement.
- (ii) You have failed to maintain the Covered Vehicle as prescribed by the manufacturer.
- (iii) the odometer has been tampered with or disabled and You failed to repair it; or
- (iv) nonpayment of premium by You, in which case We shall mail you written notice of cancellation via certified mail.

GEORGIA:

VI. EXCLUSIONS:

- 5. Any preexisting conditions known to You (a condition that already existed on the Approved Vehicle when You purchased Your Agreement) or any Mechanical Breakdown occurring prior to the Effective Date of the Agreement.
- 7. Repair or replacement of an engine due to oil consumption, loss of compression or misfires (which may cause a check engine light), if the only problem is due to normal wear and tear such as worn piston and/or piston rings, lining up of piston rings, worn engine block, worn valves or valve guides, or carbon build up on these parts.
- 14. Any Mechanical Breakdown caused by a lack of required maintenance as set forth under Section V. YOUR RESPONSIBILITIES; contaminants or contaminated fluids, fuel, coolants, oils, and lubricants; foreign objects; improper amounts or types of lubricants, fuels, or coolants; or varnish.
- 16. Any vehicle, while owned by You that currently has or at any time has had an altered, or inoperative odometer that has been left unrepaired, whether such repair is covered by this Agreement or not.
- 17. Any vehicle modified or altered with, but not limited to, high performance, off-road equipment, and/or battery/electrical system by You or with Your knowledge that is not original factory equipment, done before or after the Effective Date of this Agreement. Any vehicle, while owned by You used for any type of competitive driving or racing.

XII. GENERAL PROVISIONS:

1. **Dispute Resolution & Arbitration** is deleted in its entirety.

Cancellation by Us: We may only cancel this Agreement for the following reasons:

- (i) Nonpayment of the premium; or
- (ii) Discovery of fraud or material misrepresentation in obtaining the Agreement or in presenting a claim.

We will mail or deliver You written notice at least 30 days prior to the effective date of cancellation. If we cancel the Agreement for nonpayment of premium, We will mail or deliver to You written notice at least 10 days prior to the effective date of cancellation. The notice of cancellation shall state the reason for cancellation. If We cancel the Agreement, you will receive a refund calculated on a pro-rata basis.

A lienholder or financier of this Agreement, if any, may cancel this Agreement for nonpayment due to total loss, repossession or theft of the Vehicle by providing written notice of cancellation at least ten (10) days before the effective date of cancellation. If the Agreement is canceled for any of these reasons, any refunds will be issued to the lienholder on behalf of Your account.

HAWAII:

A ten percent (10%) penalty shall be added to a refund not paid or credited within forty-five (45) days after You return this Agreement to Us.

IDAHO:

Coverage afforded under this Agreement is not guaranteed by the Idaho Insurance Guaranty Association.

IOWA:

Cancellation by Us: If We cancel this Agreement, We shall provide You written notice at Your last known address at least fifteen days prior to the effective date and such notice shall state the reason and effective date of cancellation.

Refunds: A ten percent (10%) penalty shall be added each month to a refund is not paid to You within thirty (30) days after You return this Agreement.

LOUISIANA:

This Agreement is not regulated by the Louisiana Department of Insurance. Any concerns **You** have under this Agreement may be directed to the state attorney general.

Refunds: A ten percent (10%) penalty per month shall be added to any full refund not paid or credited to **You** within forty-five (45) days after **You** return this Agreement to **Us**.

MAINE:

Cancellation by Us: If **We** cancel this Agreement, **We** shall mail to **You** written notice to **Your** last known address, stating the reason and effective date of cancellation at least fifteen (15) days prior to cancellation.

Refunds: A monthly penalty equal to ten percent (10%) of the provider fee will be added to any full refund not paid or credited within forty-five (45) days after return of the Agreement to **Us**. Any refunds **You** are entitled to will also include any sales tax **You** paid on this Agreement.

MARYLAND:

This Agreement is automatically extended if **We** fail to perform the services under this Agreement and it will not terminate until the services are provided in accordance with this Agreement.

Refunds: If **We** fail to provide **Your** full refund or credit **Your** account within forty-five (45) days of cancellation, a monthly penalty equal to ten percent (10%) of the purchase price for each month the refund is not paid or credited.

MINNESOTA:

Your Responsibilities: For Used Vehicles - repairs resulting from the lack of required or recommended maintenance, provided that, at the time the used **Vehicle** came into **Your** possession or control: 1) the **Vehicle** still retained its owner's manual; or, 2) **You** were offered a copy of the owner's manual for an incremental charge of ten dollars (\$10) or less; or 3) the maintenance requirements contained in the Scheduled Maintenance Guide were replaced with a new specific maintenance schedule.

Exclusions:

15. **Repairs to the Vehicle if the odometer: (a) has been tampered with, but only if the tampering occurs while the Vehicle is in Your possession or control; or (b) If You have failed to have a broken odometer repaired, if the odometer failed while the Vehicle is in Your possession or control.**

Cancellation by Us: If **We** cancel this Agreement, **We** shall mail written notice to **You** at **Your** last known address, stating the reason and effective date of cancellation, at least fifteen (15) days prior to cancellation, unless **We** cancel for nonpayment, material misrepresentation by **You** to **Us**, or a substantial breach of duties by **You** relating to the **Covered Vehicle** or its use, in which case **We** will provide five (5) days' notice.

Refunds: A ten percent (10%) penalty per month shall be added to a full refund not paid or credited within forty-five (45) days after return of this Agreement to **Us**.

MISSISSIPPI:

XII. GENERAL PROVISIONS:

1. **Dispute Resolution & Arbitration** is deleted in its entirety.

Cancellation and Refunds:

(a) Cancellation by **You** shall require **Us** to permit **You** to return the Agreement within twenty (20) days of the date the Agreement was mailed to **You**, within ten (10) days of delivery if the Agreement was delivered to **You** at the time of sale, or within a longer time period permitted under the Agreement. Upon return of the Agreement to **Us** within the applicable time period, if no claim has been made under the Agreement prior to its return to **Us**, the Agreement will be voided, and **We** will refund to **You**, or credit to the **Your** account, the full purchase price of the Agreement. The right to void the Agreement provided in this subsection is not transferrable, applies only to the original Agreement Holder, and is allowed only when no claim has been made prior to its return to **Us**. 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 Agreement to **Us**.

Subsequent to the time period specified in subsection (1), or if a claim has been made under the Agreement within that time period, **You** may cancel the Agreement, and **We** shall refund to **You** one hundred percent (100%) of the unearned pro rata purchase price of the Agreement, less the amount of any claims paid.

(b) Cancellation by **Us** shall only occur in instances of nonpayment of the provider fee, a material misrepresentation by **You** to **Us**, or a substantial breach of duties by **You** relating to the covered product or its use.

In the event of cancellation by **Us** for reason other than nonpayment of

the provider fee, **We** shall refund to **You** one hundred percent (100%) of the unearned pro rata purchase price of the Agreement, less the amount of any claims paid.

MISSOURI:

Refunds: A ten percent (10%) penalty per month shall be added to a full refund not paid within forty-five (45) days after **You** return this Agreement.

NEVADA:

Exclusion 17. is amended to include the following language:

Having unauthorized or non-manufacturer recommended modifications does not exclude all coverage or void the entire contract. This contract will continue to provide any applicable coverage that is not related to the unauthorized or non-manufacturer recommended modifications or any damage arising therefrom, unless such coverage is otherwise excluded by the terms of this contract.

Exclusion 21. is deleted in its entirety and replaced with the following:

21. **Any vehicle that is reconstructed from salvage; declared a total loss; is a manufacturer or Dealer buyback; declared a lemon; the vehicle identification number has been changed or altered. This Contract will not be initially issued to any vehicle whose original warranty has ever been voided by the manufacturer, however, if this Contract has already been issued and the manufacturer's warranty becomes void during the term of this Contract, We will not automatically suspend all coverage, We will not provide any coverage that would have otherwise been provided under the manufacturer's warranty, however, We will continue to provide any other coverage under this Contract, unless such coverage is otherwise excluded by the terms of this Contract.**

XII. GENERAL PROVISIONS:

1. **Dispute Resolution & Arbitration** is deleted in its entirety.

If **You** are not satisfied with the manner in which **We** handle **Your** claim, **You** may contact the Nevada Commissioner of Insurance at (888) 872-3234.

XIII. CANCELLATION AND REFUNDS

Cancellation and Refunds: **You** may cancel this Agreement by mailing written notice to the Dealer or **Us**. If the Agreement is cancelled within thirty (30) days from the **Effective Date** and no claim has been made, **You** will be refunded one hundred percent (100%) of the full purchase price of the Agreement. If the Agreement is cancelled within thirty (30) days from the **Effective Date** and a claim has been made, **You** will be refunded on a prorated basis. If the Agreement is cancelled after the first thirty (30) days, **We** shall refund the premium for this Agreement on a prorated basis.

The Agreement may be cancelled by **Us** within the first seventy (70) days. In the event of cancellation after seventy (70) days, **We** may only cancel this Agreement if **We** discover one of the following: 1) fraud or material misrepresentation by **You**; 2) failure by **You** to pay an amount when due; or 3) act or omission by **You**, which occurred after the effective date of this Agreement and which substantially and materially increases the service required under this Agreement. If **We** cancel the Agreement, the return premium will be one hundred percent (100%) of the full purchase price of the Agreement. Cancellation will not become effective until fifteen (15) days after **We** mail **You** a notice of cancellation to **Your** last known address. **We** will pay a ten percent (10%) penalty per month to any refund that is not paid or credited to **You** within forty-five (45) days after the return of this Agreement.

Whether this Agreement is cancelled by You or by Us, no cancellation fees will be deducted from any returned premiums.

NEW HAMPSHIRE: In the event **You** do not receive satisfaction under this Agreement, **You** may contact the New Hampshire Insurance Department at (603) 271-2261 or 21 S. Fruit Street, #14, Concord, NH 03301.

NEW JERSEY:

Refunds: A ten percent (10%) penalty of the purchase price shall be added, per month, to any full refund not provided to **You** within forty-five (45) days of cancellation.

NEW MEXICO:

Cancellation by Us: No Agreement that has been in effect for at least seventy (70) days may be canceled by the Administrator before the expiration of the agreed term or one (1) year after the effective date of the Agreement, whichever occurs first, except on any of the following grounds:

- Failure by **You** to pay an amount when due;
- Conviction of **You** of a crime which results in an increase in the service required under the Agreement;
- Discovery of fraud or material misrepresentation by **You** in obtaining this

Agreement, or in presenting a claim for service thereunder;
(d) Discovery of:

- (1) an act or omission by **You**; or
- (2) a violation by **You** of any condition of the Agreement after the effective date of the Agreement and which substantially and materially increases the service required under the Agreement.

Cancellation of this Agreement may not become effective until at least fifteen (15) days after a notice of cancellation is mailed to **You**.

Refunds: A ten percent (10%) penalty of the purchase price shall be added to **Your** full refund for each thirty (30) day period that **We** fail to pay **Your** refund if **We** fail to provide a refund within sixty (60) days of cancellation. If **Your** Agreement is financed and **Your** loan has not been fully paid, **We** may provide a refund to **Your** lender but such payment shall not exceed any outstanding balance on **Your** loan.

NEW YORK:

Refunds: A ten percent (10%) penalty per month shall be added to a refund not made within thirty (30) days after return of this Agreement to **Us**.

NORTH CAROLINA:

Cancellation by Us: **We** may not cancel this Agreement in **Our** discretion and may only cancel for nonpayment or for a direct violation of this Agreement by **You**.

OKLAHOMA: This is not an insurance contract. Coverage afforded under this Agreement is not guaranteed by the Oklahoma Insurance Guaranty Association.

WARNING: Any person who knowingly, and with intent to injure, defraud or deceive and insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

Our Oklahoma Service Warranty License # is 502728205.

The last paragraph under 3. **Transferability**, **XII. GENERAL PROVISIONS** is deleted in its entirety and replaced with the following:

You may not transfer coverage if the **Approved Vehicle** becomes ineligible for coverage or is repossessed.

Cancellation by You: If **You** cancel this Agreement, return of the provider fee shall be based upon ninety percent (90%) of the unearned pro rata provider fee less the actual cost of any service provided under the service warranty contract.

Cancellation by Us: If **We** cancel this Agreement, return of premium shall be based upon one hundred percent (100%) of unearned pro rata provider fee less the actual cost of any service provided under the service warranty contract.

OREGON:

All Agreement obligations are between QBE Administration Services, Inc., the obligor (hereinafter referred to as "**We**", "**Us**" or "**Our**") and the Agreement holder.

Complaints: Unresolved complaints can be addressed to the Department of Consumer and Business Services, Oregon Division of Financial Regulation, Consumer Advocacy Unit, 350 Winter Street NE, Room 300-2, Salem, Oregon 97301. The telephone number is 1-888-877-4894.

SOUTH CAROLINA: In the event of a dispute with **Us**, **You** may contact the South Carolina Department of Insurance, Capitol Center, 1201 Main Street, Suite 1000, Columbia, SC 29201 or call (800) 768-3467.

Refunds: A ten percent (10%) penalty per month shall be added to any full refund not paid or credited to **You** within forty-five (45) days after return of this Agreement to **Us**.

TEXAS:

Refunds: If we fail to pay or credit any refund due to **You** within forty-five (45) days, a ten percent (10%) penalty of the amount outstanding per month shall be added to **Your** refund.

UTAH: Coverage afforded under this Agreement is not guaranteed by the Utah Property and Casualty Guaranty Association. This Agreement is subject to limited regulation by the Utah Insurance Department. To file a complaint, contact the Utah Insurance Department.

Purchase of this product is optional and is not required in order to finance, lease, or purchase a motor vehicle.

All Agreement obligations are between QBE Administration Services, Inc., the obligor (hereinafter referred to as "**We**", "**Us**" or "**Our**") and the Agreement holder.

The following language is added to paragraph 7. under **III. HOW TO MAKE A CLAIM:**

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, QBEAPVSC (01-26)

if the insured shows that it was not reasonably possible to give the notice or file the proof of loss within the prescribed time and that notice was given or proof of loss filed as soon as reasonably possible.

XII. GENERAL PROVISIONS:

1. Dispute Resolution & Arbitration is deleted in its entirety.

Cancellation by Us: **We** may only cancel this Agreement for material misrepresentation, substantial change in the risk assumed unless **We** should have reasonably foreseen the change or contemplated the risk when entering into the contract, substantial breach in contractual duties, or nonpayment.

Notice of cancellation stating the reason and effective date of cancellation will be mailed to **You** no later than thirty (30) days in advance, except for nonpayment, and **We** shall mail written notice to **You** via first-class mail.

VIRGINIA: If any promise made in this Agreement has been denied or has not been honored within sixty (60) days after **Your** request, **You** may contact the Virginia Department of Agriculture and Consumer Service, Office of Charitable and Regulatory Programs to file a complaint.

WASHINGTON:

We only have sixty (60) days from the date of the sale of this Agreement to determine whether or not **Your Vehicle** qualifies for this Agreement and after sixty (60) days, **Your Vehicle** will be qualified and **We** cannot cancel based on eligibility. The implied warranty of merchantability on the **Covered Vehicle** is not waived if **You** purchased this Agreement within 90 days of the purchase of the **Covered Vehicle** and **We** also sold the **Covered Vehicle**.

"**You**" and "**Your**" means the **Service Contract Holder**.

"**We**", "**Us**", "**Our**" and **Administrator** means the **Service Contract Provider** of this Agreement.

II. DEFINITIONS

Provider Fee means the purchase price the Agreement Holder paid for this Agreement.

Dispute Resolution & Arbitration: Arbitration proceedings under this Agreement will be binding. All arbitration will be conducted in conformity with Chapter 7.04A RCW. Any dispute arising out of this Agreement shall be brought in a state court of Washington. Any arbitration proceeding initiated under this Agreement shall be held at a location in closest proximity to **Your** permanent residence. The Insurance Commissioner of Washington is the Service Provider's attorney to receive service of process in any action, suit or proceeding in any court, and the state of Washington has jurisdiction of any civil action in connection with this Contract.

XIII. CANCELLATION AND REFUNDS is deleted in its entirety and replaced with the following:

- a. **Cancellation by You:** **You** may cancel this Agreement by submitting a written request to the Seller stating the date upon which the cancellation is effective and containing a copy of **Your** Agreement and the current mileage on **Your Vehicle**. During the first sixty (60) days from the Agreement Sale Date, **We** or the Seller will refund **You** 100% of the Agreement Sale Price, less any claims paid on **Your** Agreement. After the first sixty (60) days from the Agreement Sale Date, **We** or the Seller will refund **You** a pro-rated amount of the Agreement Sale Price, based on the lesser of the months or miles remaining, less a twenty-five-dollar (\$25) cancellation fee. A ten percent (10%) penalty per month shall be added to a refund that is not made within thirty (30) days of return of this Agreement to **Us**.
- b. **Cancellation by Us:** **We** may cancel this Agreement during the first sixty (60) days of the Agreement Sale Date for any reason. If **We** cancel this Agreement, **We** or the Seller will refund **You** 100% of the Agreement Sale Price. After the first sixty (60) days, **We** may only cancel this Agreement for misrepresentation in obtaining this Agreement or in the submission of a claim or for nonpayment of the Agreement charge by **You**.

XIV. AGREEMENT INSURED BY

Our obligations under this Agreement are guaranteed by a reimbursement insurance policy issued by QBE Insurance Corporation, Policy Number: QAS00001. You may file a Claim directly with QBE Insurance Corporation at (800) 773-9980; P.O. Box 372390, Denver, CO 80237-9714 at any time.

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

Cancellation by You: A ten percent (10%) penalty of the amount outstanding shall be added per month if **We** fail to provide **Your** full refund within forty-five (45) days of return of this Agreement. In the event of a total loss of the **Covered Vehicle** that is not covered by this Agreement, **You** may cancel and receive a pro rata refund.

Cancellation by Us: We may cancel this Agreement for nonpayment, material misrepresentation by **You** to **Us**, or a substantial breach of duties by **You** relating to the **Covered Vehicle** or its use. If **We** cancel, **We** shall mail to **You** written notice to **Your** last known address stating the reason and effective date of cancellation at least five (5) days prior to cancellation.

WYOMING:

XII. GENERAL PROVISIONS:

1. **Dispute Resolution & Arbitration** is deleted in its entirety.

Cancellation by You: A ten percent (10%) penalty per month shall be added to any full refund not paid or credited within forty-five (45) days after return of this Agreement to **Us**.

Cancellation by Us: If **We** cancel this Agreement, **We** shall mail to **You** written notice to **Your** last known address stating the reason and effective date of cancellation at least ten (10) days prior to cancellation by **Us**. Prior notice is not required if **We** cancel for nonpayment, material misrepresentation by **You** to **Us**, or substantial breach of duties by **You** relating to the **Covered Vehicle** or its uses, nonpayment.

SAMPLE