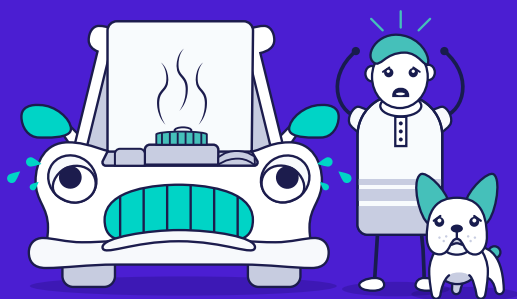


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# AUTO REPAIR SAVINGS GUIDE

*Choosing the right  
extended coverage solution  
for your vehicle*





Today, more people are opting to adventure in their same vehicle longer as a smart way to protect their finances. And those who previously relied on ride share or public transportation are buying used vehicles 22% more than in 2019 according to Edmunds.

If you find yourself with an expired or soon-to-expire vehicle warranty, you might be worried that a major mechanical breakdown may break your bank. While paying a monthly amount that fits your financial situation might be a great way to go, extending your vehicle's coverage comes with many questions.

At **olive.com**<sup>tm</sup>, we've got your back when it comes to understanding your vehicle repair plan options! So, what are your choices and how do they work? **olive.com** is here to provide you with information before making a purchase decision so you can adventure on with peace of mind!

**olive**<sup>®</sup>

# Cover your vehicle from items that your insurance doesn't

***Extending your coverage with a vehicle repair plan is not one size fits all, so it's important to understand the available options. The first thing you should know is that when you purchase an "extended vehicle warranty," you are actually buying a "Vehicle Service Contract" (VSC) or "Mechanical Breakdown Insurance" (MBI).***

## **Vehicle service contract (VSC)**

A vehicle service contract is a paid plan that helps cover the costs of any repairs needed once the manufacturer warranty has expired. As your vehicle ages, the likelihood of it needing repairs rises. The biggest benefit of obtaining a vehicle service contract is the potential savings on unforeseen repairs for a car that is no longer covered by a factory warranty.

## **Mechanical breakdown insurance (MBI)**

Another type of vehicle repair plan is mechanical breakdown insurance (MBI). While this type of coverage is like a vehicle service contract, the difference is that mechanical breakdown insurance is an insurance product as opposed to a warranty or service contract and is regulated by the Department of Insurance.

Depending on your location, and its regulatory approach to such products, you may be offered MBI as an alternative to a vehicle service contract.

## Choose a reputable company

***The company responsible for paying your claims is not always the company you purchase your warranty from. It is important that the coverage administrator for your policy is insured and well-funded with a solid financial history. You can validate financial strength ratings on A.M. Best, Standard and Poor's, and Fitch Group.***



### What is the company's reputation?

It's important to do your due diligence. Is the company registered with the [BBB](#)? What do their reviews and ratings state? Rating sites like the Better Business Bureau and Google or Yelp will represent how the business is likely to interact with its customers and will give a combined score based on customer reviews.

BBB ratings are still the toughest to get and are determined by external factors like: complaint history, time in business, transparent business practices, failure to honor commitments, licensing and government actions, and known advertising issues or false claims. Reviews on Google and Yelp are well regulated but can be faked, so read with caution. Observe how well the company treats its customers and responds to complaints as well as their positive reviews.



**PRO TIP:** *Don't be shy about asking your friends if they know of someone they would recommend. If they have a bad experience, at least you will have an idea of who to avoid.*

# Choose a plan that fits your budget

***Before selecting a company to give you peace of mind and protection from unexpected auto repair bills, review their coverage plans. The best companies will give you options for coverage so you can select the right plan to fit your needs.***

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## COVERAGE OPTIONS:

### **Powertrain coverage** *(basic coverage)*

Powertrain level of coverage generally covers all of the most expensive items, including every lubricated part of your transmission and engine. It also covers other expensive repairs like water and oil pumps, thermostats, and factory turbochargers. A powertrain vehicle repair plan gives you the peace of mind that your drivetrain is covered wherever you travel.

### **Comprehensive coverage** *(covers almost everything)*

Comprehensive coverage is similar to the manufacturer's warranty on a new car. The parts that wear down regularly, such as brake pads, are covered by you. However, the unexpected parts that just "break or malfunction" are covered by most comprehensive coverage plans. Comprehensive coverage is extensive; it's typically easier to tell you what is excluded vs. what is included.

### **Something in-between**

Many plans are somewhere between Powertrain and Comprehensive. Middle of the road plans cover more than just the major parts but typically exclude things like electrical. Common parts included in this coverage level are power steering, front suspension, brake system, and air conditioning components.



**PRO TIP:** *Keep electronic components in mind. Not all coverage plans cover the latest computer chips and sensors so be sure to watch out for exclusions.*

## Consider your deductible

*Some companies will let you decide your limit for out-of-pocket expenses by choosing the deductible that best fits your wallet. The more the deductible, the less overall cost for the warranty. Some vehicle repair plan providers charge a deductible for every “repair item” instead of every “repair visit.”*



### **Repair item**

Means you pay the deductible on every repair item. If you have a \$100 deductible and have 3 covered repair items fixed, you will pay \$300 to get your car serviced.



### **Repair visit**

Means you only pay the deductible one time and any covered repair items found are repaired during your visit. If you have a \$100 deductible and have 3 covered repair items fixed, you will only pay \$100 to get your car serviced.



**PRO TIP:** To save money each month, choose a higher deductible. Then, set \$500 aside in the bank, earning interest while having it ready for breakdowns.

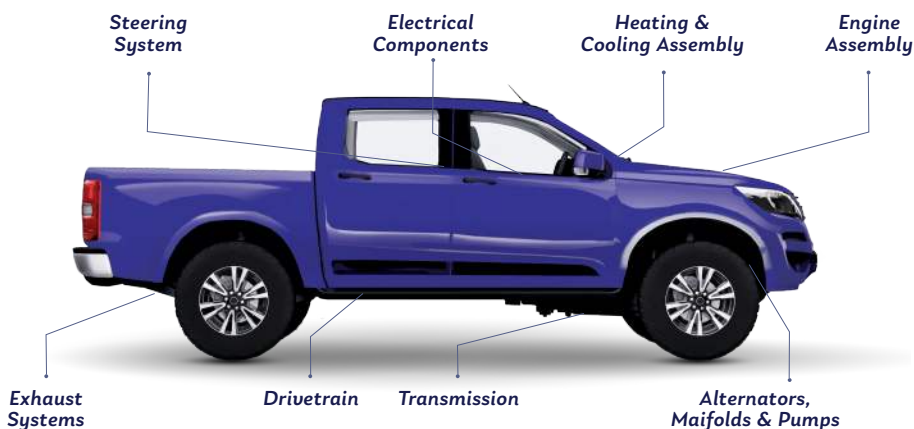
## Read the fine print

We suggest getting quotes from more than one company and comparing prices, plan options, terms, and deductibles. ***The easier the information is to find, the more transparent the company.***

A company that gives information upfront and has approachable customer advocacy when buying is more likely to offer the best vehicle repair plan. You don't want to try calling a company during a crisis that was hard to get a hold of when you were offering them money.

In your search, get an itemized cost for coverage, revealing how long of term your rate lasts. This way you avoid limited-time quoted rates and surprise cost increases. It also makes it easy to establish the particulars of the coverage in a dollar-for-dollar fashion. Do they charge extra fees for processing or payment options? Some companies will nickel and dime you to a higher payment.

Watch out for unnecessary add-ons that are often added to an MBI/VSC cost to avoid paying for redundant services. For example, most people already have roadside assistance through their auto insurance policy, so it could be duplicative to have it in their vehicle repair plan.



**PRO TIP:** Make sure you know what you are buying. You're the one driving; don't get taken for a ride.

## Understand your payment terms and options

When you are at the dealer, you are usually offered the option of rolling the cost of the vehicle repair plan into your auto loan. If you are comfortable with the price they are charging for the coverage, it can be a convenient way to go. Keep in mind that financing your vehicle repair plan over your loan's life increases your coverage cost overall.

### ***If you don't buy it from the dealer you have a few options:***

- *pay for the plan in its entirety*
- *pay a down payment, and then a smaller amount monthly*
- *pay-as-you-go with evenly distributed monthly payments for the term of the plan*

One of the major advantages of many pay-as-you-go plans is the ability to cancel any time. If you sell your car, need to cut back on expenses, or just don't feel you need the coverage anymore, make sure the company you select allows you to cancel at any time.

### ***If you have monthly payments, know the terms of your contract:***

- *is the price fixed for the life of your contract?*
- *if you cancel early, do you owe the balance?*

Usually if a monthly plan is in place, your payment is **fixed** for the term. Make sure to watch for rises in price throughout the term.



**PRO TIP:** *Look for flexible companies with payment and cancellation options that fit your budget and needs in the long-term. Know your plan and how to get out of it if the need arises before buying.*





## Ensure there's no annual mileage restriction

Many vehicle repair plans (MBIs and VSCs) have a yearly limit on the miles you can drive and still be covered. Many standard packages only cover 10,000 miles/year; they may offer more expensive packages to cover more mileage.

The average person drives 13,500 miles/year. If you drive the average amount or more, look for plans priced on total odometer mileage coverage vs. annual mileage restrictions.



**PRO TIP:** Make sure you understand how many miles you can drive in a year, for how many years, and the total mileage allowance of the contract. We always recommend reading sample Terms and Conditions, so you know the ins and out of each plan.



## Watch out for waiting periods and pre-inspections

Most vehicle repair plans have a 30 day or 1,000 mile waiting period, or require a vehicle inspection to check for any pre-existing conditions. It seems reasonable, but if something happens during that time, you will not be covered. Look for plans that will provide coverage as soon as possible.

A good vehicle repair plan provider will treat you fairly and expects to be treated fairly and honestly by their customers in return. Companies that don't require a waiting period or inspection work closely with repair facilities to ensure an early claim is not a pre-existing condition.

For example: If you had your car towed to a shop, purchased a plan after the tow, and then turned in the claim, you will likely be denied the claim.



**PRO TIP:** *Know your waiting period and remember pre-existing conditions are not covered.*

## Choose an open repair network

An important item to note is the coverage area and, if traveling, where you can take your vehicle. Most companies offer coverage across the U.S. and Canada.

Reputable vehicle repair plan providers allow you to take your car to any certified repair shop. Since most repair shops are approved, you have many mechanics, dealerships, and garages to choose from whether you are commuting in your local area or traveling far from home.

Unlike collision insurance that typically reimburses you for the repair costs, with most vehicle repair plans, you are only responsible for your deductible and non-covered items. This means you directly pay the approved auto shop your deductible and cost of non-covered parts. Then, the auto shop works with the coverage provider for the remaining bill.

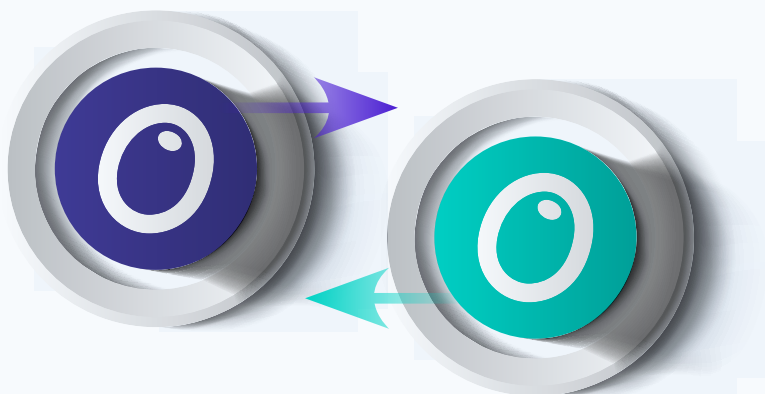


**PRO TIP:** *Make sure you have options for taking your car somewhere other than where you purchased it.*



## Verify your plan is transferable

If there is a good chance you may want to sell or trade in your car within your coverage time frame, be sure your coverage is transferable! If the buyer agrees to take over the payments, you have the green light to transfer. Plus, the new owner knows any issues that occurred when you owned the vehicle were likely handled immediately due to your coverage.



When selling your vehicle, offering the option of a vehicle repair plan may help you get a better price and an easier sale.



Find a company that doesn't charge a transfer fee and keeps your rate secure for the entire policy term.



**PRO TIP:** *Change happens. Find out how flexible your plan is to make sure you're never stuck. Ensure you can cancel anytime and transfer your coverage with the vehicle.*



## Confirm your vehicle is eligible

Not all vehicles can be covered due to their age and mileage. Fortunately, you can do your research and get a quote to determine if your car is qualified. Remember, some companies require an inspection to activate the policy, so keep this in mind if you are looking for fast coverage.

If your car does qualify, be knowledgeable about how long your vehicle will be covered. Many policies will protect your vehicle for a set number of years to the predetermined mileage restriction or model year, whichever comes first.



**PRO TIP:** *Take the time to determine if the cost of coverage is right for your car.*

## Evaluate all purchasing options

***Finding accurate pricing and an honest cost analysis can be challenging! Let's cut through the noise and lay out your vehicle repair plan buying options.***



## ***Buying at the dealership***

At the dealer, you can get 1, 2, or even 3 coverage options. You might be able to roll it into the financing of your car, pay for it outright, or subscribe to a 2-3+ year commitment. We suggest you go to the dealership prepared with your vehicle repair plan options. In the same way you research the reliability and price of your new vehicle, research vehicle repair plan costs before picking up your new vehicle. Information is power!

## ***Getting an online quote***

See if the company provides instant online pricing or you may be signing up for robocalls or pesky sales agents. Do they have customer service available via phone or online chat to ensure the vehicle repair plan will work for you? If they are not transparent or professional, then hang up and move on to your other options.

## ***Replying to direct mail and emails***

There are some legitimate opportunities to purchase your “extended car warranty” or vehicle repair plan sent via mail. Major vehicle manufacturers send extended coverage plans out to their customers and can offer good solutions.

Avoid mail offers that seem fake or use scare tactics with high-pressure language. When contacting these companies, be prepared to ask the right questions and don't feel pressured to buy without all the facts and documentation. You know your ride best!

## ***Responding to incoming calls and robocalls***

Intrusive robocalls have become more common over the last few years. When responding to incoming calls, verify the caller is legitimate before giving them any personal information. Make sure to get their company information and request a copy of a quote with all the coverage details via email so you can make the right decision for you.

## ***Research your individual make and model's repairability***

When researching vehicle repair plan options, it is helpful to understand common repair problems for your make and model. This will help you determine if a vehicle repair plan is needed. Are you prepared to cover unexpected auto repair bills?



# Choose **olive**.com

Your vehicle is important to you, so weigh your options and choose what is right for you. Do your due diligence and you should be a-ok.

At **olive.com**, we strive to earn your business every month with excellent customer service and peace of mind. Here's what you should know about **olive.com**'s vehicle repair plans:



## **1. Cover your vehicle from items that your insurance doesn't**

**olive.com** offers both MBI and VSC plans that adhere to all state requirements so you can leave unexpected auto repair bills in the dust and get back on the road with peace of mind.

## **2. Choose a reputable company**

Every single **olive.com** policy is backed by a global insurer with a consistent "A" rating from A.M. Best, an "A+" rating from Standard & Poor, an "A" rating from BBB, and over \$15 Billion in 2019 assets under protection.

## **3. Pick a plan that fits your budget**

**olive.com** offers 3 different coverage plans to keep you moving by paying for unexpected mechanical breakdown repairs all with a fixed monthly payment.

## **4. Choose your deductible**

**olive.com** offers 3 deductible options giving you 9 different monthly payment options so you can choose the plan that best fits your budget. At **olive.com**, when a claim is filed, you will only pay your deductible and any non-covered items. We will pay the repair center directly for all remaining repairs.

## **5. Know what's included in the price**

At **olive.com**, we keep things simple. We personalize your rate for your vehicle so you don't pay a penny more than you should.



## **6. Understand your payment terms and options**

At **olive.com**, we earn your business every month. Prices are fixed for the life of your 3-year term, and you can cancel anytime.

## **7. Enjoy no annual mileage restrictions**

Drive as much as you want each year with **olive.com**. Our plans cover vehicles up to 10-model years old and 140,000 miles into your vehicle's life. Then we'll cover you up to 12 years and up to 185,000 miles, whichever comes first! That's peace of mind for every adventure throughout the U.S. and Canada!

## **8. There's no waiting period or inspection required**

**olive.com** is frictionless, nearly instant coverage; that's one of the things that makes an **olive.com** plan unique. Your coverage becomes active the day after you sign up! Buy today. Covered tomorrow®.

## **9. We offer an open repair network**

**olive.com** provides nationwide coverage in the U.S. and Canada. Begin your claims process online through our partner, RepairPal, or take your vehicle to an ASE certified repair shop of your choice, provide your coverage number and we will handle the rest.

## **10. Your plan is transferable**

Yes. **olive.com** plans are transferrable which can lead to an increase in your vehicle's value when you sell it. Better yet, there is no fee to transfer.

## **11. Quote, buy, and manage coverage and claims 100% online**

With frictionless online signup, convenient monthly payment plans, and instant coverage, **olive.com** provides the coverage you need, only a few clicks away.

### ***Here is what we can promise:***

- 🕒 You can see your price 100% online in 90 seconds (or less)
- 📄 Filing a claim is easy and seamless
- 📞 No robocalls, ever
- 🛒 Buy how you want to buy, and we'll do our best to earn your business every month

# Alright, you're ready!

Our Coverage Advocates are standing by if you have  
any questions or prefer to talk with a human.

***Call now: (888) olive-it***





# olive<sup>®</sup>.com

SEE YOUR PRICE NOW



**olive** coverage excludes any pre-existing conditions or modifications whether known or unknown prior to your coverage starting.

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