

### **Definitions**

“Vehicle” means the covered car or truck shown in Registration Page.

“You” and “Your” mean the customer (private individual) shown in Section 1 on the Information Schedule, or an eligible person to whom this Service Contract has been properly transferred.

“We”, “Us” and “Our” means Western Insurance Company 675 W. Moana Lane Reno, Nevada 89509. 1-877-829-6650.

“Administrator” means LG Warranty, LLC – PO Box 335 Dublin Ohio 43017 – 1-888-807-2812

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

“Odometer Miles” means the actual miles Your Vehicle has traveled as recorded on an unaltered odometer.

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

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

“Deductible” means the amount You are required to pay, as shown in the Registration page, per visit for covered Breakdowns. If Your Cost is a Warranty Deductible charge imposed by the manufacturer, this Service Contract will pay the manufacturer’s Deductible.

“Months” means the number of Months shown on the registration page

“Miles” means the number of Miles shown on the registration page.

“Service Contract Price” means the amount You paid for this Service Contract shown on the registration page.

“Service Contract Purchase Date” means the date You purchased this Service Contract shown on the registration page.

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

“Selling Dealer” means the dealer from whom You purchased this Service Contract shown on the registration page.

“Elimination Period” means the first 30 days and 1,000 miles of this Service Contract, affords no coverage whatsoever. Coverage begins on the 31<sup>st</sup> day and 1,000 miles from the Service Contract Purchase date.

### **What is Covered**

#### **Ultimate Coverage**

**We will pay or reimburse You for reasonable costs to repair or replace any Breakdown of all mechanical or electrical parts except those listed under the SECTION WHAT IS NOT COVERED, less any Deductible, in accordance with GENERAL PROVISIONS contained in this Contract. Reimbursement amounts for replacement parts or components may be based on new, remanufactured, or used parts at OUR sole discretion.**

## Gold Coverage

The following parts are covered. Parts not listed are not covered.

- **Engine:** All internally lubricated parts including but not limited to: crankshaft and bearings, oil pump, pistons, piston rings, connection rods and rod bearings, timing gears, timing chain, timing belt, camshaft and camshaft bearings, push rods, rocker arms, rocker arm shaft and hydraulic lifters, intake and exhaust valves, valve springs, harmonic balancer. Engine blocks and cylinder heads are also covered if Breakdown was caused by an internally lubricated part.
- **Turbocharged/Supercharged/Diesel Engines:** All internally lubricated parts, turbocharger and injection pump. This coverage must purchase if so equipped. Coverage will apply only when selected on the registration page and the appropriate surcharge has been paid.
- **Automatic/Standard Transmission:** All internally lubricated parts within the gear case, torque converter, housing if Breakdown was caused by the failure of an internally lubricated part. (Clutch plate, pressure plate, Flywheel, release and pilot bearings are NOT included).
- **Drive Axle Assembly (2 Wheel Drive):** All internally lubricated parts. Universal and CV joints except if boot was damaged or missing. Drive axle housing is also covered if damage is caused by Breakdown of an internally lubricated part.
- **4 Wheel Drive / All Wheel Drive** must purchase if so equipped. Coverage will apply only when selected on the registration page and the appropriate surcharge has been paid. Drive Axle Assembly (4 Wheel and All Wheel Drive): All internally lubricated parts, C/V joints (except if boot was damaged or missing). Housing and transfer case if damaged by an internally lubricated part.
- **One Ton/Dual Wheel** must purchase if so equipped. Coverage will apply only when selected on the registration page and the appropriate surcharge has been paid.
- **Air Conditioning:** Compressor, clutch, coil pulley, evaporator, accumulator and condenser, if factory installed.
- **Front Suspension:** Struts, upper and lower control arms, upper and lower ball joints, steering knuckle, wheel bearings, control arm shaft and bushings, stabilizer bar, linkage and bushings.
- **Steering:** Power steering pump, steering gear housing and its internal parts and rack and pinion assembly.
- **Brakes:** Master cylinder, vacuum booster, wheel cylinders, disc brake calipers, proportioning and control valves, metal hydraulic lines and fittings. (Pads, shoes, drums or rotors are NOT covered).
- **Cooling:** Water pump, Radiator, fan clutch and cooling fan motor.
- **Fuel Delivery:** Fuel pump, fuel tank, fuel injectors and metal fuel lines.
- **Electrical:** Alternator and starter, voltage regulator, wiper motors, wiper module, heater blower motor, window motors, window regulators, ignition module, ignition coil, engine operation computer, distributor, starter, starter solenoid, seat motors and door lock actuators, manually operated switches for all the above listed parts.
- **Factory installed GPS** units are covered once the applicable surcharge is paid.
- **Emissions Coverage** to include O2 Sensors and EGR Valve once the applicable surcharge is paid.

## Power Train Coverage

The following parts are covered. Parts not listed are not covered.

- **Engine:** All internally lubricated parts including but not limited to: crankshaft and bearings, oil pump, pistons, piston rings, connection rods and rod bearings, timing gears, timing chain, timing belt, camshaft and camshaft bearings, push rods, rocker arms, rocker arm shaft and hydraulic lifters, intake and exhaust valves, valve springs, harmonic balancer. Engine blocks and cylinder heads are also covered if Breakdown was caused by an internally lubricated part.

- **Turbocharged/Supercharged/Diesel Engines:** All internally lubricated parts, turbocharger and injection pump. This coverage must purchase if so equipped. Coverage will apply only when selected on the registration page and the appropriate surcharge has been paid.
- **Automatic/Standard Transmission:** All internally lubricated parts within the gear case, torque converter, housing if Breakdown was caused by the failure of an internally lubricated part. (Clutch plate, pressure plate, Flywheel, release and pilot bearings are NOT included).
- **Drive Axle Assembly (2 Wheel Drive):** All internally lubricated parts. Universal and CV joints except if boot was damaged or missing. Drive axle housing is also covered if damage is caused by Breakdown of an internally lubricated part.
- **4 Wheel Drive / All Wheel Drive** must purchase if so equipped. Coverage will apply only when selected on the registration page and the appropriate surcharge has been paid. Drive Axle Assembly (4 Wheel and All Wheel Drive): All internally lubricated parts, C/V joints (except if boot was damaged or missing). Housing and transfer case if damaged by an internally lubricated part.

#### ADDITIONAL BENEFITS

- **Towing Benefit** – in the event of a **Breakdown** covered by this service **Contract, We** will pay or reimburse **You** for receipted towing expenses up to one hundred dollars (\$100.00) per occurrence.
- **Rental Benefit** – In the event of a **Breakdown** covered by this service **Contract, We** will pay or reimburse **You** for receipted expenses to rent a replacement vehicle (from a licensed rental agency) while **Your Vehicle** is at a **Repair Facility**. Coverage will be provided to **You** up to a maximum of thirty five dollars (\$35.00) for every eight (8) labor hours, of portion thereof, of applicable labor time required to complete the repair, up to a maximum of one hundred dollars (\$175.00) for each repair visit. In addition, a maximum of one (1) additional day of rental applies for parts/inspection delays.
- **Trip Interruption** - In the event a **Breakdown** covered by this **Contract** occurs more than one hundred (100) miles from **Your** home and results in a **Licensed Repair Facility** keeping **Your Vehicle** overnight, **We** will reimburse **You** for receipted motel and restaurant expenses, up to one hundred twenty-five dollars (\$125.00) per day for a maximum of three (3) days (Total benefit per occurrence of three hundred seventy-five dollars \$375.00.) No **Deductible** will apply to this benefit.
- **Lost Key/Lockout** - In the event the keys for **Your Vehicle** are lost, broken or accidentally locked in **Your Vehicle**, this benefit covers receipted expenses, up to a maximum of fifty dollars (\$50.00), for locksmith services. No **Deductible** will apply to this benefit.
- **Road Service Benefit** - In the event **Your Vehicle** becomes disabled and requires on-site **assistance (from a Licensed Repair Service Facility)** for vehicle extrication, fuel or fluid delivery, or battery boost/jump, **We** will reimburse **You** for receipted expenses (excluding the cost of fluids or fuel expense) up to a maximum of one hundred dollars (\$100.00) per occurrence. This benefit excludes towing. No **Deductible** will apply to this benefit.
- **Tire Coverage Benefit** - In the event **Your Vehicle's** tire(s) incur(s) damage from a road hazard, **We** will pay or reimburse **You** for receipted expenses for tire repair, or if non-repairable, for tire replacement up to a maximum of twenty dollars (\$20.00) for each tire repaired or one hundred dollars (\$100.00) for each tire replacement, up to a maximum aggregate of four hundred

dollars (\$400.00) during the term of this **Contract**. A “road hazard” shall mean: pothole, rock, nail, wood, tree limb/branch, or other debris on the road surface.

### **GENERAL PROVISIONS**

This service **Contract** is between **You** and **Us**, and is subject to all the terms and conditions herein: Service Contract Period Coverage **under this service Contract begins on the Vehicle Purchase Date set forth in the Declaration Section and will expire at 12:01 a.m. Eastern Standard Time on the Expiration Date or upon reaching the Expiration Odometer, whichever occurs first, set in the Declaration Section. The service Contract period includes the Elimination Period as described under DEFINITIONS of this service Contract.**

### **Limit of Liability**

Aggregate –The total aggregate of all claims paid or payable for all Breakdown Coverage’s collectively shall be no greater than the Actual Cash Value of Your Vehicle at the time of loss. Deductible. In the event of a Breakdown covered by this service Contract, You may Be required to pay a Deductible for each repair visit to repair or replace a Covered Part. To determine if a Deductible applies, and if so, the amount, please see the Deductible entry in the Declaration Section. Once a Covered Part is repaired or replaced under the terms of this service Contract, any Deductible(s) amount to repair or replace a Breakdown of that part will be waived during the service Contract period.

#### **A. Transferability**

1. **Your service Contract** may be transferable to someone to whom **You** sell or otherwise transfer **Your Vehicle** while this service **Contract** is still in force. This service **Contract** cannot be transferred if the title transfer of **Your Vehicle** passes through an entity other than the subsequent buyer, or **Your Vehicle** is sold or traded to a dealership, leasing agency or entity/individual in the business of selling vehicles. This service **Contract** can only be transferred once and the transfer must be initiated by the original service **Contract** holder.
2. In order to transfer the service **Contract**, the following must be submitted to the **Administrator** within thirty (30) days of the change of ownership to the subsequent individual purchaser.
  - Original service **Contract Application**;
  - Letter requesting transfer signed by **You** and the purchaser of **Your Vehicle** and listing the date of transfer and the current odometer mileage;
  - Seventy-Five Dollar (\$75.00) Transfer fee made payable to the **Administrator**;  
and
  - Copies of all maintenance records.

Forward all required documentation to the **Administrator** at the address shown in the service **Contract**.

Any manufacturer’s warranty must also be transferred at the same time as vehicle ownership transfer. Note: The term and/or coverage’s under some vehicle manufacturer’s warranties are reduced upon transfer to a subsequent vehicle owner. **Breakdowns** to components covered by the manufacturer during the term of the original manufacturer’s warranty are not covered under this service **Contract** regardless of transfer. Copies of all maintenance records and original receipts showing actual oil changes and manufacturer’s recommended maintenance must be given to the new owner and provided to the **Administrator** a the time of submission of the transfer request. These maintenance records must be

retained along with similar documentation for future maintenance work that the new owner has performed in accordance with, **YOUR RESPONSIBILITIES**. If these requirements are not met, the **Administrator** has the right to deny transfer of this service **Contract**.

## **B. Cancellation of Your Contract**

1. **You** may cancel the **Contract** at any time by:
  - a. Returning to the Dealer/ Lessor to complete and sign the cancellation forms.
  - b. Mailing written notice to the Dealer/ Lessor of **Your** desire to cancel the **Contract**.

In either instance above, the request must be accompanied by a notarized affidavit indicating the odometer reading at the date of the request.

The request for cancellation must be made no later than forty-five (45) days of the date that the cancellation is to become effective (except in the case of repossession, stolen or totaled vehicles). The **Administrator** may request supporting documentation from the primary insurance company or police reports indicating dates and mileage at time of incident.

2. **We** may cancel, at any time if:
  - a) **Your Vehicle** is totaled or repossessed.
  - b) **Your Vehicle's** odometer is disconnected or altered or the true and actual miles cannot be determined.
  - c) **Your Vehicle** is used in a manner not covered by the **Contract**, including vehicle modifications not recommended by the manufacturer.
  - d) The charge for the **Contract** is not paid.
  - e) **You** employed intentional misrepresentation in obtaining the **Contract**.
  - f) **You** employed intentional misrepresentation in the submission of a claim.
  - g) **Your Vehicle** does not have a valid manufacturer VIN.
  - h) **Your Vehicle's** title is branded as salvage, junk, rebuilt, totaled, flood damaged or manufacturer buyback.
  - i) **Your** claim aggregate has reached the Vehicle Purchase Price.

Notice of such cancellation will be delivered to **You** by first class mail. The notice of cancellation will state one of the above mentioned basis of cancellation and will include any reimbursement required. The cancellation will be effective as of the date of termination as stated in the notice of cancellation.

## **C. Refund Calculation**

If this **Contract** is cancelled within the first sixty (60) days from the effective date, **We** will refund the entire **Contract** charge paid. If this **Contract** is cancelled after the first sixty (60) days, **We** will refund an amount of the **Contract** charge according to the pro-rata method reflecting the greater of the days in force or the miles driven based on the term of the plan selected and the date **Coverage** begins, less a fifty- dollar (\$50.00) administrative fee. In the event of cancellation, the lienholder, if any, will be named on a cancellation refund check as their interest may appear.

## **WHAT IS NOT COVERED**

This service **Contract** does not provide **Coverage**:

- (1) **FOR ANY CLAIM NOT RECEIVING PRE-AUTHORIZATION FOR REPAIRS FROM THE ADMINISTRATOR.**

- (2) FOR REPAIRS TO ANY PART OR PARTS OF THE DESCRIBED VEHICLE NOT SPECIFICALLY LISTED IN SECTION II, BREAKDOWN COVERAGES, OF THIS SERVICE CONTRACT.
- (3) FOR MAINTENANCE SERVICES AND PARTS DESCRIBED IN YOUR VEHICLE'S OWNER MANUAL AS SUPPLIED BY THE MANUFACTURER AND OTHER NORMAL MAINTENANCE SERVICES AND PARTS WHICH INCLUDE, BUT ARE NOT LIMITED TO: ALIGNMENTS, ADJUSTMENTS, CLEANING, WHEEL BALANCING, TUNE-UPS, SPARK PLUGS, SPARK PLUG WIRES, GLOW PLUGS, MANUAL TRANSMISSION CLUTCH ASSEMBLY (FRICTION CLUTCH DISC, PRESSURE PLATE, FLYWHEEL, THROW OUT AND PILOT BEARINGS), MANUAL AN HYDRAULIC LINKAGES, HOSES, DRIVE BELTS, SHOP SUPPLIES AND ENVIRONMENTAL WASTE CHARGES.
- (4) FOR DAMAGE AND/OR BREAKDOWN RESULTING FROM COLLISION, ROAD HAZARD, FIRE, THEFT, VANDALISM, RIOT, EXPLOSION, LIGHTNING, EARTHQUAKE, WINDSTORM, VOLCANIC ERUPTION, FREEZING RUST OR CORROSION, WINDSTORM, HAIL, WATER OR FLOOD, ACTS OF GOD, SALT, ENVIRONMENTAL DAMAGE, CHEMICALS, CONTAMINATION OF FLUIDS, FUELS, COOLANTS, LUBRICANTS OR FOREIGN MATERIAL. DAMAGE RESULTING FROM COAGULATED COOLANTS IS NOT COVERED.
- (5) FOR ANY BREAKDOWN CAUSED BY MISUSE, ABUSE, NEGLIGENCE, LACK OF SCHEDULED MAINTENANCE REQUIRED BY THE MANUFACTURER'S MAINTENANCE SCHEDULE FOR YOUR VEHICLE, OR IMPROPER SERVICING OR REPAIRS PERFORMED BY YOU OR A REPAIR FACILITY. FAILURE TO PROVIDE VERIFIABLE PROOF OF MAINTENANCE WILL/ MAY VOID COVERAGE. FOR ANY BREAKDOWN CAUSED BY PRE-IGNITION, DETONATION, CARBON, SLUDGE OR VARNISH BUILD-UP, LUBRICANT BLOCKAGE OR THE FAILURE TO MAINTAIN PROPER LEVELS OF LUBRIANTS, AND/OR COOLANTS, OR ANY BREAKDOWN RESULTING FROM FAILURE TO PROTECFT YOUR VEHICLE FROM FURTHER DAMAGE WHEN BREAKDOWN HAS OCCURRED, YOU ARE RESPONSIBLE FOR MAKING CERTAIN THAT THE OIL AND TEMPERATURE WARNING LIGHTS/GAUGES ARE FUNCTIONING PROPERLY. YOU MUST PULL OFF THE ROAD IMMEDIATELY AS IS SAFE AND DISCONTINUE VEHICLE OPERATION WHEN EITHER OF THESE LIGHTS/GAUGES INDICATES INADEQUATE PROTECTION OR PERFORMANCE.
- (6) FOR ANY REPAIR OR REPLACEMENT OF ANY COVERED PART IF A BREAKDOWN HAS NOT OCCURRED.
- (7) IF ANY ALTERATIONS HAVE BEEN MADE TO YOUR VEHICLE OR YOU ARE USING OR HAVE USED YOUR VEHICLE IN A MANNER NOT RECOMMENDED BY THE MANUFACTURER, INCLUDING, BUT NOT LIMITED TO DAMAGE RESULTING TO ANY CUSTOM OR ADD-ON PART OR FAILURE AS A RESULT OF ANY CUSTOM OR ADD- ON PAR, INCLUDING BUT NOT LIMITED TO: ALL FRAME OR SUSPENSION MODIFICATIONS, LIFT KITS, OVERSIZED/UNDERSIZED TIRES, TRAILER HITCHES, ENGINE MODIFICATIONS, TRANSMISSION MODIFICATIONS, AND/OR DRIVE AXLE MODIFICATIONS, EMISSIONS AND/OR EXHAUSE SYSTEMS MODIFICATIONS. OVERSIZED TIRES CAUSE YOUR ODOMETER TO BE READ IMPROPERLY. YOU MUST RETAIN PROOF THAT YOUR VEHICLES ODOMETER HAS BEEN RECALIBRATED SO THAT THE TRUE AND ACTUAL MILEAGE CAN BE DETERMINED. IF PROOF CANNOT BE PROVIDED, THE ADMINISTRATOR HAS THE RIGHT TO RECALCULATE YOUR EXPIRATION MILEAGE IN ACCORDANCE WITH INDUSTRY STANDARDS.
- (8) FOR VEHICLES THAT DO NOT HAVE VALID MANUFACTURER VIN'S OR ARE TITLED BRANDED AS SALVAGE, JUNK, REBUILT, TOTALED, FLOOD DAMAGED OR MANUFACTURER BUYBACK.
- (9) FOR BREAKDOWNS, IF THE VEHICLE ODOMETER IS BROKEN, HAS BEEN ALTERED AND/OR CEASED TO OPERATE SO THE ACTUAL VEHICLE MILEAGE CANNOT BE DETERMINED. IF THE ODOMETER HAS CEASED TO OPERATE YOU MUST SEEK REPAIR IMMEDIATELY.
- (10) FOR ANY LIABILITY FOR PROPERTY DAMAGE, OR FOR INJURY TO OR DEATH OF ANY PERSON, ARISING OUT OF THE OPERATION, MAINTENANCE OR USE OF YOUR VEHICLE, DESCRIBED IN THIS CONTRACT, WHETHER OR NOT RELATED TO THE PARTS COVERED. FOR LOSS OF USE, TIME, SHOP DELAYS, PROFIT, INCONVENIENCE, OR ANY OTHER LOSS OR INCIDENTAL CHARGES.
- (11) WHEN THE RESPONSIBILITY FOR THE REPAIR IS COGERED BY AN INSURANCE POLICY, SUPPLIER OR REPAIRER GUARANTEE/WARRANTY, MANUFACTURER AND/OR DEALER CUSTOMER ASSISTANCE PROGRAM OR ANY WARRANTY FROM THE MANUFACTURER SUCH AS EXTENDED DRIVE TRAIN, MAJOR COMPONENT OR FULL COVERAGE WARRANTIES (REGARLESS OF THE

REMAINING MANUFACTURER'S WARRANTY WHEN YOU PURCHASED THIS CONTRACT). FURTHER, COVERAGE UNDER THIS CONTRACT IS SIMILARLY LIMITED IN THE EVENT OF A BREAKDOWN IF THE MANUFACTURER HAS ANNOUNCED ITS RESPONSIBILITY THROUGH ANY MEAND, INCLUDING PUBLIC RECALLS AND FACTORY SERVICE BULLETINS.

- (12) IF YOUR VEHICLE IS USED FOR TOWING A TRAILER OR ANOTHER VEHICLE OR OBJECT UNLESS YOUR VEHICLE IS EQUIPPED WITH FACTORY INSTALLED OR FACTORY AUTHORIZED TOW PACKAGE. NO COVERAGE WILL BE PROVIDED IF YOUR VEHICLE IS USED FOR COMMERCIAL OR BUSINESS USE SUCH AS, BUT NOT LIMITED TO, RENTAL, TAXI, LIMOUSINE OR SHUTTLE, TOWING OR ROAD REPAIR OPERATIONS, CONSTRUCTION, JOB SITE ACTIVITIES, HAULING, POLICE OR EMERGENCY SERVICE, PRINCIPALLY OFF-ROAD USE, RACING OR COMPETITIVE DRIVING OR SNOW REMOVAL OR ANY USE INVOLVING REGULAR MULTIPLE DRIVERS.
- (13) DAMAGE BY NON- COVERED PARTS TO COVERED PARTS IS NOT COVERED. DAMAGE BY COVERED PARTS TO NON COVERED PARTS IS NOT COVERED.
- (14) A CLAIM CANNOT BE MADE IF THE CONTRACT HOLDER NO LONGER OWNS THE VEHICLE REGARDLESS OF WHEN THE FAILURE HAS OCCURRED.
- (15) FOR ANY BREAKDOWN OR CONDITION OCCURRING PRIOR TO THE CONTRACT PURCHASE DATE OR DURING THE CONTRACT ELIMINATION PERIOD.
- (16) FOR ANY BREAKDOWN, IF THE REPAIR INFORMATION PROVIDED BY YOUR OR THE REPAIR FACILITY IS NOT TRUE.
- (17) FOR BREAKDOWNS THAT OCCUR TO YOUR VEHICLE OUTSIDE THE UNITED STATES OF AMERICA OR CANADA.
- (18) NEW VEHICLES FOR WHICH THE FULL MANUFACTURER WARRANTY IS NOT IN PLACE OR ACKNOWLEDGED BY THE MANUFACTURER.
- (19) FOR DAMAGE AND/OR BREAKDOWN CAUSED BY THE LEAKING OR FAILURE OF ANY SEAL OR GASKET.
- (20) FOR ANY BREAKDOWN CAUSED BY THE GRADUAL REDUCTION IN OPERATION PERFORMANCE DUE TO NORMAL WEAR AND TEAR.

#### YOUR RESPONSIBILITIES

#### D. Maintenance Requirements and Service History

1. You must have your vehicle checked and serviced in accordance with the manufacturer's recommendations, as outlined in the Owner's Manual for Your Vehicle.

Note: Your Owner's Manual lists different servicing recommendations based on Your individual driving habits and climate conditions. You are required to follow the Normal or severe maintenance schedule that applies to your conditions. If You do not have an Owner's Manual, You must change the engine oil and engine oil filter at four (4) months/four thousand (4,000) mile intervals. Failure to follow the manufacturer's recommendations that apply to Your specific conditions may result in the denial of Coverage.

2. If applicable, You must replace the engine timing belt at the intervals specified by the vehicle Manufacturer.
3. It is required that You retain "Proof" of maintenance for the service and/or repair work performed on Your Vehicle, regardless if work was performed by You or a Licensed Repair Facility. "Proof" means repair orders from a Licensed Repair Facility and/or self-maintained maintenance log that has corresponding "purchase receipts" for oil and filter, coolant and brake system flush, etc. A self-maintained log without corresponding "purchase receipts" is not acceptable "Proof" of maintenance. Repair orders from a Licensed Repair Facility must be readable and understandable, with customer complaint and repair diagnosis, parts, labor hours, vehicle identification

number, date, vehicle mileage, Your name and signature, repair facility name, address and phone number, repair totals, Deductible (if applicable), and method of payment to satisfy the repair order. "Proof" of maintenance and/or Your self-maintained log with corresponding original receipts, may be requested by the Administrator for related repairs.

#### E. Filing a Claim

If **Your Vehicle** incurs a **Breakdown**, **You** must take the following steps to file a claim:

Prevent Further Damage – Take immediate action to prevent further damage. This **Contract** will not cover the damage caused by continued operation of **Your Vehicle** after a **Breakdown** has occurred.

1. Take **Your Vehicle** to a Licensed Repair Facility – If **Your Vehicle** breaks down, return to the issuing dealer. If this is not possible, take **Your Vehicle** to any **Licensed Repair Facility**.
2. Provide the Licensed Repair Facility with a Copy of Your Contract and/or Your Contract Number. **Note:** All claims must be reported to the **Administrator** prior to expiration of **Your Contract**.
3. Obtain Authorization from the Administrator – Prior to any repair being made, instruct the Service Manager at the **Licensed Repair Facility** to contact the **Administrator** to obtain an authorization for the claim. Any claim for repairs without prior authorization will not be covered. **We** can be contacted Monday through Friday, 8:00 a.m. to 5:00 p.m. Eastern Standard Time.
4. Authorize Tear – Down and/or Inspection – In some cases, **You** may need to authorize the **Licensed Repair Facility** to inspect and/or tear – down **Your Vehicle** in order to determine the cause and cost of the repair. **You** will be responsible for these charges if the failure is not covered under this **Contract**. **We** reserve the right to require an inspection of **Your Vehicle** prior to any repair being made. **We** reserve the right to remove the **Vehicle** from the repair facility.
5. Review Coverage – After the **Administrator** has been contacted, review with the Service Manager what will be covered by this **Contract**.
6. Pay any Applicable Deductible – **We** will reimburse the **Licensed Repair Facility** or **You** for the cost of the work performed on **Your Vehicle** that is covered by this **Contract** and previously authorized, less any **Deductible**. Once authorization is obtained, and the repair is completed, all repair orders and documentation must be submitted to the **Administrator** within ninety (90) days to be eligible for payment.
7. Proof of Service and/or Repair – To obtain payment for a covered repair **You**, or the **Licensed Repair Facility** must submit a legible copy or original repair order to the **Administrator**. Repair orders must be readable and understandable, with customer complaint and repair diagnosis, parts, labor hours, vehicle identification number, date, vehicle mileage, **Your** name and signature, repair facility name, address and phone number, repair totals, **Deductible** (if applicable), and method of payment to satisfy the repair order. "Proof" of maintenance and/or **Your** self-maintained log with corresponding receipts, may be requested by the **Administrator** for related repairs. In addition (if applicable), all related invoices (i.e., towing, rental, sublets, etc.) must accompany the repair order for consideration of claim reimbursement.

#### ARBITRATION

**You** and **We** agree that any dispute, claim or controversy arising out of or relating to this

**Contract**, or the breach thereof, shall be resolved by binding arbitration. **You** and **We** shall each select an arbitrator and the two arbitrators shall select a third arbitrator. The decisions of any two of the three arbitrators is final and will be binding on **You** and **Us**. Judgement on the award rendered by the arbitrators may be entered in any court having jurisdiction thereof. In the event a court having jurisdiction finds any portion of this agreement unenforceable, that portion shall not be effective and the remainder of the agreement shall remain effective.

THE PARTIES UNDERSTAND THAT THEY WOULD HAVE HAD A RIGHT OR OPPORTUNITY TO LITIGATE DISPUTES THROUGH A COURT AND TO HAVE A JUDGE OR JURY DECIDE THEIR CASE, BUT THEY CHOOSE TO HAVE ANY DISPUTES DECIDED THROUGH BINDING ARBITRATION.

### State Amendments

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

- (1) **Alabama**  
GENERAL PROVISIONS - Section 9 "How This Service Contract May Be Cancelled - Including Refunds And Charges, Cancellation By You" is amended to include:  
If You cancel this Service Contract within sixty (60) days of the Service Contract Purchase Date and You have not incurred a claim, a ten percent (10%) penalty per month shall be added to a refund that is not paid within forty-five (45) days of return of this Service Contract to the Selling Dealer or the Administrator.  
The \$50 administrative fee is deleted and replaced with a \$25 administrative fee.
- (2) **Alaska**  
WHAT THIS SERVICE CONTRACT DOES NOT COVER - is amended to include:  
Exclusion #7 is revised to read "FOR A BREAKDOWN CAUSED BY OR INVOLVING COLLISION, FIRE, THEFT, VANDALISM, RIOT, WAR, EXPLOSION, LIGHTNING, EARTHQUAKE, HURRICANE, TROPICAL STORM, VOLCANIC ERUPTION, WINDSTORM, HAIL, WATER, FREEZING OR FLOOD."  
Exclusion #15 is revised to read "IF YOUR VEHICLE HAS BEEN MODIFIED TO PLOW SNOW, WHETHER THE SNOWPLOW BLADE IS ATTACHED TO THE VEHICLE OR NOT, UNLESS YOUR VEHICLE IS PROPERLY EQUIPPED FOR SUCH USE AND IS NOT USED COMMERCIALY." Exclusion #16 is deleted in its entirety.
- (5) **Georgia**  
WHAT THIS SERVICE CONTRACT DOES NOT COVER - is amended to include:  
Exclusion is revised to read "FOR ANY BREAKDOWN CAUSED BY CONTAMINATION, OVERHEATING, LACK OF COOLANT OR LUBRICANTS, LACK OF OIL VISCOSITY OR RESTRICTED OIL FLOW."  
Exclusion is revised to read "FOR A BREAKDOWN CAUSED BY OR INVOLVING MODIFICATIONS MADE SUBSEQUENT TO THE PURCHASE OF THIS SERVICE CONTRACT UNLESS THOSE MODIFICATIONS WERE PERFORMED BY THE MANUFACTURER (E.G. OVERSIZED TIRES, LIFT KIT, AFTERMARKET PERFORMANCE PARTS OR SYSTEMS)."  
Exclusion is revised to read "IF YOUR VEHICLE IS USED FOR COMMERCIAL PURPOSES. EXAMPLES OF COMMERCIAL USE INCLUDE BUT ARE NOT LIMITED TO: TAXI, POLICE CAR OR OTHER EMERGENCY VEHICLE, HAULING, CONSTRUCTION (OTHER THAN DRIVING TO AND FROM WORK), PICK-UP SERVICE, DAILY RENTALS, CARRY PASSENGERS FOR HIRE, SNOWPLOWING AND COMPANY POOL USE OR BUSINESS TRAVEL WHEN THE VEHICLE IS USED BY MORE THAN ONE DRIVER."  
Exclusion is revised to read "IF, WHILE OWNED BY YOU, YOUR VEHICLE'S ODOMETER HAS BEEN STOPPED, ALTERED OR MISREPRESENTS YOUR VEHICLE'S ACTUAL MILEAGE."  
YOUR RESPONSIBILITIES - is amended to include:  
The bullet point "Authorize the Repair Facility to perform necessary diagnostic work..." is deleted in its entirety.  
GENERAL PROVISIONS - "Dispute Resolution - Arbitration" is deleted in its entirety.  
GENERAL PROVISIONS - "How This Service Contract May Be Canceled - Including Refunds And Charges" is deleted in its entirety and replaced by the following:  
How This Service Contract May Be Canceled - Including Refunds And Charges  
Cancellation By You  
You, or a person authorized by You, may cancel this Service Contract at any time. To cancel, contact the Selling Dealer. The Selling Dealer will assist with Your cancellation request and verify the mileage of Your Vehicle. If You are unable to return to the Selling Dealer, You must provide written notice to Us. A copy of Your Service Contract and an odometer reading statement must be included with Your request for cancellation. If You cancel this Service Contract, You will receive 100% of the unearned pro-rata Service Contract Price, less an administrative fee of \$50 or 10%, whichever is less. The refund will be paid to the Lienholder if any, otherwise to You.  
Cancellation By Us  
We may cancel this Service Contract:

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

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

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

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

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

Should We fail to refund the unearned consideration, You have the right to receive the refund directly from Western Insurance Company, Inc.

#### (3) Hawaii

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

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

#### (4) Idaho

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

#### (5) Illinois

GENERAL PROVISIONS - "How This Service Contract May Be Canceled - Including Refunds And Charges, How Refunds Are Calculated" is amended to include: The \$50 administrative fee is deleted and replaced with an administrative fee of \$50 or 10% of the refund amount, whichever is less.

#### (6) Indiana

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

#### (7) Maryland

GENERAL PROVISIONS - Section 9 "How This Service Contract May Be Canceled - Including Refunds And Charges" is amended to include:

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

#### (8) Massachusetts

The following wording is added:

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

#### (9) Missouri

KEY TERMS - "We", "Us" and "Our" definition is amended to include: "Provider"

WHO TO CALL FOR BREAKDOWN REPAIR AUTHORIZATION - is amended to include:

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

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

If You cancel this Service Contract within sixty (60) days of the Service Contract Purchase Date and You have not incurred a claim, then We will also pay a ten percent (10%) penalty per month for the period that this refund has not been paid by to the Selling Dealer or the Administrator, should the required refund not be paid within thirty (30) days of Our receipt of the canceled Service Contract. Should a penalty be due and owing, then We will pay it to the Lienholder, if any, otherwise to You.

Cancellation by You will become effective as of the date the written notice of Your cancellation is

received by Us. We will mail You written notice of Our receipt and resulting cancellation of Your Service Contract within fifteen (15) days of the date of cancellation.

GENERAL PROVISIONS - "Insurance" is amended to include:

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

(10) Nevada

GENERAL PROVISIONS - "Service Contract Period" is amended to include:

This Service Contract is not renewable.

GENERAL PROVISIONS - "How This Service Contract May Be Canceled - Including Refunds And Charges" is amended to include:

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

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

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

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

In the Section "How Refunds Are Calculated" where the Service Contract is canceled by Us, the cancellation period of sixty (60) days is changed to seventy (70) days.

(11) New Hampshire

GENERAL PROVISIONS - "Insurance" is amended to include:

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

(12) New Mexico

GENERAL PROVISIONS - "Service Contract Period" is amended to include:

This Service Contract is not renewable.

GENERAL PROVISIONS - "How This Service Contract May Be Canceled - Including Refunds And Charges" is amended to include:

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

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

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

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

In the Section "How Refunds Are Calculated" where the Service Contract is canceled by Us, the cancellation period of sixty (60) days is changed to seventy (70) days.

(13) New York

GENERAL PROVISIONS - "How This Service Contract May Be Canceled - Including Refunds And Charges" is amended to include:

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

(14) North Carolina

GENERAL PROVISIONS - "How This Service Contract May Be Canceled - Including Refunds And Charges" is amended to include: The \$50 administrative fee is deleted and replaced with an administrative fee of \$50 or 10% of the refund amount, whichever is less.

We may only cancel this Service Contract at any time for any of the reasons listed below:

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

(15) Texas

Unresolved complaints or questions concerning the regulation of service contracts may be

directed to the Texas Department of Licensing and Regulation at P.O. Box 12157, Austin, TX 78711, 1-800-803-9202.

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

If You cancel this Service Contract within sixty (60) days of the Service Contract Purchase Date and You have not incurred a claim, this Service Contract shall be void and a 100% refund of the Service Contract Price will be made. A ten percent (10%) penalty per month shall be added to any refund on a voided Service Contract that is not paid within forty-five (45) days of return of this Service Contract to the Selling Dealer or the Administrator. If Your cancellation refund is not paid within forty-five (45) days after the Service Contract has been returned to the Selling Dealer or the Administrator, You may request a refund from Western Insurance Company 675 W. Moana Lane Reno, Nevada 89509. 1-877-829-6650.