

DEFINITIONS

- “Breakdown” or “Mechanical Breakdown” means the event caused by the total failure of any Covered Part to work as it was designed to work in normal service. Please refer to the wording under exclusions for a listing of conditions under which the failure of a Covered Part is not considered a Mechanical Breakdown.
- “Contract Holder” means the purchaser or holder of this service contract.
- “Covered Part” means any part of the vehicle listed herein as a covered part and not excluded from coverage by this service contract.
- “Participating Lender” means any financial institution providing financing for the purchase of the vehicle and/or this Service Contract.
- “Repair Facility” means any automotive repair facility at which the Contract Holder seeks to acquire service under this Contract.
- “Administrator” means that Automobile Consumer Service Corporation (ACSC) will administer the service contracts, process and pay claims and process cancellations.

CONTRACT HOLDER OBLIGATIONS

- The Contract Holder hereby authorizes the Participating Lender to: (1) be listed as joint payee and receive any refund in the event this service contract is canceled, or (2) to cancel this service contract in the event the Contract Holder defaults in his/her obligations to such lender.
- In order for this service contract to remain in force, the Contract Holder is required to follow the vehicle manufacturer’s required maintenance schedule, including oil and filter changes. Failure to follow the vehicle manufacturer’s maintenance guidelines may result in denial of a claim. Some vehicle manufacturers require that the timing belt be changed at specific intervals. The Contract Holder must keep and make available if requested verifiable signed service/purchase receipts that show that the vehicle manufacturer’s required maintenance has been performed within the time and mileage limit requirements.
- The Contract Holder and the Repair Facility are required to obtain from ACSC an authorization number prior to beginning any repair covered by this service contract.
- The Contract Holder is responsible for paying a \$50 deductible for each visit to a Repair Facility, unless another deductible option has been purchased.
- The Contract Holder is responsible for authorizing and paying for any tear down or diagnosis time needed to determine if the vehicle has a covered Mechanical Breakdown. If it is determined that the repair is needed due to a covered Mechanical Breakdown, then the Provider will pay for such tear down or diagnosis. If it is determined that part of the vehicle requiring repair is not a Covered Part or that the failure of a Covered Part is not a covered Mechanical Breakdown, then the Contract Holder is responsible for payment of such tear down or diagnosis.
- The Contract Holder agrees not to modify the vehicle in a manner not recommended by the vehicle manufacturer.

PROVIDER OBLIGATIONS

- If a covered Mechanical Breakdown of the vehicle occurs during the term of this service contract and within the United States or Canada, the Provider will pay the Contract Holder or the Repair Facility for repair or replacement, as ACSC deems appropriate, of the Covered Part(s) that caused the Mechanical Breakdown, but only if the Contract Holder has met his/her obligations as described in this service contract and if the Mechanical Breakdown is not excluded under the exclusions section of this service contract. Replacement parts can be of like kind and quality. This may include the use of new, used or remanufactured parts, as determined by ACSC.
- The aggregate total of all benefits paid under this service contract will not exceed the average retail value of the vehicle, as determined by ACSC using the National Automobile Dealer

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Association (NADA), or other published industry-recognized market valuation manual, at the time of the Mechanical Breakdown, taking age, mileage and condition into consideration and excluding tag, tax and license fees. The Contract Holder will be responsible for the cost of any repairs that exceed the maximum liability of ACSC under this service contract.

- Provider will reimburse the Contract Holder for the cost of renting a replacement vehicle while covered repairs are being performed, subject to the following limitations: (1) the limit on reimbursement is \$25 per day for a maximum of six (6) days per Mechanical Breakdown or series of Mechanical Breakdowns related in time or cause; (2) rental reimbursement will not be authorized until the repairs have been authorized by ACSC; and (3) to receive rental reimbursement, the Contract Holder must supply ACSC with a receipt from a licensed rental agency. The number of days for which rental reimbursement is provided will be based on labor time charged to do the repair(s). One day rental will be authorized for parts delay, inspection of breakdown, and/or four (4) hours to do repairs. An additional day of rental will be authorized for every additional eight (8) hours of labor time charged to do the repairs.
- Provider will reimburse the Contract Holder for motel and restaurant expenses up to \$75 per day for a maximum of three (3) days in the event of a Mechanical Breakdown covered by this service contract that occurs more than 100 miles from your home and results in a Repair Facility keeping the vehicle overnight. The maximum benefit per occurrence is \$225. To receive motel and restaurant reimbursement, the Contract Holder must supply ACSC with his/her receipts from the providers of such services.

COVERED PARTS

The coverage provided by this service contract supplements the new vehicle warranty provided by the vehicle manufacturer to the original owner of the covered vehicle. After the expiration of the new vehicle warranty and before the expiration of this service contract, ACSC will, upon payment of the deductible amount per visit selected on the front of this service contract, make any necessary repairs to the vehicle, excepting any parts and Mechanical Breakdowns listed under the sections of this service contract entitled "What Is Not a Covered Part" and "Exclusions — What This Vehicle Service Contract Does Not Cover". Use of non-original manufacturer's parts in covered repairs is allowed.

WHAT IS NOT A COVERED PART

The following parts are **not covered** by this service contract: paint and carpeting; manual/hydraulic clutch assembly; trim; hoses and rubber parts; canvas, vinyl, fabric or fiberglass tops; moldings; distributor cap/rotor; tires/wheels; air bag/supplemental restraint systems; lenses; battery and cables; all maintenance service and items, such as alignments, wheel balances, struts and shocks, engine tune-ups, EGR valve, oxygen sensors, window regulators, seat regulators, fuel regulators, spark/glow plugs, plug wires, brake pads, linings and shoes, filters, lubricants, coolants, thermostat, hoses and belts; bright metal; light bulbs and headlights; video; audio; exhaust system; weather stripping; body panels; brake rotor/drums; shop supplies and hazardous waste removal; blend motors and doors, buttons, handles and door hinges; and glass.

EXCLUSIONS – WHAT THIS VEHICLE SERVICE CONTRACT DOES NOT COVER

This Contract does not cover the following: (1) Repair or replacement of a covered component/part to correct conditions that may reasonably be assumed to have existed at the inception date of the coverage provided by this contract (Pre-existing conditions); (2) A Breakdown caused by lack of manufacturer's specified maintenance; (3) A Breakdown caused by contamination of or lack of proper fuels, fluids, coolants or lubricants, including a Breakdown caused by a failure to replace seals or gaskets in a timely manner; Repair of any parts used, added or replaced during a covered repair which are not necessary to the completion of covered repair or were not damaged by the failure of a Covered Part (Such

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replacement is considered betterment and is not covered by this Contract); (4) Any cost covered by a repairer's or supplier's guarantee, or any cost which would normally be covered by a manufacturer's warranty; (5) Any or other benefits for which the manufacturer has announced its responsibility through any means including public recalls or factory service bulletins; (6) Cost or other damages caused by continued vehicle operation after the failure of a Covered Part or the failure to replace a worn part that has not failed; (7) Any liability, cost or damages the Contract Holder may incur to the benefit of any third parties other than ACSC approved repair or replacement of Covered Parts which caused a Mechanical Breakdown; (8) A Breakdown caused by overheating, rust or corrosion; (9) A Breakdown caused by collision, fire, electrical fire or meltdown, theft, freezing, vandalism, flood, or for any hazard insurable under standard physical damage insurance policies whether or not such insurance is in force with respect to the vehicle; (10) Loss of use, loss of time, loss profits or savings, inconvenience, commercial loss, or other incidental or consequential damages or loss that results from a Breakdown; (11) Liability for damage to property, or for injury to or death of any person arising out of the operation, maintenance or use of the vehicle, whether or not related to Breakdown; (12) Any part not covered by, or excluded by the original manufacturer's warranty; (13) Vehicles that have been modified in a manner that increases the likelihood of a breakdown; (14) Consequential damage of a covered component by a non-covered component is not covered, failure of a non-covered component caused by a covered component is not covered; (15) Continued operation of an impaired vehicle which causes further damage is not covered.

DEDUCTIBLE

The Contract Holder is responsible for paying a \$50 deductible for each visit to a Repair Facility, unless the \$100 or \$0 deductible option is selected.

OPTION TO PURCHASE ANOTHER SERVICE CONTRACT WHEN CURRENT CONTRACT EXPIRES

The Contract Holder may request to purchase another service contract when this service contract expires if all of the following criteria are satisfied: (1) The purchase is made at least thirty (30) days and 1000 miles prior to the expiration of the current service contract; (2) The vehicle and all service records are made available for inspection at Provider's request; and (3) The vehicle must qualify for terms of the new service contract based on mileage and age of vehicle when the request for the new service contract is made. The cost for the new service contract will be based on then current rates. If you have any questions or wish to purchase a new service contract, contact the selling dealer or call 1-800-824-7059.

How This Contract May Be Canceled, Including Refunds and Charges

At the contract holder's request for cancellation of this contract, the contract holder may return the contract within 60 day after purchase and the company will refund 100% of the gross premium paid, less any claims paid on the agreement. A reasonable administrative fee may be charged not to exceed 5 percent of the gross premium paid by the contract holder. After the contract has been in effect for 60 days, it may not be cancelled by the company unless: (a) there has been a material misrepresentation or fraud at the time of sale of the contract; (b) The contract holder has failed to maintain the motor vehicle as prescribed by the manufacturer; (c) the odometer has been tampered with or disabled and the contract holder has failed to repair the odometer; or (d) for non-payment of premium by the contract holder, in which case the company shall provide the contract holder notice of cancellation by certified mail. If the contract is cancelled by the company, the return of premium must not be less than 100 percent of the paid unearned pro rate premium. If, after 60 days, the contract is cancelled by the contract holder, the company shall return directly to the contract holder not less than 90 percent of the unearned pro rate premium.

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WHAT TO DO IF YOU HAVE A MECHANICAL BREAKDOWN

- (1) Use all reasonable means to protect the vehicle from further damage. This may require you to stop the vehicle, turn off the engine, and have the vehicle towed.
- (2) If the vehicle is inoperable and needs to be towed, call Roadside Assistance toll free at **1-866-827-9805**. Have your membership contract number ready before you call. Any payment of the costs of transporting the vehicle for service is provided under this service contract exclusively pursuant to the terms and conditions for emergency road service provided by Roadside Assistance.
- (3) If your vehicle is within forty (40) miles of the selling dealer and the dealer has a Repair Facility, you must call the dealer and make sure they can work on your vehicle. If they can, you need to make arrangements to get the vehicle to them. If the selling dealer does not perform repairs, you can take the vehicle to any qualified Repair Facility. In-home service is not provided under this service contract.
- (4) Present this service contract to the Repair Facility and call ACSC toll free at **1-800-824-7059** to obtain prior authorization for any repairs. No claims will be paid without prior authorization. Prior to proceeding with any repairs, the Repair Facility must call ACSC with an estimate of the cost of repairs and receive an authorization number from ACSC.
- (5) Fax or mail any maintenance receipts. ACSC can be reached via fax at 1-256-851-6828 or through the mail at P.O. Box 1231, Huntsville, AL 35805.
- (6) Reimbursement for emergency repairs performed outside of normal business hours can be obtained by the Contract Holder only if he/she follows the above procedures on the first business day after such emergency repairs are performed.

WHAT ACSC WILL DO WHEN YOU REPORT A CLAIM

Upon the filing of a claim under this Contract, ACSC will verify the validity of the Service Contract (proper owner, proper vehicle, Contract still in force), verify the Breakdown with the Repair Facility, verify the coverage, and authorize repair of covered parts (provide Repair Facility with authorization code and confirm cost of repair). Payment is provided through direct billing, credit card, or Contract Holder reimbursement.

HOW THIS CONTRACT MAY BE TRANSFERRED

The rights and duties of the Contract Holder under this service contract may be transferred in connection with the sale of the vehicle directly to another private party, but only if the Contract Holder: (1) Sends a completed transfer application to ACSC within thirty (30) days of the sale or transfer of the vehicle; and (2) encloses a \$40.00 transfer fee. Only the original Contract Holder may transfer this service contract. The Contract Holder may not transfer this service contract if the vehicle is traded or sold to or through any entity other than a private party. In the event the vehicle is a total loss or is repossessed, any rights and obligations under this service contract immediately transfer to the lien holder, if any. The Contract Holder must provide the new owner of the vehicle with copies of all receipts as listed under the section of this service contract entitled "Contract Holder Obligations."

TRANSFER APPLICATION

To transfer this service contract, complete the following and mail it along with a photocopy of the front of this service contract to **ACSC, P.O. Box 1231, Huntsville, AL 35805**.

Please transfer this service contract to the new owner of the vehicle as set forth below. I am transferring this service contract in accordance with the provisions stated in the service

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contract. In order to transfer I am enclosing with this Application a \$40.00 check or money order payable to ACSC

Name of New Owner _____ Date of Transfer _____
Address _____ City, ST, Zip _____
Odometer Mileage on Date of Transfer _____
Signature of Vehicle Purchaser _____
Signature of Vehicle Seller _____

Verification that the vehicle has been maintained as required by this service contract must be supplied by the vehicle seller to the vehicle purchaser. Transfer will be valid when the vehicle purchaser receives a confirmation letter from ACSC.

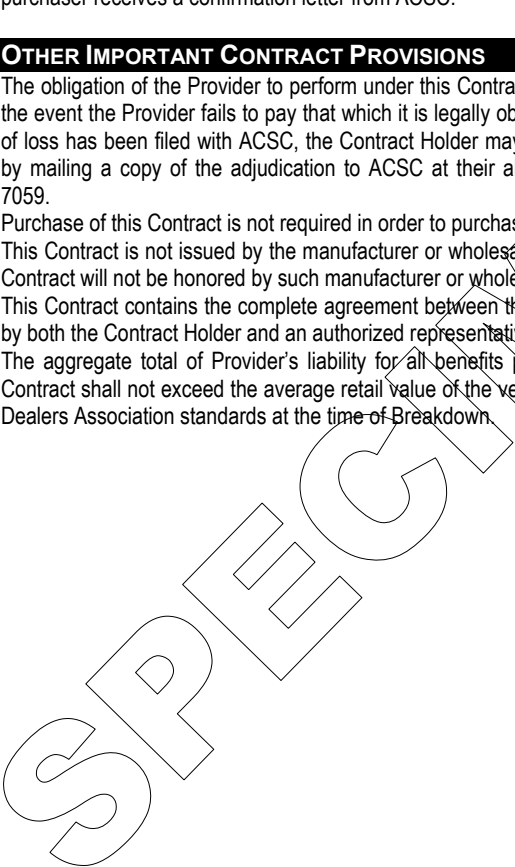
OTHER IMPORTANT CONTRACT PROVISIONS

The obligation of the Provider to perform under this Contract is insured by ACSC of Florida, Inc. In the event the Provider fails to pay that which it is legally obligated to pay within 60 days after proof of loss has been filed with ACSC, the Contract Holder may file a claim under the insurance policy by mailing a copy of the adjudication to ACSC at their above address or toll-free at 1-800-824-7059.

Purchase of this Contract is not required in order to purchase or obtain financing for the vehicle. This Contract is not issued by the manufacturer or wholesale company marketing the vehicle. This Contract will not be honored by such manufacturer or wholesale company.

This Contract contains the complete agreement between the parties and is not valid unless signed by both the Contract Holder and an authorized representative of the Provider.

The aggregate total of Provider's liability for all benefits paid or payable during the term of this Contract shall not exceed the average retail value of the vehicle according to current National Auto Dealers Association standards at the time of Breakdown.



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