

CARCHEX
118 Shawan Road
Suite 210
Baltimore, MD 21030



A Smarter Way To Do Car...

Royal Sentinel Sample Contract



CONTRACT REGISTRATION PAGE

				INS. 300		A.C.I.N.10		C.I.N.	
Vehicle Owner Name				Phone				Service Contract Number	
Street Address				Apt. #					
City				State		Zip			
Year		Make	Model	VIN					
Current Odometer Reading				Vehicle Purchase Price			Vehicle Purchase Date		
Vendor Name				Vendor I.D.			Vendor Phone		
Vendor Address				City			State		Zip
Lienholder Name				Lienholder Phone					
Lienholder Address				City			State		Zip
Plan Name				*Expiration Type Add-On			Plan Period Months _____ Miles _____		
**Validation Period 30 Days and 1000 Miles		Plan Code	Vehicle Class	Deductible \$ _____		Service Contract Purchase Price \$ _____			
Surcharges 4 Wheel/All-Wheel Drive Diesel 1 Ton Vehicle Turbo Charger/Super charger									
Options (Subject to a surcharge): Enhanced Roadside									
*Expiration Type All Service Contracts expire by either time or miles. For the Add-On Expiration Type, mileage begins from the odometer mileage as of the Service Contract Purchase Date (SCPD).									
**Service Contract Validation Period This Service Contract is subject to the Validation Period listed above. The Validation Period begins on the SCPD. Coverage under this Service Contract does not begin until the expiration of the Validation Period. The undersigned purchaser of this Service Contract acknowledges that parts and labor benefits are subject to the Validation Period.									
Disclosures Purchase of this Service Contract is not required to either obtain financing or to purchase the vehicle. You have the right to transfer this Service Contract on the specified vehicle only to a subsequent private owner. Refer to the Transfer provision. THE CONTRACT REGISTRATION PAGE AND THE SERVICE CONTRACT CONSTITUTE THE ENTIRE AGREEMENT BETWEEN YOU AND THE PROVIDER. NO OTHER DOCUMENTS ARE LEGAL AND BINDING UNLESS PROVIDED TO YOU BY THE ADMINISTRATOR OR PROVIDER.									
Certification: I, the undersigned purchaser of this Service Contract, have selected the above coverages and options and understand that depending upon the coverage plan selected, parts and labor benefits are subject to the validations stated above. I certify that I have read and understand the above Service Contract's terms and conditions, and any implied warranty disclosures.									
Service Contract Purchase Date			Service Contract Purchaser Signature			Vendor Representative			
Administered by: Royal Administration Services, Inc., FL License #60109 51 Mill Street, Hanover, MA 02339, (800) 871-0467 This Contract is between You, the Purchaser and the Provider/Obligor Provider/Obligor is Northcoast Warranty Services, Inc. 800 Superior Avenue E, 21st Floor, Cleveland OH 44114, 1-866-927-3097. In Florida, the Provider/Obligor is Wesco Insurance Company, FL License #01913, (866) 505-4048									

CONGRATULATIONS!

We would like to thank You for choosing Our Service Contract.

Repair Service – United States and Canada

If You need repair service, refer to the section entitled “If Your Vehicle Incurs A Breakdown.”

You may visit any licensed repair facility in the United States or Canada. If Your Vehicle is still under the manufacturer’s warranty, return Your Vehicle to a manufacturer’s authorized dealer.

NOTE:

THIS SERVICE CONTRACT IS NOT VALID UNLESS A COMPLETED REGISTRATION PAGE ACCOMPANIES THIS CONTRACT BOOK

THE REGISTRATION PAGE AND THIS SERVICE CONTRACT CONSITUTE THE ENTIRE AGREEMENT BETWEEN YOU AND THE PROVIDER AND NO OTHER DOCUMENTS ARE LEGAL AND BINDING UNLESS PROVIDED TO YOU BY THE ADMINISTRATOR OR PROVIDER.

Review Your Registration Page. The Registration Page contains basic information regarding Your Service Contract.

Check Your Deductible - Please check the box labeled Deductible on Your Registration Page. The number shown identifies the minimum portion of the covered repair You will be required to pay if You have a claim. If this box was left blank, immediately contact the Vendor from whom You purchased this Service Contract.

DEFINITIONS

This Service Contract is an agreement between You and Us. We, Us, Our and Provider refer to Northcoast Warranty Services, Inc., 800 Superior Avenue E, 21st Floor, Cleveland, OH 44114, 1-866-927-3097. Northcoast Warranty Services, Inc. is the party responsible to You for the benefits under this Service Contract, except as noted in the State Requirements section located at the end of this Service Contract. **You, Your and Contract Holder** refers to You, the purchaser of this Service Contract and the owner of the Vehicle described in the Registration Page of this Service Contract.

ADMINISTRATOR: refers to Royal Administration Services, Inc. Administrator is responsible for administering this Service Contract. All inquiries should be directed to the Administrator. Toll-free assistance is available at 1-800-871-0467.

BREAKDOWN, MECHANICAL BREAKDOWN, MECHANICAL FAILURE: Refers to a failure due to defects in materials and/or workmanship of a Covered Part to perform the function for which it was designed by its manufacturer. A Breakdown does not include sludging or gelling conditions.

COVERED PART or COVERED PARTS: Refers to the parts or components listed under the section entitled "Plan Coverage."

DEDUCTIBLE: The minimum portion of the covered repair which You will have to pay if You have a claim. The amount of Your Deductible is shown on Your Registration Page. This amount is applied per claim, and to each claim.

EXPIRATION TYPE: This Service Contract is subject to a Plan Period and Expiration Type. The Plan Period is the number of months and number of miles for which You are afforded coverage under this Service Contract. The Expiration Type determines when the number of miles is reached. Please refer to the section entitled "Expiration Type" on Your Registration Page for more information.

FULL FACTORY WARRANTY, FACTORY WARRANTY: Refers to the full Manufacturer's Warranty provided to You at no additional cost, and covers repairs to Your Vehicle to correct any defect in material or workmanship. This Service Contract is not a Factory Warranty.

LABOR: Total labor time for a covered repair will be determined by a current nationally published labor manual. The labor rate for authorized repairs will be based on the posted labor rate of the licensed repair facility that You selected. If the repair facility's labor rate is not posted the Administrator reserves the right to approve a labor rate based on the average labor rate for similar local repair facilities. Administrator also reserves the right to adjust the approved labor rate if the repair facility's labor rate is deemed to be excessive by the Administrator when compared to local average labor rates for similar facilities.

OEM: Original Equipment Manufacturer.

PLAN PERIOD: This Service Contract is subject to a Plan Period and Expiration Type. The Plan Period is the number of months and number of miles for which You are afforded coverage under this Service Contract. The Expiration Type determines when the number of miles is reached. Please refer to the section entitled "Expiration Type" on Your Registration Page for more information.

SERVICE CONTRACT: This Service Contract is issued to You and covers Your vehicle described on the Registration Page of this Service Contract.

SERVICE CONTRACT NUMBER: Please see the box labeled "Service Contract Number" on the Registration Page. Please refer to this number in any written or verbal communication, such as requesting information or filing a claim.

VEHICLE, YOUR VEHICLE: Refers to the vehicle described on the Registration Page of Your Service Contract.

VENDOR: Refers to the party who sold You this Service Contract. Please see the box labeled "Vendor Name" on the Registration Page for Your Vendor's contact information.

In Florida this Service Contract is between You and Wesco Insurance Company, 59 Maiden Lane, 43rd Floor, New York, NY 10038, Florida Certificate of Authority No.: 01913. Wesco Insurance Company has contracted with Royal Administration Services, Inc. Florida Certificate of Authority No.: 60109, to handle the administrative functions of this Service Contract. All inquiries should be directed to Royal Administration Services, Inc. at 1-800-871-0467.

TERMS AND CONDITIONS

This Service Contract provides coverages recorded for the time and mileage stated on the Registration Page, whichever occurs first. Please refer to the sections of the Registration Page entitled "Expiration Type" and "Plan Period" to determine Your period of coverage.

CONTRACT HOLDER'S RESPONSIBILITIES:

CLAIM REIMBURSEMENT

Obtain approval PRIOR to having work performed that may be covered by this Service Contract. If You believe the failure may be covered by this Service Contract, call the Administrator at 1-800-871- 0467, or instruct the repair facility performing the work to call to register the claim BEFORE THE WORK IS PERFORMED. See the section entitled "If Your Vehicle Incurs A Breakdown" for additional information.

VEHICLE MAINTENANCE AND MAINTENANCE REQUIREMENTS

Properly Maintain Your Vehicle and KEEP THE RECEIPTS.

This Service Contract is only valid if Your Vehicle has been maintained in accordance with the manufacturer's specifications. Keep copies of all receipts (oil changes, lubrication, etc.). Proof of maintenance may be required when You file a claim.

Maintenance Requirements:

- a. 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 Vehicle's Owner's Manual lists different servicing recommendations based on individual driving habits and climate conditions. You are required to follow the maintenance schedule that applies to Your specific conditions. Failure to follow the manufacturer's recommendations that apply to Your specific conditions may result in a denial of Coverage under this Service Contract.
- b. It is required that You retain "Proof" of maintenance for the service and/or repair work performed on Your Vehicle, regardless if the work was performed by You or a repair facility. "Proof" means repair orders from a licensed repair facility and/or a self-maintained maintenance log that has corresponding "purchase receipts" for oil and filter, coolant and brake system flush, etc. Pertinent information must be furnished to identify the Vehicle and the repairs performed, such as the Vehicle Identification Number (VIN), date, mileage, parts and labor.

ADMINISTRATOR'S RESPONSIBILITIES:

1. BREAKDOWN OF COVERED PARTS

We will pay or reimburse You for the reasonable costs to repair or replace any Breakdown of a part listed in the Plan Coverage Section, as determined by the Administrator using standard and common industry practices. **COVERED PARTS MAY BE REPLACED, DEPENDING ON AVAILABILITY AND AT ADMINISTRATOR'S DISCRETION, WITH LIKE KIND AND QUALITY (LKQ), USED, REBUILT, REMANUFACTURED OR NEW PARTS.**

GENERAL PROVISIONS:

1. YOUR HELP AND COOPERATION

If We ask, You agree to help Us enforce Your rights against any manufacturer or repair facility who may be responsible to You for the cost of repairs covered by this Service Contract.

2. SUBROGATION AND OUR RIGHT TO RECOVER PAYMENT

If We pay for coverage under this Service Contract, We may require You to assign Us Your rights of recovery against others. We will not pay for a BREAKDOWN if You impair these rights to recovery. Your rights to recover from others may not be waived. You shall do whatever is necessary to enable Us to enforce these rights. We shall recover only the excess after You are fully compensated for Your loss.

In the event a repair is subject to any additional third-party Service Contracts or warranties, those Service Contracts or warranties shall supersede any and all obligations under this Service Contract.

3. ARBITRATION

It is understood and agreed that the transaction evidenced by this Service Contract takes place in and substantially affects interstate commerce. Any controversy or dispute arising out of or relating in any way to this Service Contract or the sale thereof, including for recovery of any claim under this Service Contract and including the applicability of this arbitration clause and the validity of this Service Contract, shall be resolved by neutral binding arbitration, unless otherwise agreed by both parties. The arbitration will be governed by the rules and provisions of the most appropriate dispute resolution program of the American Arbitration Association ("AAA") in effect at the time the arbitration is demanded, including the supplementary procedures for consumer related disputes (www.adr.org). When appropriate as requested by either party, the arbitration will be before a panel of three arbitrators selected as follows: (1) one by the Provider; (2) one by You; and (3) one by the arbitrators previously selected. The arbitrators will be selected as provided in the AAA rules governing the arbitration. If You, the Provider or any agent of the Provider have any dispute between or among them that is subject to arbitration and is related to any dispute between or among them that is subject to arbitration and is related to any dispute covered by this arbitration clause, You and the Provider consent to a joining of the arbitration proceedings. You will not have the right to participate in a class action or any other collective proceeding against the Provider. Only a court, and not arbitrators, can determine the validity of this class action waiver.

- a. If You dispute Our determination to deny You benefits under this Service Contract, You must submit written notice to Us of Your intent to arbitrate that dispute no later than sixty (60) days following Our determination. Your failure to meet this time requirement will prevent You from disputing Our determination, whether through arbitration or otherwise.
- b. The arbitration shall take place within sixty (60) days of written notice of intent to arbitrate in a location near Your residence.
- c. Except for the filing fee and the costs You may incur to present Your case, the cost of the arbitration shall be borne by Us provided, however, that should the arbitrators find that You have raised a dispute without substantial justification, the arbitrator shall have the authority to order that the cost of the arbitration proceedings be borne by You.
- d. All statutes of limitation that would otherwise be applicable shall apply to any arbitration proceeding. Neither party shall be precluded from instituting an action in a court of competent jurisdiction to obtain a temporary restraining order, a preliminary injunction or other equitable relief to preserve the status quo or prevent irreparable harm pending the selection of the arbitrator or the commencement and completion of the arbitration hearing. Neither party may recover exemplary damage awards in any arbitration proceeding.
- e. The parties agree that they will initially obtain a decision in arbitration as provided for herein to resolve any disputes. However, unless otherwise agreed by both parties, a decision by an arbitrator shall not waive or preclude the rights of any party following such decision to pursue an action in a court of competent jurisdiction.
- f. The agreement to arbitrate will survive the termination of this Service Contract.
- g. IF THIS SERVICE CONTRACT IS FOUND NOT TO BE SUBJECT TO ARBITRATION, ANY LEGAL PROCEEDING WITH RESPECT TO ANY DISPUTE WILL BE TRIED IN A COURT OF COMPETENT JURISDICTION. BOTH PARTIES MAY WAIVE ANY RIGHT TO A JURY TRIAL IN ANY SUCH PROCEEDING.

4. DEDUCTIBLE

In the event of a Breakdown covered by this Service Contract, You may be required to pay a Deductible. No Deductible payment is required with respect to 24 Hour Roadside Assistance, Rental, and Trip Interruption if they are provided by this Service Contract. The Deductible amount will be applied on a per repair visit basis. Should a covered Breakdown take more than one visit to repair, only one Deductible will apply for that Breakdown.

5. **COVERAGE**

The Coverage afforded You for Your Vehicle is determined by the Plan Name and Expiration Type shown on the Registration Page, which is more fully described in the section entitled "Plan Coverage."

6. **LIMITS OF LIABILITY**

OUR liability for **any one authorized repair** shall in no event exceed \$15,000.00.

OUR liability for **all authorized repairs combined**, shall in no event exceed \$15,000.00.

In the event that the amount of **any one authorized repair or the combined total amount of all authorized repairs** meets or exceeds Our liability, Your Service Contract will be deemed expired and no further coverage will be afforded to You, regardless of the remaining time or mileage of Your Service Contract's Plan Period. No refund shall be due to You upon expiration of the Service Contract.

7. **SERVICE CONTRACT VALIDATION PERIOD**

This Service Contract is subject to a validation period of time and mileage from the Service Contract Purchase Date (SCPD), as shown on the Registration Page. The length of the validation period is listed on the Registration Page of this Contract. There is no coverage during the validation period. Coverage will commence upon the expiration of the validation period. The additional time and mileage contained in the validation period will be added to the plan's duration.

8. **EXPIRATION TYPE: ADD-ON**

The plan expires by time or mileage, whichever occurs first.

a. Time: The plan expiration is measured from the Contract purchase date.

b. Mileage: The plan expiration is measured from the odometer mileage of the vehicle on the Contract purchase date.

PLAN COVERAGE

This Contract covers ONLY the components/parts listed below:

ENGINE:

All internal components of the engine that require lubrication for operation are covered. The engine block, cylinder heads, timing chain cover and oil pan are covered only if damaged by the failure of an internally lubricated engine component.

TRANSMISSION:

The following components are covered: Torque converter, vacuum modulator, accumulator, and the electronic shift control unit. In addition, all internal components of the transmission that require lubrication for operation are covered. The transmission case and pan are covered only if damaged by the failure of an internally lubricated transmission component.

DRIVE AXLE (FRONT AND REAR):

The following components are covered: Locking hubs, drive shafts, center support bearings, universal joints, and the CV joints (except when damaged as a result of a torn or missing CV boot). In addition, all internally lubricated components contained within the drive axle housing are covered. The drive axle housing and differential cover are covered only if damaged by the failure of an internally lubricated drive axle component.

TRANSFER CASE:

All internal components of the transfer case that require lubrication for operation are covered.

TURBO/SUPERCHARGER:

All internally lubricated parts of the turbocharger or supercharger are covered, provided the mandatory surcharge has been paid. Coverage applies to factory installed units only.

COOLING SYSTEM:

The following components are covered: Water pump, engine-cooling fan motor, engine-cooling fan, and the engine-cooling fan clutch.

AIR CONDITIONING SYSTEM:

The following components are covered: Compressor, condenser, evaporator, expansion valve, blower motor, accumulator/receiver-dryer and the orifice tube.

FUEL SYSTEM:

The following components are covered: Fuel pump, fuel injection pump and metal fuel lines.

ELECTRICAL:

The following components are covered: Alternator, voltage regulator, starter motor, starter solenoid, ignition switch, front and rear wiper motors and switches, washer pump and switch, headlamp switch, turn signal switch, rear defroster switch, blower speed switch, power window motors, regulators and switches, and the power door lock actuators and switches.

SEALS & GASKETS:

Seals & gaskets are covered only if required in conjunction with a Covered Repair. Leaking seals or gaskets are not covered.

NOTE: This plan does not provide coverage for the failure of a component after recommended or required service, if such scheduled service was not in fact performed.

ADDITIONAL BENEFITS (Included at no cost):

1. **24 Hour Roadside Assistance:** Your Vehicle will be covered for up to ten (10) occurrences over the term of Your Service Contract. Towing benefits are provided for up to a maximum of one hundred dollars (\$100.00) per occurrence. Lock out service, fuel and fluid delivery services (**excluding the cost of the fuel or fluids**), or battery boost/jump services are provided for up to a maximum of fifty dollars (\$50.00) per occurrence. Battery boost/jump services are not available for electric or hybrid vehicles. **If Your Vehicle requires Roadside Assistance, You must contact Quest Towing Services for prior approval and assistance, otherwise no coverage for the service will be provided.**

Please Note: The Emergency Roadside Assistance benefit is not intended to provide reimbursement of services secured through a provider other than the Road Service Processing Center.

You will be provided with Your Roadside Assistance number in the welcome letter You receive. **Transfer of this Service Contract does not include transfer of the 24-Hour Roadside Assistance Program.**

2. **Rental Benefit:** Rental reimbursement will only be approved for an authorized repair, beginning on the claim submission date. Reimbursement for a rental vehicle is provided for a maximum of \$35.00 per day, up to a maximum of 5 days. Any authorized repair which requires the Vehicle to be left at a repair facility will qualify for one (1) day of rental reimbursement. Parts delays will qualify for up to three (3) days of reimbursement. Delays for inspection required by the Administrator qualify for up to one (1) day of rental reimbursement. In no case will delays caused by parts or inspections increase the maximum limit of 5 days. Rental car agreement charges will only be reimbursed to You for charges incurred from a licensed rental agency. You must provide the paid rental receipt to the Administrator to be reimbursed for the charges. In no case will reimbursement exceed the actual cost included on the rental receipts, and no reimbursement will be provided to You until the authorized repairs are complete and paid.

OPTIONAL COVERAGES:

1. **Enhanced Roadside:** This optional coverage may be purchased for an additional cost and provides benefits for the following: Emergency Travel Expense Reimbursement; Vehicle Theft Reward; Hit and Run Reward; Car Rental Discounts; Hotel/Motel Discounts; 1-800 Flowers Discounts; Custom Trip Routing; Emergency Message Relay; Nationwide Dealer Locator Assistance Service; Prescription Drug Benefits.

MANDATORY SURCHARGES

1. **4 Wheel/All-Wheel Drive Coverage:** If Your Vehicle is equipped with 4 Wheel/All-Wheel Drive, the following components are covered: 4 Wheel Drive Actuator and Locking Hubs.
2. **Diesel:** If You have a diesel Vehicle, an additional mandatory surcharge is applied.
3. **1 Ton Vehicle:** If You have a vehicle with a one ton gross vehicle weight capability, (GVW) an additional mandatory surcharge is applied.

4. **Turbocharger/Supercharger (factory installed only):** all internal components contained within the Turbocharger/Supercharger Housing, Turbo Boost Valve, Turbo Waste Gate Actuator, Bearing, Bushing, and all other internal components, and Seals and Gaskets, Supply Line.

WHAT IS NOT COVERED

1. **ANY REPAIR OR REPLACEMENT MADE WITHOUT PRIOR AUTHORIZATION FROM THE ADMINISTRATOR TO THE REPAIR FACILITY.**
2. **Any parts not listed.**
3. **Fluids, filters and lubricants, except when required in connection with the repair or replacement of a covered part.**
4. **All electric-powered or hybrid-specific parts.**
5. **Any Breakdown caused by: collision, fire, theft, vandalism, riot, explosion, lightning, earthquake, overheating, freezing, rust or corrosion, windstorm, hail, water, flood, normal wear and tear, a sludging or gelling condition, contamination of fluids or fuels, and misuse, abuse, negligence, and/or failure to protect Your Vehicle from further damage when a Breakdown has occurred.**
6. **Any physical damage, regardless of damaged components and/or cause of damage. Water or air leaks, and any damage caused by water or air leaks**
7. **Valve Grinding, Burnt Valves, Core Charges, or Wheel Balancing.**
8. **Any Breakdown caused by the use of Your Vehicle for: racing or any other forms of competitive driving; plowing snow; towing in excess of the weight for which Your Vehicle is rated; or any other purpose not recommended by the manufacturer.**
9. **Scheduled maintenance, and any Breakdown caused by a lack of required or recommended maintenance, or a failure to maintain proper levels of lubricants and/or coolants.**
10. **Any Breakdown caused by engine detonation or pre-ignition.**
11. **Any Breakdown if, while owned by You, the Vehicle's odometer has been tampered with or has been disconnected.**
12. **Repair or replacement of components to improve operating performance. The repair of valves and/or bearings if a Mechanical Breakdown has not occurred and the purpose of such repair is simply to raise the engine's compression. A component or part which has not failed or resulted in a Breakdown, but which a repair facility recommends or requires be repaired or replaced solely based on a manufacturer's recommendation to upgrade the Vehicle.**
13. **Any Breakdown or condition: which already existed when You purchased Your Service Contract; or which occurred before You purchased Your Service Contract; or which occurs during the Validation Period.**
14. **Repair or replacement of any covered part if a Breakdown has not occurred.**
15. **Any repair or replacement of a covered component when the Breakdown is caused by the Breakdown of a non-covered component, and any repair or replacement of a non-covered component when the Breakdown is caused by the Breakdown of a covered component.**
16. **Any alterations which have been made to Your Vehicle and are not factory-installed; frame or suspension modifications; lift kits; oversized/undersized tires or wheels; trailer hitches; or any other modifications to any of Your Vehicle's systems.**
17. **Prior repairs which are the subject of any third party warranty or any prior repairs where there is demonstrable negligence or failure in workmanship; repairs for which the responsibility is covered by any warranty of the manufacturer such as extended drive train coverage, or a repairer's guarantee (regardless of whether or not the manufacturer or repair facility is doing business as an ongoing enterprise), or repairs for which the responsibility is covered by the repairer's guarantee (regardless of whether or not the repair facility is doing business as an ongoing enterprise). Further, coverage under this Service Contract is similarly limited in the event of a Breakdown if the manufacturer has announced its responsibility through any means including public recalls and factory service bulletins.**
18. **Any loss caused by lack of proper and necessary amount of coolants or lubricants.**
19. **Liability for damage to property, or for injury or death arising out of the operation, maintenance or use of Your Vehicle whether or not related to the part covered.**
20. **Any Breakdown caused by contamination of fluids, fuels, fuels containing more than 10% ethanol, coolants, lubricants, rust or corrosion.**
21. **Shop supply charges; EPA Disposal Fees; special-order parts; shipping costs; parts locator research fees; storage fees; filter, lubricants, coolants, fluids and refrigerants except when replacement is required in conjunction with the repair or replacement of a Covered Part.**

22. Repairs to seized or damaged engines due to continued operation without sufficient lubricants or coolant, regardless of cause. You are responsible for making certain that the oil and temperature warning lights/gauges are functioning properly. You must pull off the road immediately and discontinue vehicle operation when any of Your Vehicle's lights/gauges indicate inadequate protection or performance or if overheating occurs.
23. Any failure occurring outside of the United States or Canada.

INELIGIBLE VEHICLES

1. Any vehicle not expressly listed on the current Contract rate card.
2. Any vehicle with True Mileage Unknown (TMU). TMU is defined as any of the following: (i) the inability to determine Your vehicle's actual mileage at the time of a claim for repair; (ii) the inability to determine Your Vehicle's actual mileage at the time of purchase of this Service Contract; (iii) the vehicle's title has been branded as TMU by a state regulatory agency or department.
3. Any vehicle that has flood damage or has a title branded as FLOOD by a state regulatory agency or department.
4. Any vehicle that has been assigned a salvage title.
5. Trucks over 1 ton classification, taxis, buses, livery vehicles, and city and state owned vehicles.
6. Vehicles used for racing competition, time trials or rallies.
7. Vehicles modified from manufacturer's specifications.
8. Vehicles not purchased through a licensed authorized agent.
9. Grey Market Vehicles.
10. Vehicles with a fifth wheel, gooseneck trailer hitch, or a snow plow attachment.
11. Vehicles purchased by a minor.
12. Commercial vehicles

TRANSFER AND CANCELLATION

TRANSFER OF SERVICE CONTRACT:

This Service Contract may be transferred by the Vehicle Owner shown on the Registration Page upon the sale of the Vehicle to another private party. Only one transfer is permitted during the term of the Service Contract.

The Service Contract transfer must be made at the time of the Vehicle transfer. You must request the transfer in writing, and the Administrator must receive it within seven (7) days of the transfer. A fee of \$50.00 must accompany the request to transfer, along with the following information: 1. Name of New Owner, 2. Address & Telephone Number, 3. Copy of Title showing transfer.

This Service Contract must be given to the new owner at the time the Service Contract Transfer is completed. Transfer of Service Contract does not include transfer of the 24-Hour Roadside Assistance Program.

If this Service Contract is transferred, the transferee will not be entitled to a refund for any cancellation after the transfer occurs, unless transferee provides proof of payment for this Service Contract. The payment must be in addition to the payment for the purchase of the Vehicle.

CANCELLATION OF YOUR SERVICE CONTRACT:

1. You may cancel this Contract at any time.
2. To cancel this Service Contract, either return to the Vendor to complete and sign the cancellation form, or mail written notice to the Vendor of Your election to cancel this Service Contract. **A notarized odometer statement indicating the odometer reading at the date of the request will be required.**
3. Cancellation requests received:
 - a. **Within the first thirty-five (35) days will receive a full refund, less any approved claim amounts.**
 - b. **After the first thirty-five (35) days will receive a pro-rated refund based upon term or mileage, whichever is greater. The refund will be based on the unearned amount paid for this Service Contract, less any approved claim amounts. A fifty dollar (\$50.00) cancellation fee will apply.**

All cancellation requests will be effective as of the date received. In addition, all cancellation requests must have an effective date which is no later than forty-five (45) days from the date of receipt. If the vehicle is repossessed, stolen, or totaled, this limitation of time may be waived at the Administrator's sole

discretion. The Administrator may request supporting documentation from the primary insurance company or police reports indicating dates and mileage at the time of incident.

4. We may cancel at any time if:
 - a. Your Vehicle is deemed a total loss, is an unrecovered theft, or is repossessed.
 - b. Your Vehicle's odometer is disconnected or altered, or Your Vehicle is determined to be TMU.
 - c. Your Vehicle is used in a manner not covered by the Service Contract.
 - d. Your Vehicle is or has been modified.
 - e. The charge for the Service Contract is not paid to Us.
 - f. Your Vehicle is covered by multiple Service Contracts.
 - g. You made material misrepresentation, or provided false, incomplete or misleading information in obtaining this Service Contract or in the submission of a claim.
 - h. Your Vehicle does not have a valid manufacturer Vehicle Identification Number (VIN).
 - i. The Vehicle's title is branded as salvage, junk, rebuilt, totaled or damaged by flood.
 - j. The Vendor was not authorized by Us to sell the Service Contract.

If We cancel, You will receive a pro-rata refund of the unearned amount paid for this Service Contract, less any approved claim amounts. Notice of such cancellation will be delivered to You by first class mail. The notice will state the cancellation effective date and reason.

5. If the Service Contract Purchase Price, or any part of the Service Contract Purchase Price, is financed, the lienholder shown on the Registration Page may cancel this Service Contract for a default under the terms of the retail installment agreement between You and the lienholder. You should refer to Your retail installment agreement regarding any applicable refunds.

REFUND

All refunds will be calculated based on the provisions provided in the section entitled "Transfer and Cancellation."

The Administrator agrees to pay its respective percentage of the refund, based on the amount of the consideration the Administrator received. The Vendor agrees to pay its respective percentage of the refund based on the amount of the consideration the Vendor received.

In the event a refund is due upon the cancellation of this Service Contract, the Administrator shall remit to the Vendor the Administrator's respective percentage of the refund due. Vendor shall then remit to You the full refund amount due, which shall include both the Administrator's and the Vendor's respective percentage of the refund due.

The Registration Page and this Service Contract constitute the entire agreement between You and the Provider and no other documents are legal and binding unless provided to You by the Administrator or Provider.

If a lending institution or the Vendor has financed the purchase of this Service Contract, the refund check will be made payable to the lending institution or the Vendor.

IF YOUR VEHICLE INCURS A BREAKDOWN

1. If Your Vehicle incurs a Breakdown, You must take the following steps in order to file a claim:
 - A. Determine if Your Vehicle requires Roadside Assistance. If Your Vehicle requires Roadside Assistance, refer to the section entitled "Plan Coverage," and specifically the sub-section entitled "Benefits."
 - B. Prevent Further Damage - Take immediate action to prevent further damage. This Service Contract will not cover the damage caused by not securing a timely repair when a Breakdown has occurred. The operator is responsible for observing Vehicle warning lights and gauges, and taking appropriate action immediately upon notification. Failure to do so may result in the denial of coverage.
 - C. Take Your Vehicle to a licensed repair facility of Your choice.
 - D. Provide the repair facility representative with a copy of Your Service Contract and/or Your Service Contract Number, if possible.
 - E. The repair facility representative must obtain authorization from the Administrator prior to any repair being initiated or any damaged parts being discarded.

REPAIRS WITHOUT PRIOR AUTHORIZATION WILL NOT BE COVERED OR REIMBURSED.

If prior authorization cannot be obtained during the Administrator's normal business hours and the cost of repair is \$350 or less, the Administrator may waive the pre-authorization requirement at the Administrator's sole discretion.

The Administrator must still be contacted the first business day following the repair. Such unauthorized repair claims will be reviewed subject to Administrator's adjudication process.

2. The repair facility **must** do the following **prior** to initiating any repairs:
 - A. Obtain Your authorization to diagnose the cause of Breakdown and cost of the repair. It is Your responsibility to ensure the cause of the Breakdown is properly diagnosed. If the claim is approved, the reasonable cost of the diagnosis (as determined by the Administrator) will be paid by the Administrator, for up to one hour.

The Administrator will determine if a tear-down is necessary to confirm the cause of the Breakdown and if it is covered under the terms of this Service Contract. The Administrator will also determine the extent of the tear-down that is necessary. "Necessary" shall be deemed to be the point where the damage is visible or determinable. You are responsible for authorizing the repair facility to complete the tear-down. The reasonable cost of the authorized tear-down will only be paid by the Administrator if the claim is approved.

- B. Call the Administrator to verify Your coverage and to obtain a Claim Authorization Number. For Claims/ Customer Service contact 1-800-871-0467.
 - C. Review the Administrator's determination of the claim with You to explain what will be covered by the Service Contract and what portions of the repairs, if any, will not be covered.
3. When You pick up Your Vehicle, You **must**:
 - A. Review the work performed with the repair facility representative.
 - B. Pay the Deductible amount shown in the Registration Page.
 - C. Pay for any charges not covered by this Service Contract.
 - D. Pay for the cost of covered components or repairs above the amount approved by Administrator.

PAYMENT OR REIMBURSEMENT OF CLAIMS

When the damage and repair falls within the scope of this Service Contract and authorization to proceed with the repair is obtained from the Administrator and the repair work is completed, payment will be provided in one of the following two methods, so long as the request for payment is submitted to the Administrator within 180 days of the date that the Claim was approved:

- **PAYMENT OPTION:** The Administrator will pay the repair facility for the approved amount of the Claim, less the Deductible, if any. The Administrator will arrange for such payment by check or nationally recognized credit card.
- **REIMBURSEMENT OPTION:** You may request reimbursement from the Administrator, by submitting the paid invoice to the address below. The following information must be included with Your paid invoice and is generally supplied to You by the repair facility You selected. The invoice must contain the following information:
 1. Itemized listing of replacement parts names, numbers and prices.
 2. Description of labor and charges necessary to correct the mechanical failure.
 3. Vehicle mileage, Year Make and Model, complete Vehicle Identification Number.
 4. Date of repair.

Royal Administration Services, Inc.

51 Mill Street, Building F

Hanover, MA 02339

Phone: 1-800-871-0467 • Fax: 781-261-2522

Florida Certificate of Authority #60109

NOTICE: OUR obligations under this Service Contract are backed by a service contract reimbursement insurance policy issued by **Wesco Insurance Company, Florida Certificate of Authority No. 01913**. If any valid claim is not paid within sixty (60) days (thirty (30) days in Arizona) after proof of loss has been filed with Us or We cease to do business or go bankrupt, You may contact Wesco Insurance Company directly at **59 Maiden Lane, 43rd Floor, New York, NY 10038 or (866) 505-4048**.

STATE REQUIREMENTS

The following Special State Requirements and/or Disclosures apply if this Service Contract was purchased in one of the following states:

ALABAMA

Under the Cancellation of Your Service Contract provision, item 3.b. is amended as follows:

3.b. All cancellations made after thirty-five (35) days are subject to a twenty-five dollar (\$25.00) cancellation fee. If We cancel this Service Contract, no fee will be charged.

Under the Cancellation of Your Service Contract provision, item 4. is amended to include the following:

If We cancel, We will provide five (5) days written notice. Prior notice is not required if the reason for cancellation is nonpayment of the Service Contract charge or a material misrepresentation by You to Us relating to the covered property or its use.

The following language is added the Cancellation of Your Service Contract provision:

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 the return of the Contract.

ALASKA

This Service Contract is not available to Alaska residents.

ARIZONA

DEFINITIONS is amended by adding the following: A “**Consumer**” means a Contract holder, inclusive of a buyer of the covered product (other than for re-sale), any person to whom the product is transferred during duration of the Contract coverage period, or any person entitled to receive performance on the part of the **Service Company** under applicable law.

“**Service Company**” is any person or entity that performs or arranges to perform services pursuant to a **Vehicle Service Contract** which the **Service Company** issues. Northcoast Warranty Services, Inc. is the **Service Company** in Arizona.

“**Service Contract Administrator**” means an entity which agrees to provide Contract forms, process claims and procure insurance for and on behalf of a Vendor in performance of the obligations pursuant to a Service Contract, but which may not itself perform actual repairs. Royal Administration Services, Inc. is the **Service Contract Administrator** in Arizona.

The following are changes under GENERAL CONTRACT EXCLUSIONS:

Items 5, 8, 9 and 16 are deleted and replaced with the following:

5. Any Breakdown caused by: collision, fire, theft, vandalism, riot, explosion, lightning, earthquake, overheating, freezing, rust or corrosion, windstorm, hail, water, flood, normal wear and tear, a sludging or gelling condition, contamination of fluids or fuels, and Your misuse, abuse, negligence, and/or failure to protect Your Vehicle from further damage when a Breakdown has occurred

8. Any Breakdown caused by Your use of Your Vehicle for: racing or any other forms of competitive driving; plowing snow; or towing in excess of the weight for which Your Vehicle is rated.

9. Scheduled maintenance, and any Breakdown caused by a lack of required or recommended maintenance, or a failure by You to maintain proper levels of lubricants and/or coolants.

16. Any alterations which have been made by You to Your Vehicle and are not factory-installed

Item 13. is deleted in its entirety.

The following are changes to the Cancellation Of Your Service Contract section:

Section 2 is deleted in its entirety and replaced with the following:

2. To cancel this Service Contract return to the Vendor to complete and sign the cancellation form. A notarized odometer statement indicating the odometer reading at the date of the request will be required. We are responsible for any refunds of payments made by You.

Section 3 is deleted in its entirety and replaced with the following:

3. Cancellation requests received:

Within the first thirty-five (35) days and no claims have been paid or approved, will receive a full refund.

After the first thirty-five (35) days or if a claim has been paid or approved within the first thirty-five (35) days, cancellations are pro-rated based upon term or mileage, whichever is greater. A fifty

dollar (\$50.00) cancellation fee will apply.

Section 4 paragraphs d, f, h, i. and j. are deleted in their entirety and paragraphs b. and c. are deleted and replaced with the following:

Your Vehicle's odometer is disconnected or altered by You or the true and actual miles cannot be determined.

Your Vehicle is used by You in a manner not covered by the Service Contract, including vehicle modifications not recommended by the manufacturer.

The following are changes under the General Provisions section:

Item 3 is amended to state that arbitration is voluntary and both parties must mutually agree to the arbitration procedure.

Item 3.b. is deleted and replaced with the following:

The arbitration shall take place in Arizona before a single arbitrator selected in accordance with the AAA Code of Procedure. AAA rules and forms may be obtained and all claims shall be filed at any AAA office, www.adr.org, or 6795 N. Palm Avenue, 2nd Floor, Fresno, CA 93704. The AAA may be reached at 800-778-7879.

Item 3.e. is replaced with the following: It is understood and agreed that the arbitration shall be binding upon the parties.

The following is added to this section:

The Arbitration Provision does not prohibit an Arizona resident from following the process to resolve complaints as outlined by the Arizona Department of Insurance. To learn more about this process, You may contact the Arizona Department of Insurance at 2910 N. 44th St., 2nd Floor, Phoenix, AZ 85018-7256, ATTN: Consumer Affairs.

The following statement is deleted in its entirety:

IF THIS SERVICE CONTRACT IS FOUND TO BE NOT SUBJECT TO ARBITRATION, ANY LEGAL PROCEEDING WITH RESPECT TO ANY DISPUTE WILL BE TRIED IN A COURT OF COMPETENT JURISDICTION BY A JUDGE WITHOUT A JURY. BOTH PARTIES WAIVE ANY RIGHT TO A JURY TRIAL IN ANY SUCH PROCEEDING.

The following is added to the Mandatory Surcharges, Commercial Use Coverage Section:

Commercial Use Service Contracts are not subject to regulation by the Arizona Department of Insurance.

ARKANSAS

The Service Contract You are buying is not required in order to purchase or finance a vehicle.

The following are changes to the Arbitration provision:

Arbitration is voluntary and nonbinding in Arkansas.

Punitive Damages are those imposed to punish a wrongdoer and to deter others from similar conduct. Exemplary Damages are those awarded in addition to actual damages.

CALIFORNIA

This Service Contract is not available to California residents.

COLORADO

The policy number is WIC-NWS-SCRI-030113

CONNECTICUT

Connecticut Public Act 87-393, Laws 1987, requires an automobile dealer to provide a warranty covering certain classes of used motor vehicles as follows:

Used vehicles with a sale price of \$3000 but less than \$5000:

- Provides coverage for 30 days or 1,500 miles, whichever occurs first.

Used vehicles with a sale price of \$5000 or more:

- Provides coverage for 60 days or 3,000 miles, whichever occurs first.

The vehicle You have purchased may be covered by this law. If so, the following is added to this Service Contract:

In addition to the dealer warranty required by this law, You have elected to purchase this Service Contract, which may provide You with additional protection during the dealer warranty period and provides protection after the

dealer warranty has expired.

You have been charged separately only for this Service Contract. The required dealer warranty is provided free of charge. Furthermore, the Definitions, Coverages and Exclusions stated in this Service Contract apply only to this Service Contract and are not the terms of the required dealer warranty.

The following is added to Section 1 of the Cancellation Of Your Service Contract provision:

You may cancel the Service Contract if You return the vehicle or the vehicle is sold, lost, stolen or destroyed.

The Arbitration provision is deleted in its entirety and replaced with the following:

If You purchased this Service Contract in Connecticut, You may pursue arbitration to settle disputes between You and the provider of this Service Contract. You may mail Your complaint to:

State of Connecticut, Insurance Department

P.O. Box 816

Hartford, Connecticut 06142-0816

Attention: Consumer Affairs.

The written complaint must describe the dispute, identify the price of the Vehicle and cost of repair, and include a copy of the Service Contract.

The following is added under the Terms and Conditions Section:

If the Service Contract Term is less than 12 months, the term will be automatically extended for the period during which the Vehicle is in the custody of a service center for repair.

FLORIDA

This Service Contract is between You and Wesco Insurance Company, Florida Certificate of Authority No.: 01913. Wesco Insurance Company has contracted with Royal Administration Services, Inc. Florida Certificate of Authority No.: 60109, to handle the administrative functions of this Service Contract. All inquiries should be directed to Royal Administration Services, Inc. at 1-800-871-0467. The rate charged to You for this Service Contract is not subject to regulation by the Florida Office of Insurance Regulation.

NOTICE: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD, OR DECEIVE ANY INSURER, FILES A STATEMENT OF CLAIM OR AN APPLICATION CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION IS GUILTY OF A FELONY OF THE THIRD DEGREE.

Section 2 of the Cancellation Of Your Service Contract provision is amended to include the following:

You may also cancel this Service Contract by contacting the Administrator, Royal Administration Services, Inc.

Sections 3 and 4 of the Cancellation Of Your Service Contract provision are deleted and replaced with the following:

If You cancel this Service Contract within sixty (60) days of the effective date of this Service Contract, You will receive a full refund less any claims paid. A cancellation fee of fifty dollars (\$50.00) or five percent (5%) of the gross Service Contract price paid, whichever is less will be charged. If You cancel the Service Contract after the first sixty (60) days, the amount of any refund will be ninety percent (90%) of the unearned pro rata Service Contract price, less any claims paid.

We may cancel this Service Contract within the first sixty (60) days for any reason. After sixty (60) days We may only cancel for the following reasons:

a. There has been a material misrepresentation or fraud at the time of the sale of the Service Contract or in the submission of a claim;

b. You have failed to maintain the vehicle as prescribed by the manufacturer;

c. The odometer has been tampered with or disabled and you have failed to repair the odometer;

Nonpayment of premium by You, in which case the Administrator shall provide You notice of cancellation by certified mail.

If We cancel this Service Contract, You will receive a refund not less than one hundred percent (100%) of the paid unearned pro-rata Service Contract price, less any claims paid.

The following language is added to the If Your Vehicle Incurs A Breakdown provision:

A claim for repairs under the Service Contract can be initiated by the Contract holder or his/her selected repair facility by calling toll-free (800) 871-0467. For emergency repairs, should a breakdown occur after the Administrator's normal business hours or on a national holiday and the cost of repair(s) is \$350 or less, the

pre-authorization amendment is amended. The Administrator must still be contacted the first working day following the breakdown. Such unauthorized repair claims will be subject to adjustment in cases of excessive parts or labor charges.

The Arbitration provision is amended to state that Arbitration is voluntary. The decision to arbitrate must be mutually agreed upon by You and Us at the time of the dispute. Arbitration is non-binding in the State of Florida. Arbitration proceedings shall be conducted in the county in which the Contract Holder resides. Paragraph g. of the Arbitration provision is deleted in its entirety.

The fee to transfer Your Service Contract is amended to \$40.00.

GEORGIA

Under Cancellation of Your Service Contract, the following is deleted from Section 2:
“return to the Vendor to complete and sign the cancellation form”

Under Cancellation of Your Service Contract, the following are changes to Section 3:

Paragraph a. is deleted and replaced with the following:

a. If this Service Contract is canceled within the first thirty-five (35) days and no claims have been filed, We will refund the entire Service Contract charge paid. If this Service Contract is canceled after the first thirty-five (35) days or a claim has been filed, We will refund an amount of the Service 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. An administrative fee of 10% of the pro-rata refund amount will be applied if this Service Contract is canceled by You. In the event of cancellation, if this Service Contract is financed, the lien holder, if any, will be named on a cancellation refund check as their interest may appear. If You have canceled this Service Contract and have not received the refund from Us or the Administrator within sixty (60) days of such cancellation, You may contact the Insurance Company identified on the Registration Page.

Paragraph b is deleted in its entirety.

Under Cancellation of Your Service Contract, the following replaces Section 4, Paragraphs a-i:

This Service Contract is non-cancelable by Us except for fraud, material misrepresentation, use of Your Vehicle in a manner not covered by this Service Contract, failure to pay premium, Your Vehicle is totaled, an unrecovered theft, or repossessed, or if the sale was not authorized by Us. Cancellation shall not be in effect less than thirty (30) days from the date of the notice. Cancellation for nonpayment of premium will be made by providing not less than ten (10) days' notice to You and the lien holder. If We cancel this Service Contract, earned premiums shall be completed on a pro-rated basis and the refund will be made within fifteen (15) days of the notice of cancellation. In the event of cancellation for fraud or material misrepresentation, such cancellation shall be made in writing to You and the lien holder. In no event will paid claims be deducted from any refund.

Under Cancellation of Your Service Contract, the following is added to Section 5:

A power of attorney must be obtained by the lien holder for termination for non-payment, or to cancel this Service Contract for default of the agreement.

Under General Provisions, Item 3. Arbitration is deleted in its entirety.

Under If Your Vehicle Incurs A Breakdown, the following is added to item 2.a.:

The inspection, teardown and/or diagnostic fees for covered repairs only are covered under this Service Contract.

The following is added under General Provisions, Service Contract Validation Period, Item 7:

The validation period does not apply when the automobile manufacturer or dealer provides an underlying warranty with the sale of the vehicle in accordance with Georgia state laws and regulations. Claims occurring during this period should be reported to the selling dealer or manufacturer. The validation period in Georgia will not exceed thirty (30) days or 1,000 miles.

The following are changes under What Is Not Covered:

Item 5. is deleted and replaced with the following:

Any Breakdown caused by: collision, fire, theft, vandalism, riot, explosion, lightning, earthquake, overheating, freezing, rust or corrosion, windstorm, hail, water, flood, normal wear and tear, contamination of fluids or fuels, and misuse, abuse, negligence, and/or failure to protect Your Vehicle from further damage

when a Breakdown has occurred.

Item 13. is amended to state that no benefit is provided for a condition, which already existed when You purchased Your Service Contract or for a Mechanical Breakdown which occurred before You purchased Your Service Contract or during the Validation Period, and were known to You.

Item 16. is deleted and replaced with the following:

Any alterations which have been made to Your Vehicle while owned by You, or You are using or have used Your Vehicle in a manner which is not recommended by the manufacturer, including the failure of any custom or add-on part.

HAWAII

Under Definitions, the definition of Breakdown, Mechanical Breakdown, Mechanical Failure is deleted and replaced with the following:

Breakdown refers to the failure of a covered part under normal service due to defects in material and workmanship. A covered part has failed when it can no longer perform the function for which it was designed solely because of its condition and not because of the action or inaction of any non-covered parts. Hawaii Revised Statutes requires an automobile dealer to provide a warranty covering certain classes of used motor Vehicles as follows:

Used Vehicles with less than 25,000 miles at the time of sale:

- Provides coverage for 90 days or 5,000 miles, whichever occurs first.

Used Vehicles with 25,000 miles or but less than 50,000 miles at the time of sale:

- Provides coverage for 60 days or 3,000 miles, whichever occurs first.

Used Vehicles with 50,000 miles or more but not more than 75,000 miles at the time of sale:

- Provides coverage for 30 days or 1,000 miles, whichever occurs first.

The Vehicle You have purchased may be covered by this law. If so, the following is added to this Service Contract: In addition to the dealer warranty required by this law, You have elected to purchase this Service Contract, which may provide You with additional protection during the dealer warranty period and provides protection after the dealer warranty has expired. You have been charged separately only for this Service Contract. The required dealer warranty is provided free of charge. Furthermore, the Definitions, Coverages and Exclusions stated in this Service Contract apply only and are not the terms of the required dealer warranty.

Under Cancellation Of Your Service Contract, Item 3) a. is deleted and replaced with the following:

a. If You return this Service Contract within thirty-five (35) days of the date the Service Contract was mailed to You and if no claim has been made, the Service Contract shall be void and You shall receive the full purchase price of the Service Contract. A cancellation fee will not be charged. A ten percent (10%) penalty per month shall be added to the refund that is not paid or credited within forty-five (45) days after the return of the Service Contract to Us.

The following is added to Item 4) under the Cancellation Of Your Service Contract section:

If We cancel this Service Contract, We, at least five (5) days prior to cancellation, shall mail to You at Your last known address, a written prior notice of cancellation that states the effective date of the cancellation. Prior notice is not required if cancellation is for:

- a. Nonpayment of the Service Contract price;
- b. A material misrepresentation by You to Us; or
- c. A substantial breach of duties of You under the Service Contract, relating to Your Vehicle or its use.

ILLINOIS

Under What Is Not Covered, paragraph 12. is amended to read:

A gradual reduction in operating performance due to wear and tear does not constitute a Breakdown.

Under What Is Not Covered, paragraph 14. is amended to read:

For any repair or replacement of any covered part if a Breakdown has not occurred.

Under Cancellation Of Your Service Contract, Sections 1, 2 and 3 are deleted and replaced with the following:

1. All requests for cancellation shall be made to the Administrator. Upon request for cancellation, submit to the Administrator all of the following: a written request for cancellation that includes Your signature; a statement of vehicle mileage at the time of cancellation; and proof of warranty purchase.

Upon receipt of the required information, the Administrator will calculate and determine the pro-rata refund percentage figure based on the time or mileage, whichever refund is less.

2. If a request is made within thirty-five (35) days of purchase, a full refund will be allowed.
3. If a request is made after thirty-five (35) days of purchase, a pro-rata refund percentage figure will be provided, less any claims paid.

All cancellations are subject to a fifty dollar (\$50.00) processing fee or 10% of the Service Contract charge, whichever is less.

INDIANA

Your proof of payment to the issuing Vendor for this Service Contract shall be considered proof of payment to the insurance company which guarantees Our obligations to You.

Under General Provisions, Item 3. Arbitration is amended as follows: Arbitration is not mandatory and is non-binding in the State of Indiana. Arbitration proceedings shall be conducted in the county in which the consumer resides.

The following are changes under What Is Not Covered:

Item 13. is amended to state that no benefit is provided for a condition, which already existed when You purchased Your Service Contract or for a Mechanical Breakdown which occurred before You purchased Your Service Contract or during the Validation Period and were known to You.

IOWA

If You have any questions regarding this Service Contract, You may contact the Administrator by mail or by phone. Refer to the Registration Page for the Administrator's address and toll free telephone number. Iowa residents only may also contact the Iowa Insurance Commissioner at the following address: Iowa Insurance Department, 6th Floor, Lucas State Office Building, Des Moines, Iowa 50319.

Under Cancellation of Your Service Contract, items 1, 2 and 3 are deleted and replaced with the following:

You may cancel this Service Contract at any time. An odometer statement indicating the odometer reading at the date of the request will be required. If this Service Contract is canceled by You within the first thirty-five (35) days, We will refund the entire Service Contract purchase price. If this Service Contract is canceled after the first thirty-five (35) days, We will refund the unearned Service Contract purchase price to You calculated on a pro-rata basis. The refund will be equal to the lesser amount produced using the number of days the Service Contract was in force or the number of miles the Vehicle was driven prior to cancellation, less a cancellation fee of fifty dollars (\$50.00). If You cancel this Service Contract, We will mail You a written notice of termination within fifteen (15) days of termination. A ten percent (10%) penalty shall be added to any refund that is not paid or credited within thirty (30) days after the return of the Service Contract to Us.

KANSAS

Under Plan Coverage, Benefits - Lost Key/Lockout and tire benefits are not available.

KENTUCKY

The following sections under Plan Coverage, Benefits are deleted in their entirety:

Tire Coverage, 24 Hour Roadside Assistance and Lock Out Service.

The following is added under Plan Coverage under Rental Benefit:

This benefit only applies in the event of mechanical failure of a warranted Vehicle component.

LOUISIANA

Northcoast Warranty Services, Inc. is the Provider in Louisiana.

The following are changes under the Cancellation Of Your Service Contract, section:

Section 3) a. and b. are deleted and replaced with the following:

- a. If Your cancellation request is received within thirty-five (35) days from the effective date, You will receive a full refund of the Service Contract purchase price, less a \$50.00 cancellation fee.
- b. If Your cancellation request is received after thirty-five (35) days from the effective date, You will receive a pro-rated refund of the Service Contract purchase price reflecting the greater of term or mileage used based on the term/miles selected and the date coverage begins, less a \$50.00 cancellation fee.

MAINE

The following language is added the Cancellation of Your Service Contract provision:

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 the return of the Contract. An administrative fee not to exceed fifty dollars (\$50.00) or ten percent (10%) of the Contract charge, whichever is less, will be charged for cancellations occurring after thirty-five (35) days or if a claim has been filed.

If We cancel this Service Contract, We will mail You written notice of cancellation within fifteen (15) days of cancellation.

MARYLAND

Under Cancellation Of Your Service Contract, Items 3) a. and b. are deleted and replaced with the following:

a. Cancellation requests received within thirty-five (35) days will receive a full refund, provided no claims have been paid.

b. All other cancellations are subject to a fifty dollar (\$50) cancellation fee.

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 the return of the Contract.

MASSACHUSETTS

NOTICE TO CUSTOMER: PURCHASE OF THIS SERVICE CONTRACT IS NOT REQUIRED IN ORDER TO REGISTER OR FINANCE A VEHICLE. THE BENEFITS PROVIDED MAY DUPLICATE EXPRESS MANUFACTURER'S OR DEALER'S WARRANTIES THAT COME AUTOMATICALLY WITH EVERY SALE. THE DEALER OF THIS COVERAGE IS REQUIRED TO INFORM YOU OF ANY WARRANTIES AVAILABLE TO YOU WITHOUT THIS SERVICE CONTRACT.

Chapter 90, Section 7N1/4 of Massachusetts General Laws requires an automobile dealer to provide a warranty covering certain classes of used motor Vehicles as follows:

Used Vehicles with less than 40,000 miles at the time of sale:

- Provides coverage for 90 days or 3,750 miles, whichever occurs first.

Used Vehicles with 40,000 miles or more but less than 80,000 miles at the time of sale:

- Provides coverage for 60 days or 2,500 miles, whichever occurs first.

Used Vehicles with 80,000 miles or more but less than 125,000 miles at the time of sale:

- Provides coverage for 30 days or 1,250 miles, whichever occurs first.

The Vehicle You have purchased may be covered by this law. If so, the following is added to this Service Contract:

In addition to the dealer warranty required by this law, You have elected to purchase this Service Contract, which may provide You with additional protection during the dealer warranty period. Further, if the Plan Period is longer than the required dealer warranty period, this Service Contract will provide protection after the dealer warranty has expired. You have been charged separately only for this Service Contract. The required dealer warranty is provided free of charge. Furthermore, the terms stated in the Definitions, Plan Coverage and What Is Not Covered sections of this Service Contract apply only to this Service Contract and are not the terms of the required dealer warranty.

The following language is added to this Service Contract:

The fifty dollar (\$50) fee to cancel this Service Contract does not apply.

The fifty-dollar (\$50) fee to transfer this Service Contract does not apply.

Loss resulting from inadequate amounts of coolant, lubricants or fluids will be covered if the loss of coolant, lubricants, or fluids is caused by failure of a covered/listed part.

The Arbitration provision is deleted in its entirety.

MINNESOTA

The coverages listed below are provided to You by the dealer at no charge as required by Minnesota Statute 325F.662.

The term of the required warranty is based on the mileage at the time of sale as follows:

Used Vehicles with less than 36,000 miles at the time of sale:

- Provides coverage for 60 days or 2,500 miles, whichever occurs first.

Used Vehicles with 36,000 miles or more but less than 75,000 miles at the time of sale:

- Provides coverage for 30 days or 1,000 miles, whichever occurs first.

Engine: Lubricated Parts; Intake Manifolds; Engine Block; Cylinder Heads; Rotary Engine Housings; Ring Gear; Water Pump; Externally Mounted Mechanical Fuel Pump; Radiator; Alternator; Generator; and Starter.

Transmission: Case; Internal Parts; Torque Converter; or the Manual Transmission Case and Internal Parts.

Drive Axle: Axle Housings and Internal Parts; Axle Shafts; Drive and Output Shafts; and Universal Joints; but excluding

the Secondary Drive Axle on vehicles other than passenger vans, mounted on a truck chassis.

Brakes: Master Cylinder; Vacuum Assist Booster; Wheel Cylinders; Hydraulic Lines and Fittings; and Disc Brake Calipers.

Steering: Gear Housing and all Internal Parts; Power Steering Pump; Valve Body; Piston and Rack.

Note: The following parts are covered only on Vehicles with less than 36,000 miles: Steering Rack; Radiator; Alternator; Generator and Starter.

The above coverages are excluded from this Service Contract during the applicable warranty period, unless the dealer becomes unable to meet its obligations. Your rights and obligations are fully explained in the dealer issued Used Vehicle Warranty document.

The following are changes to Section 4 of the Cancellation of Your Service Contract section:

Section b. is deleted and replaced with the following:

b. Your Vehicle's odometer is disconnected or altered or the true and actual miles cannot be determined while owned by You.

Section i. is deleted in its entirety.

If We cancel this Service Contract, We will provide fifteen (15) days written notice. If the reason for cancellation is nonpayment of the Service Contract charge, a material misrepresentation by You to Us, or a substantial breach of duties by You relating to the covered Vehicle or its use, We will provide five (5) days written notice.

The following is added to the Refund section:

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 the return of the Contract

Paragraphs 2 and 3 are deleted in their entirety from the Ineligible Vehicles section.

The following are changes under the Arbitration provision:

Arbitration is voluntary and nonbinding.

The following are changes under What Is Not Covered:

In Paragraph 5, "rust or corrosion" is deleted.

Paragraph 13, is deleted in its entirety and replaced with the following:

Any Breakdown or condition which occurs during the Validation Period.

MISSISSIPPI

Under If Your Vehicle Incurs A Breakdown, paragraph 1), the following is added:

In the event of emergency repairs which are essential to public health, safety or welfare, and You are unable to reach the Administrator outside normal business hours to obtain prior authorization, You may proceed with repairs, but, payment will be made in accordance with this Contract.

The Arbitration provision is deleted and replaced with the following:

IT IS UNDERSTOOD AND AGREED THAT THE TRANSACTION EVIDENCED BY THIS SERVICE CONTRACT TAKES PLACE IN AND SUBSTANTIALLY AFFECTS INTERSTATE COMMERCE. ANY CONTROVERSY OR DISPUTE ARISING OUT OF OR RELATING IN ANY WAY TO THIS SERVICE CONTRACT OR THE SALE THEREOF, INCLUDING FOR RECOVERY OF ANY CLAIM UNDER THIS SERVICE CONTRACT AND INCLUDING THE APPLICABILITY OF THIS ARBITRATION CLAUSE AND THE VALIDITY OF THIS SERVICE CONTRACT, SHALL BE RESOLVED BY NEUTRAL BINDING ARBITRATION. THE ARBITRATION WILL BE GOVERNED BY THE RULES AND PROVISIONS OF THE MOST APPROPRIATE DISPUTE RESOLUTION PROGRAM OF THE AMERICAN ARBITRATION ASSOCIATION ("AAA") IN EFFECT AT THE TIME THE ARBITRATION IS DEMANDED. THE ARBITRATION WILL BE BEFORE A PANEL OF THREE ARBITRATORS SELECTED AS FOLLOWS: (1) ONE BY US; (2) ONE BY YOU; AND (3) ONE BY THE ARBITRATORS PREVIOUSLY SELECTED. THE ARBITRATORS WILL BE SELECTED AS PROVIDED IN THE AAA RULES GOVERNING THE ARBITRATION. IF YOU, WE OR ANY AGENT OF OURS HAS ANY DISPUTE BETWEEN OR AMONG THEM THAT IS SUBJECT TO ARBITRATION AND IS RELATED TO ANY DISPUTE BETWEEN OR AMONG THEM THAT IS SUBJECT TO ARBITRATION AND IS RELATED TO ANY DISPUTE COVERED BY THIS ARBITRATION CLAUSE, YOU AND WE CONSENT TO A JOINING OF THE ARBITRATION PROCEEDINGS. YOU WILL NOT HAVE THE RIGHT TO PARTICIPATE IN A CLASS ACTION OR ANY OTHER COLLECTIVE PROCEEDING AGAINST US. ONLY A COURT, AND NOT ARBITRATORS, CAN DETERMINE THE VALIDITY OF THIS CLASS ACTION WAIVER.

A) IF YOU DISPUTE OUR DETERMINATION TO DENY YOU BENEFITS UNDER THIS SERVICE

CONTRACT, YOU MUST SUBMIT WRITTEN NOTICE TO US OF YOUR INTENT TO ARBITRATE THAT DISPUTE NO LATER THAN SIXTY (60) DAYS FOLLOWING OUR DETERMINATION. YOUR FAILURE TO MEET THIS TIME REQUIREMENT WILL PREVENT YOU FROM DISPUTING OUR DETERMINATION, WHETHER THROUGH ARBITRATION OR OTHERWISE.

B) THE ARBITRATION SHALL TAKE PLACE WITHIN SIXTY (60) DAYS OF WRITTEN NOTICE OF INTENT TO ARBITRATE IN A LOCATION NEAR YOUR RESIDENCE.

C) EXCEPT FOR THE FILING FEE AND THE COSTS YOU MAY INCUR TO PRESENT YOUR CASE, THE COST OF THE ARBITRATION SHALL BE BORNE BY US PROVIDED, HOWEVER, THAT SHOULD THE ARBITRATORS FIND THAT YOU HAVE RAISED A DISPUTE WITHOUT SUBSTANTIAL JUSTIFICATION, THE ARBITRATOR SHALL HAVE THE AUTHORITY TO ORDER THAT THE COST OF THE ARBITRATION PROCEEDINGS BE BORNE BY YOU.

D) IT IS UNDERSTOOD AND AGREED THAT THE ARBITRATION SHALL BE BINDING UPON THE PARTIES, THAT THE PARTIES ARE WAIVING THEIR RIGHT TO SEEK REMEDIES IN COURT, INCLUDING THE RIGHT TO A JURY TRIAL, AND THAT AN ARBITRATION AWARD MAY NOT BE SET ASIDE IN LATER LITIGATION EXCEPT UPON THE LIMITED CIRCUMSTANCES SET FORTH IN THE FEDERAL ARBITRATION ACT.

E) ALL STATUTES OF LIMITATION THAT WOULD OTHERWISE BE APPLICABLE SHALL APPLY TO ANY ARBITRATION PROCEEDING. NEITHER PARTY SHALL BE PRECLUDED FROM INSTITUTING AN ACTION IN A COURT OF COMPETENT JURISDICTION TO OBTAIN A TEMPORARY RESTRAINING ORDER, A PRELIMINARY INJUNCTION OR OTHER EQUITABLE RELIEF TO PRESERVE THE STATUS QUO OR PREVENT IRREPARABLE HARM PENDING THE SELECTION OF THE ARBITRATOR OR THE COMMENCEMENT AND COMPLETION OF THE ARBITRATION HEARING. NEITHER PARTY MAY RECOVER EXEMPLARY DAMAGE AWARDS IN ANY ARBITRATION PROCEEDING.

F) THE AGREEMENT TO ARBITRATE WILL SURVIVE THE TERMINATION OF THIS SERVICE CONTRACT.

IF THIS SERVICE CONTRACT IS FOUND NOT TO BE SUBJECT TO ARBITRATION, ANY LEGAL PROCEEDING WITH RESPECT TO ANY DISPUTE WILL BE TRIED IN A COURT OF COMPETENT JURISDICTION BY A JUDGE WITHOUT A JURY. BOTH PARTIES WAIVE ANY RIGHT TO A JURY TRIAL IN ANY SUCH PROCEEDING.

MISSOURI

The following are changes under the Arbitration Section:

Item 3. b. is deleted and replaced with the following:

b. Arbitration shall be held in the county of Your residence or place of business unless You have no residence or place of business in Missouri, then the arbitration will be held in a location as provided under Missouri law.

The following is added to Item 3. e.:

Arbitration is voluntary. You are bound by the arbitration only when You have elected to arbitrate and a lawful and binding arbitration follows.

The following is added under the Cancellation Of Your Service Contract Section:

If this Service Contract is cancelled, We shall mail written notice of cancellation to You within forty-five (45) days of cancellation. If You cancel this Agreement within thirty-five (35) days of the Service Contract purchase date, 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 the Service Contract

The following is added under the section entitled If Your Vehicle Incurs A Breakdown, Item 1:

For emergency repairs over \$350.00, contact the Claims Department the next business day during normal business hours.

MONTANA

The following is added to the Cancellation provision:

We shall mail a written notice to You at Your last-known address contained in Our records at least five (5) days prior to the cancellation by Us. Prior notice is not required if the reason for cancellation is for:

- a. nonpayment of the Service Contract price;
- b. a material misrepresentation by You to Us; or
- c. a substantial breach of duties by You relating to the Vehicle or its use.

Any cancellation notice must state the effective date and reason for the cancellation.

NEBRASKA

The Arbitration provision is amended as follows: If a settlement for a claim dispute cannot be reached, the parties may elect arbitration by mutual agreement at the time of the dispute after the claimant has exhausted all internal appeals and

can be binding by consent of the Contract holder. Arbitration will take place under the laws of the State of Nebraska and will be held in the Contract holder's county of residence or any other county in this state agreed to by both parties.

NEVADA

Northcoast Warranty Services, Inc. is the Provider in Nevada.

The Provider has contracted with Royal Administration Services to administer the Service Contract. All inquiries should be directed to the address and toll-free telephone number listed in the Service Contract.

The following changes apply to the **Cancellation Of Your Service Contract** provision:

The following is deleted from Section 2: "return to the Vendor to complete and sign the cancellation form"

Section 3, paragraphs a and b are deleted and replaced with the following:

Cancellation requests received within thirty-five (35) days will receive a 100% full refund provided claims have not been filed and/or paid. A cancellation fee will not be charged.

All other cancellations, including cancellations within the first thirty-five (35) days when a claim has been filed, are pro-rated based upon term or mileage, whichever is greater. A \$50.00 cancellation fee will apply.

The following is added to Section 4:

After the Service Contract has been in effect for seventy (70) days we may only cancel for the following reasons: conviction of a crime that results in an increase in the service required under the service contract; discovery of fraud or material misrepresentation in obtaining the service contract or in presenting a claim; or discovery of either of the following if it occurred after the effective date of the service contract and substantially and materially increased the service required under the service contract:

an act or omission; or

a violation of any condition of the service contract.

We must mail You notice of cancellation fifteen (15) days prior to the effective date of termination stating the reason for cancellation and the effective date of the cancellation.

If We cancel this Service Contract, no cancellation fee will be charged. In no event will paid claims be deducted from any refund.

The following is added to the **Refund** provision:

The Administrator shall refund to You the Service Contract Purchase Price paid within forty-five (45) days after this Service Contract is returned pursuant to Section 3.a. of the Cancellation Of Your Service Contract provision. If the Administrator fails to refund the Service Contract Purchase Price paid within that time, the Administrator shall pay You a penalty of ten percent (10%) of the Service Contract Purchase Price paid for each 30-day period or portion thereof that the refund and any accrued penalties remain unpaid.

The following are changes under the General Provisions section:

Item 3 is amended to include that pursuant to Nevada law, the arbitration provision is not mandatory.

The following is added to the **What Is Not Covered** Section:

This Service Contract does not cover consequential damages.

The following statements are added to the Service Contract:

This Service Contract is non-renewable.

This Service Contract is subject to a Validation Period of thirty (30) days and 1,000 miles prior to coverage taking effect.

NEW HAMPSHIRE

In the event You do not receive satisfaction under this Service Contract, You may contact the New Hampshire Insurance Department at 21 South Fruit St., Suite 14, Concord, NH 03301-7317.

NEW JERSEY

If You request cancellation of this Contract within thirty (30) days of the purchase date of the Contract and the refund is not paid or credited within forty-five (45) days after Your cancellation request to Us, a ten percent (10%) penalty will be added to the refund for every thirty (30) days the refund is not paid. If We cancel this Contract, We shall mail a written notice to You at Your last known address at least five (5) days before cancellation. The notice shall state the effective date of the cancellation and the reason for the cancellation. Written notice is not required if canceled due to nonpayment by You of the provider fee; a material misrepresentation by You to the provider; or substantial breach of duties You relating to the covered product or its use.

NEW MEXICO

The following are changes under Cancellation Of Your Service Contract:

Section 4 is deleted in its entirety and replaced with the following:

If this Service Contract has been in effect for less than seventy (70) days, We may cancel for any reason. After this Service Contract has been in effect seventy (70) days or more, We may only cancel for one or more of the following reasons:

- a. Your failure to pay an amount when due;
- b. Your conviction of a crime that results in an increase in the service required under this Service Contract;
- c. Discovery of fraud or material misrepresentation by You in obtaining this Service Contract or in presenting a claim for service hereunder;
- d. The Vendor was not authorized by Us to sell the Service Contract;
- e. Discovery by Us that the Vehicle is being used in a manner not covered under the Service Contract, or that the Vehicle is otherwise ineligible for coverage under the Service Contract;
- f. Your Vehicle is a total loss, an unrecovered theft, or repossessed;
- g. Discovery of either of the following if it occurred after the effective date of this Service Contract and substantially and materially increased the service required under the Service Contract:
 - i. An act or omission by You; or
 - ii. A violation by You of any condition of this Service Contract.

Notice of cancellation will be mailed to You fifteen (15) days prior to the effective date of cancellation. The notice of cancellation will state one of the above mentioned bases of cancellation and will include any reimbursement required. A 10% penalty per month will be added to any refund that is not paid or credited to You within sixty (60) days after the return of this Service Contract.

NEW YORK

Section 198-b of New York General Business Law requires an automobile dealer, unless otherwise excepted, to provide a warranty covering certain classes of used motor vehicles as follows:

Used vehicles with 36,000 miles or less at the time of sale:

- Provides coverage for 90 days or 4,000 miles, whichever occurs first.

Used vehicles with more than 36,000 miles but less than 80,000 at the time of sale:

- Provides coverage for 60 days or 3,000 miles, whichever occurs first.

Used vehicles with 80,000 miles or more but not more than 100,000 miles at the time of sale:

- Provides coverage for 30 days or 1,000 miles, whichever occurs first.

The Vehicle You have purchased may be covered by this law. If so, the following is added to this Service Contract:

In addition to the dealer warranty required by the law, You have elected to purchase this Service Contract, which may provide You with additional protection during the dealer warranty period. Further, if the Plan Period is longer than the required dealer warranty period, this Service Contract will provide protection after the dealer warranty has expired. You have been charged separately only for this Service Contract.

The required dealer warranty is provided free of charge. Furthermore, the terms stated in the Definitions, Plan Coverage and What Is Not Covered sections of this Service Contract apply only to this Service Contract and are not the terms of the required dealer warranty.

The following is added to Terms And Conditions, Breakdown of Covered Parts:

The use of non-original manufacturer's parts shall comply with state and federal laws.

Section 3 is deleted in its entirety and replaced with the following:

The amount of any refund for which You may qualify, and that We may pay You or the dealer, will be determined by Us. It will be the lesser amount yielded by the following two computation methods, less a fifty dollar (\$50) administrative fee. The first method is the pro rata method based upon the number of months of the Service Contract Term expired at the time of cancellation. The second method is the pro rata method based upon the number of miles of the Service Contract Term, in thousands of miles or portion thereof, expired at the time of cancellation. You will receive a full refund if You cancel the Service Contract within thirty-five (35) days of the effective date of this Service Contract and have not incurred a claim. If this Service Contract is canceled within the first thirty-five (35) days without an incurred claim and a refund is not paid or credited within thirty (30) days after the return of the Service Contract, a ten percent (10%) penalty per month shall be added to a refund. If this Service Contract is cancelled and We have paid a claim, the amount of refund will be reduced by the amount of the claim or considered fully earned if the claim is more than the amount of the refund.

The following is added to the Cancellation Of Your Service Contract Provision, Section 4:

If We cancel this Service Contract, We will mail a written notice to Your last known address at least fifteen (15)

days prior to cancellation. The notice shall state the effective reimbursement required under Section 3 of this provision. Written notice is not required if the reason for cancellation is nonpayment of the Service Contract price, a material misrepresentation, or a substantial breach of duties by You relating to the vehicle or its use.

NORTH CAROLINA

Under Cancellation Of Your Service Contract – Section 3. b. is amended as follows:

b. After the first thirty-five (35) days will receive a pro-rated refund based upon term or mileage, whichever is greater. The refund will be based on the unearned amount paid for this Service Contract, less any approved claim amounts. A cancellation of fifty dollars (\$50.00) or 10% of the pro-rate refund amount, whichever is less, will apply. In the event of cancellation, the lien holder, if any, will be named on a cancellation refund check as their interest may appear.

OKLAHOMA

DISCLOSURE STATEMENTS: This is not an insurance contract. Coverage afforded under this Service Contract is not guaranteed by the Oklahoma Insurance Guaranty Association.

In Oklahoma this Service Contract is between the Contract Holder and the Provider/Obligor (Northcoast Warranty Services, Inc.).

The following are changes under Benefits:

24 Hour Roadside Assistance: In Oklahoma the roadside provider is Quest Towing Services LLC, Oklahoma Motor Service Club License number 864086, Toll-free number 855-513-5184.

The following are changes under Cancellation Of Your Service Contract:

The following is removed from Section 2:

“return to the Vendor to complete and sign the cancellation form”

Sections 3a. and 3b. are deleted in their entirety and replaced with the following:

- a. If this Service Contract is canceled within the first thirty-five (35) days from the effective date, and no claim has been authorized or paid, We will refund the entire Service Contract charge paid.
- b. If You cancel this Service Contract after the first thirty-five (35) days from the effective date, or have made a claim within the first thirty-five (35) days, You will receive a refund based on one hundred percent (100%) of the unearned pro rata premium, less a processing fee of ten percent (10%) of the unearned pro rata premium or fifty dollars (\$50.00), whichever is less. In the event of cancellation, the lienholder, if any, will be named on a cancellation refund check as their interest may appear.
- c. If We cancel this Service Contract, one hundred (100%) of the unearned pro rata premium will be refunded less the actual cost of any service provided under the Service Contract.

The Arbitration is amended to read as follows:

While arbitration is mandatory, the outcome of any arbitration shall be non-binding on the parties, and either party shall, following arbitration, have the right to reject the arbitration award and bring suit in a district court of Oklahoma.

OREGON

The Arbitration provision is amended to read as follows:

Pursuant to ORS 36.600-36.740 if claim settlement cannot be reached, the parties may elect arbitration by mutual agreement at the time of the dispute after the claimant has exhausted all internal appeals and can be binding by consent of the Contract Holder. Arbitration shall take place in Oregon, unless another location is mutually agreed to, and takes place under Oregon laws.

RHODE ISLAND

Section 31-5.4 of Rhode Island General Business Law requires an automobile dealer to provide a warranty covering certain classes of used motor vehicles as follows:

Used Vehicles with less than 36,000 miles at the time of sale:

- Provides coverage for 90 days or 4,000 miles, whichever occurs first.

Used Vehicles with 36,000 miles or more but less than 100,000 miles at the time of sale:

- Provides coverage for 30 days or 1,000 miles, whichever occurs first.

The Vehicle You have purchased may be covered by this law. If so, the following is added to this Service Contract:

In addition to the dealer warranty required by the law, You have elected to purchase this Service Contract, which may provide You with additional protection during the dealer warranty period. Further, if the Plan Period is longer than the required dealer warranty period, this Service Contract will provide protection after the dealer warranty has expired. You have been charged separately only for this Service Contract.

The required dealer warranty is provided free of charge. Furthermore, the terms stated in the Definitions, Plan Coverage and What Is Not Covered sections of this Service Contract apply only to this Service Contract and are not the terms of the required dealer warranty.

SOUTH CAROLINA

Under Cancellation Of Your Service Contract – Section 3 Paragraphs a. and b. are deleted and replaced with the following:

- If this Service Contract is canceled within the first sixty (60) days and no claims have been filed, We will refund the entire Service Contract charge paid.
- If this Service Contract is canceled after the first sixty (60) days or a claim has been filed, We will refund an amount of the Service 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.

The following is added to the Terms and Conditions Section:

If You dispute a claim You may contact the South Carolina Department of Insurance at 1201 Main Street, Suite 1000, Columbia, SC 29201.

TEXAS

The Cancellation Of Your Service Contract section is deleted in its entirety and replaced with the following:

1. You may cancel this Service Contract at any time by forwarding Your written request directly to Us. An odometer statement indicating the odometer reading at the date of the request for cancellation will be required. If this Service Contract is canceled by You within the first sixty (60) days and no claims have been filed, We will refund the entire Service Contract purchase price. 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 this Service Contract to Us. If this Service Contract is canceled after the first sixty (60) days or a claim has been filed, We will refund the unearned Service Contract purchase price to You calculated on a pro-rata basis. The refund will be equal to the lesser amount produced using the number of days the Service Contract was in force prior to cancellation or the number of miles the Vehicle was driven prior to cancellation, less a cancellation fee of fifty dollars (\$50.00).

2. We may cancel this Service Contract based on one or more of the following reasons:

(A) non-payment of the Service Contract purchase price; (B) a material misrepresentation made by You; (C) a substantial breach of duties by You under the Service Contract relating to the Vehicle or its use; (D) the Vehicle is used in a manner not covered by this Service Contract; (E) the Vehicle is an Ineligible Vehicle; (F) The Vehicle is a total loss, an unrecovered theft, or is repossessed; or (G) The Vendor was not authorized to sell the Service Contract. If this Service Contract is canceled by Us, We will refund the unearned Service Contract purchase price to You calculated on a pro-rata basis. The refund will be equal to the lesser amount produced using either the number of days the Service Contract was in force or the number of miles the Vehicle was driven prior to cancellation, less a cancellation fee of fifty dollars (\$50.00).

If We cancel the Service Contract, We shall send a written notice of cancellation to You via first class mail to Your most recent address on file with Us. The notice will state the effective date of cancellation and the reason for cancellation.

UTAH

The following is added to the What Is Not Covered section:

This Service Contract does not cover consequential damages.

The following are changes under Benefits:

24 Hour Roadside Assistance: In Utah the roadside provider is Quest Towing Services LLC, Toll-free number 855-513-5184.

The following is added to the Terms and Conditions section:

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

The following are changes under the Arbitration section:

The first paragraph is deleted and replaced with the following: ANY MATTER IN DISPUTE BETWEEN YOU AND US MAY BE SUBJECT TO ARBITRATION AS AN ALTERNATIVE TO COURT ACTION PURSUANT TO THE RULES OF THE AMERICAN ARBITRATION ASSOCIATION ("AAA"), UNDER THE CODE OF PROCEDURE IN EFFECT AT THE TIME THE CLAIM IS FILED. A COPY OF THE CODE OF PROCEDURE IS AVAILABLE ON REQUEST FROM AAA. ANY DECISION REACHED BY ARBITRATION SHALL BE BINDING UPON BOTH YOU

AND US. THE ARBITRATION AWARD MAY INCLUDE ATTORNEYS' FEES IF ALLOWED BY STATE LAW AND MAY BE ENTERED AS A JUDGMENT IN ANY COURT OF PROPER JURISDICTION.

Item a. is deleted and replaced with the following:

If You dispute Our determination to deny You benefits under this Service Contract, You must submit written notice to Us of Your intent to arbitrate that dispute.

Items f. and g. are deleted and replaced with the following:

f. THE AGREEMENT TO ARBITRATE WILL SURVIVE THE TERMINATION OF THIS SERVICE CONTRACT. IF THIS SERVICE CONTRACT IS FOUND TO BE NOT SUBJECT TO ARBITRATION, ANY LEGAL PROCEEDING WITH RESPECT TO ANY DISPUTE WILL BE TRIED IN A COURT OF COMPETENT JURISDICTION.

Under the Cancellation Of Your Service Contract section, Item 4) is deleted and replaced with the following:

We may cancel this Service Contract within the first sixty (60) days for any reason. If this Service Contract has been in effect for more than sixty (60) days, We may cancel this Service Contract only for one or more of the following reasons:

- a. Nonpayment of the Service Contract price;
- b. Material misrepresentation;
- c. A substantial change in the risk assumed by Us unless We should reasonably have foreseen the change or contemplated the risk when entering this Service Contract;
- d. Substantial breaches of contractual duties, conditions, or warranties, under this Service Contract;
- e. The Vehicle is an Ineligible Vehicle or is used in a manner not covered by this Service Contract;
- f. The Vehicle is a total loss, unrecovered theft, or is repossessed; or
- g. The Vendor was not authorized to sell the Service Contract to You.

Under the Refund section, the following is added:

If We cancel this Service Contract, You will receive a refund in accordance with Item 3) of the Cancellation Of Your Service Contract section. We will mail a cancellation notice which states the reason for cancellation to You at least thirty (30) days in advance, and at least ten (10) days in advance if the reason for cancellation is nonpayment of the Service Contract price, before We cancel this Service Contract. Such cancellation notice will be delivered or mailed by first class mail.

Under the If Your Vehicle Incurs a Breakdown Section, the section entitled Payment Or Reimbursement of Claims is amended to state that failure to request reimbursement for a claim within 180 days of the claim approval does not invalidate Your right to reimbursement if You show it was not reasonably possible to request reimbursement within one hundred eighty (180) days.

The last paragraph under the If Your Vehicle Incurs A Breakdown Section, Item 1) is deleted and replaced as follows:

For emergency repairs, should a breakdown occur outside of the Administrator's normal business hours, the pre-authorization requirement is amended. The Administrator must still be contacted the first working day following the Breakdown. Such unauthorized repair claims will be subject to adjustment in case of excessive parts or labor charges. Failure of the Contract holder to give any notice or file any proof of loss required by the policy within the time specified in the policy DOES NOT invalidate a claim made by the insured, IF the insured shows that it was not reasonably possible to give the notice or file the proof of loss within the prescribed time and that notice was given or proof of loss filed as soon as reasonably possible.

The following is added to the Service Contract:

You may include the Service Contract price with the financing of the Vehicle, or pay the Administrator for the entire amount of the Service Contract separately.

VERMONT

The Arbitration provision is amended to state that arbitration is binding upon the parties only if both parties agree to the arbitration process.

Under Cancellation Of Your Service Contract, Items 3a. and 3b. are deleted and replaced with the following:

Cancellation requests received within the first thirty-five (35) days of this Service Contract will receive a full refund with no cancellation fee, provided no claims have been paid.

Cancellation requests received after the first thirty-five (35) days will receive a pro-rated refund based upon term or mileage, whichever is greater. The refund will be based on the unearned amount paid for this Service Contract, less any approved claim amounts. A fifty dollar (\$50.00) cancellation fee will apply.

WISCONSIN

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

The following statements are added to the Service Contract:

Northcoast Warranty Services, Inc. is the Provider in Wisconsin.

The Provider has contracted with Royal Administration Services, Inc. to administer the Service Contract. All inquiries should be directed to the address and toll-free number listed in the Service Contract.

The following are changes under Benefits:

24 Hour Roadside Assistance: In Wisconsin the roadside provider is Quest Towing Services LLC, Toll-free number 855-513-5184.

The General Provisions Section under the Terms and Conditions Section is amended as follows:

Under Item 2. Subrogation, the following is added:

We shall not be entitled to any subrogation proceeds unless and until You have been fully reimbursed for Your loss.

The Arbitration Section is amended as follows:

Item 3 is amended by adding the following:

Arbitration is not mandatory and both parties must agree to the arbitration process. Arbitration will take place under the laws of the State of Wisconsin and will be held in the Contract holder's county of residence or any other county in this state agreed to by both parties. You still have the right to participate in a class action or any other collective proceeding against the Provider as allowed in the Wisc. Stats. Section 631.83 (3).

Under Cancellation Of Your Service Contract, Sections 3) a. and b. are deleted and replaced with the following:

a. If Your cancellation request is received within thirty-five (35) days and no claims have been paid, You will receive one hundred percent (100%) of the purchase price paid and the Service Contract shall be void. The right to void the Service Contract applies only to the original purchaser of the Service Contract. If the refund is not paid or credited within forty-five (45) days after return of the Service Contract to Us, We shall pay a ten percent (10%) per month penalty of the refund amount outstanding, which We will add to the amount of the refund.

b. For all other cancellations or if a claim has been made within the first thirty-five (35) days, We shall refund one hundred percent (100%) of the unearned pro-rata provider fee, less any claims paid and less a cancellation fee not to exceed ten percent (10%) of the Service Contract purchase price paid. If You request cancellation due to a total loss of Your Vehicle which is not covered by a replacement under the terms of Your Contract, the Administrator shall return one hundred percent (100%) of the unearned pro-rata Contract purchase price paid, less claims paid.

If Your Vehicle Incurs A Breakdown is amended as follows:

The following is added to Item 1):

Failure to obtain authorization prior to having repairs made may jeopardize Coverage under this Service Contract.

The following is added to the last paragraph of Item 1):

In the event of emergency repairs, and You are unable to obtain prior authorization, the burden is on You to retain replaced parts and prove that authorization could not be obtained and that the repair is covered under this Service Contract. For such emergency repairs, Your claim will not be denied solely for the lack of prior authorization.

The amount authorized by the Administrator is the maximum amount that will be paid for repairs covered under the terms of this Service Contract. Any additional amount must receive prior approval.

Under Reimbursement Option, the following is added:

Once authorization is obtained, and the repair is completed, all repair invoices and documentation must be submitted to the Administrator as soon as reasonably possible.

Notice is deleted and replaced as follows:

Our obligations under this Service Contract are insured under a service contract reimbursement insurance policy. Should We fail to pay any claim or fail to replace the Covered Product under this Service Contract within sixty (60) days after You provide proof of loss or, in the event You cancel this Service Contract and We fail to refund the unearned portion of the Service Contract Purchase Price or, if the Provider becomes insolvent or otherwise financially impaired, You are entitled to make a direct claim against the insurer, Wesco Insurance Company, at 1-866-505-4048 or 59 Maiden

Lane, 43rd Floor, New York, NY 10038 for reimbursement, payment or provision of this Service Contract.

WYOMING

Under Terms And Conditions, the following is added under the Breakdown Of Covered Parts section:
Replacement parts may be non-original manufacturer's parts.

The following are changes under Benefits:

24 Hour Roadside Assistance: In Wisconsin the roadside provider is Quest Towing Services LLC, Toll-free number 855-513-5184.

The Cancellation Of Your Service Contract Section is amended as follows:

The following is added to the Cancellation Of Your Service Contract section:

The right to cancel this Service Contract as provided in this subsection is not transferable and shall apply only to the original Purchaser, and only if no claim has been made prior to its return to the Provider. If We cancel this Service Contract for reasons other than nonpayment, a material misrepresentation made by You to Us or because of a substantial breach of duties by You relating to the Vehicle or its use, We will mail a written notice to You at least ten (10) days prior to cancellation. A ten percent (10%) penalty per month shall be added to a refund that is not paid or credited within forty-five (45) days after return of the Service Contract to the provider.

Item 5) is deleted in its entirety.

The following is added to the Refund section:

The party responsible to the consumer for a full refund is Northcoast Warranty Services, Inc.

The Arbitration provision is amended to state that arbitration is voluntary.

The following is added to the What Is Not Covered Section:

This Service Contract does not cover consequential damages.

End of Vehicle Service Contract

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