

CARCHEX
118 Shawan Road
Suite 210
Baltimore, MD 21030

SAMPLE CONTRACT

,



CARCHEX® | Care

VEHICLE PROTECTION PLAN



CARCHEX®
A Smarter Way To Do Car...

CARCHEX Commitment To You

The CARCHEX mission is to act as a consumer advocate and help protect consumers during the car buying and ownership experience. We want you to be fully satisfied with your purchase so please let us know if there is anything we can do to improve your experience.



Guarantee

If you are not satisfied for any reason with the contract that you have purchased, you may contact CARCHEX within 30 days for a full refund of the purchase price. You must contact CARCHEX and submit the required form postmarked or faxed within 30 days of your purchase date to ensure full credit. Requests for cancellations beyond the 30 days are subject to the terms of the service agreement.



Convenience

When your vehicle needs repair, you choose the certified repair facility of your choice (dealership, independent repair facility, or national chain such as Goodyear, Firestone or Pep Boys). With over 30,000 repair facilities in the US, you're sure to find one located near you.



Commitment

Our Brand Promise to you is "Customer Experience Above All," which means our dedicated team works hard every day to make sure our customers' needs are being met. If at any point during your contract you need us just call 877-CARCHEX.

SAMPLE CONTRACT

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November 15, 2019

Dear SAMPLE,

Congratulations on the purchase of Extended Vehicle Protection! CARCHEX is committed to providing the best products and the best service in the industry.

Included in this kit is the complete Vehicle Service Contract which outlines the policies and procedures associated with your contract. Please review the complete booklet immediately and familiarize yourself with the terms of the program. Please also take a moment to review your vehicle and customer information for accuracy.

With CARCHEX Extended Vehicle Protection, you may use the certified repair facility of your choice (dealer, national chain, independent repair facility) and have your approved claims paid quickly and efficiently by the provider over the phone.

If there is anything we can do to assist during the term of your contract, please let us know.

We thank you for your business.

Sincerely,



Jason Goldsmith
CEO

CARCHEX

How To Place A Claim



1. During the term of your contract, ensure you meet the contract holder's responsibilities and adhere to proper maintenance guidelines in accordance with the manufacturer's recommendations for your vehicle and as outlined in your enclosed contract. You must maintain records and receipts of all maintenance and repairs performed on the vehicle. Pre-existing conditions or modifications to the vehicle are excluded from the coverage of this program and could result in voiding of the contract.
2. In the event of a breakdown, use all reasonable means to protect your vehicle from further damage. This may require you to stop the vehicle, turn off the engine, and have the vehicle towed.
3. Safely take your vehicle to any licensed repair facility and provide them with your Service Contract Provider's name, claims phone number, and your contract number as listed on your enclosed Quick Reference sheet and contract.
4. The repair facility must contact the Administrator and all claims require authorization prior to the commencement of repairs. Describe all of your concerns to the repair facility, and authorize the necessary diagnosis. The repair facility will need to diagnose the concern to determine what component failed, and what caused the failure. Approved labor rates may vary by region.

How To Access Your Account Online



Use your CARCHEX Direct online account to:

1. Review purchase history
2. Get a copy of your contract information
3. Request quotes for additional vehicles
4. View your Vehicle Health Report which includes Safety Reports, Recall Reports and up to date Technical Service Bulletins
5. Get access to special offers and discounts
6. Contact a CARCHEX representative

To access your account online go to:
www.CARCHEX.com/MyAccount/

Summary of Purchase

Contract Holder(s)

SAMPLE CONTRACT

CONTRACT NUMBER:			
Covered Vehicle		Date of Purchase	Waiting Period
Policy Information			
Policy Name		Policy Term	
Pricing Information		Financing Information (if applicable)	
Contract Purchase Price		Number of Monthly Payments	
Sales Tax		Monthly Payment Amount	
Total Purchase		Monthly Payment Starting On	

[Please keep this card with your vehicle's registration.]



QUICK REFERENCE CARD



SAMPLE CONTRACT

Contract #:

Vehicle Details

Coverage Details

VIN:

Coverage Name:

Deductible:

Administrator Details

Claims Phone:

Roadside Assistance: 866-222-7869



Keep Us Informed So We Can Keep You Informed

To update your contact information you can:



Call: 1-877-CARCHEX
Email: www.CARCHEX.com/Contact-Us
Mail: CARCHEX
118 Shawan Road, Suite 210
Baltimore, MD 21030
Online: www.CARCHEX.com/MyAccount/

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1597 Cole Boulevard Suite 200 - Lakewood - CO 80401
(800) 531-1925 Fax: (303) 420-7543

VEHICLE SERVICE CONTRACT
DECLARATIONS PAGE

Contract Number

PURCHASER INFORMATION (YOU and YOUR)

First Name SAMPLE	Middle Initial	Last Name CONTRACT	Telephone Number () -
Address			
City	State	Zip Code	

VENDOR INFORMATION

Vendor Name CARCHEX	Telephone Number (410) 527-9280	
Address 118 Shawan Road Suite 210		
City Hunt Valley	State MD	Zip Code 21030

OBLIGOR INFORMATION

Name American Auto Shield	Telephone Number 800-531-1925	
Address 1597 Cole Boulevard Suite 200		
City Lakewood	State CO	Zip Code 80401

PAYMENT PLAN PROVIDER

Name Paylink	City	State
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VEHICLE INFORMATION

Year	Make	Model	Vehicle Identification Number
Odometer Reading	Contract Effective Date		
These are "EXTRA COST OPTIONS". Item(s) MUST be CHECKED at the time of sale.		Market Labor Rate	Commercial Use
		Luxury Electronics	Emissions Coverage

PLAN INFORMATION

"WAITING PERIOD"	Vehicle Service Contract Price	Deductible Amount	Plan Type	Limit of Liability
30 Days and 1,000 Miles OR 90 Days and 200 Miles from Sale Date				The aggregate limit of liability of all claims and benefits payable under this CONTRACT is either the actual cash value of the VEHICLE based upon the NADA Average Trade-In Value at the time of claim or \$15,000.00, whichever is greater. (See Section K.)
CONTRACT TERM (Whichever Occurs First)		CONTRACT EXPIRATION (Whichever Occurs First)		
Months	OR	Odometer Miles	Expiration Date	OR Expiration Mileage

The CONTRACT purchaser, whose signature appears below, acknowledges that: the information contained above is, to the best of YOUR knowledge, true; and agrees to the terms and conditions set forth in the CONTRACT. Neither the VENDOR, OBLIGOR, nor the ADMINISTRATOR authorizes anyone to create for them any obligation or liability that does not appear in writing in the CONTRACT. YOU agree to maintain the Covered VEHICLE in accordance with the Manufacturer's and CONTRACT's stated periodic maintenance requirements and keep all receipts of such maintenance service. YOU understand that prior authorization from the ADMINISTRATOR must be received before services are performed under the CONTRACT. COVERAGE is not afforded for the "Extra Cost Items" items listed above unless the corresponding box(es) is/are marked on the ADMINISTRATOR'S copy of this CONTRACT. The purchase of this CONTRACT is not required in order to obtain financing for the VEHICLE. This CONTRACT is neither an insurance policy nor a seller's warranty. This CONTRACT may run concurrent with and is secondary to any applicable manufacturer's warranty. This CONTRACT applies only to the above described VEHICLE.

CONTRACT Purchaser's Signature (You)	Authorized via telephone	Date	VENDOR'S Signature	CARCHEX	Date
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American Auto Shield, LLC
1597 Cole Blvd, Suite 200
Lakewood, CO 80401
800-531-1925

TITANIUM COVERAGE WITH ROADSIDE ASSISTANCE

In consideration of the payment made by YOU of the amount specified on the DECLARATIONS PAGE, and in reliance upon the warranties and representations made by YOU, the ADMINISTRATOR agrees to pay for the repair or replacement of COVERED PARTS due to MECHANICAL BREAKDOWN or FAILURE sustained during the contract period. COVERAGE provided by the ADMINISTRATOR to YOU is subject to the Definitions, Conditions, Exclusions, Limits, and all provisions outlined in YOUR CONTRACT.

NO PERSON HAS THE AUTHORITY TO CHANGE THIS CONTRACT OR TO WAIVE ANY OF ITS PROVISIONS. THIS CONTRACT IS FOR THE SOLE BENEFIT OF THE PURCHASER NAMED ON THE DECLARATIONS PAGE OF THE CONTRACT AND APPLIES ONLY TO THE VEHICLE DESCRIBED ON THE DECLARATIONS PAGE OF THIS CONTRACT.

A. DEFINITIONS

The following terms have specific meaning when capitalized and used within this CONTRACT:

- 1. ADMINISTRATOR, SERVICE CONTRACT PROVIDER, OBLIGOR:** Means American Auto Shield, LLC, the party obligated under this CONTRACT.

American Auto Shield, LLC
1597 Cole Boulevard • Suite 200
Lakewood CO 80401-3418
Phone: 800-531-1925 Fax: 303-420-7543

This is who YOU contact for any CONTRACT MECHANICAL BREAKDOWN OR FAILURE for covered repairs, cancellations and any other questions regarding YOUR CONTRACT. **Important Notice: ADMINISTRATOR'S authorization for CONTRACT MECHANICAL BREAKDOWN OR FAILURE for covered repairs and additional benefits is always required prior to any service being performed. See Section F. for additional information and instructions.**

- 2. COMMERCIAL VEHICLE:** Any VEHICLE that is used for business purposes (to generate financial income, full or part-time). See Section G regarding additional definitions, underwriting availability and exclusions.
- 3. CONTRACT:** Means this vehicle service contract COVERAGE that YOU have selected and purchased from the VENDOR as listed on the DECLARATIONS PAGE of the CONTRACT.
- 4. COVERAGE:** Means the component protection COVERAGE YOU have selected and purchased under this CONTRACT.
- 5. COVERED PART:** Means any part or component of the VEHICLE that is not specifically excluded from COVERAGE under this CONTRACT (see section B. titled "COVERAGE DESCRIPTION").

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6. **DECLARATIONS PAGE:** Means the page of this CONTRACT that specifies the purchaser information, the VENDOR information, the lien holder information, the plan information, and other key information specific to YOUR CONTRACT and is titled “DECLARATIONS PAGE”.
7. **DEDUCTIBLE:** Means the amount YOU must pay for repairs of COVERED PARTS per visit, as listed on the DECLARATIONS PAGE of this CONTRACT.
8. **MECHANICAL BREAKDOWN or FAILURE:** Means the MECHANICAL BREAKDOWN or FAILURE of any original or like replacement part covered by YOUR CONTRACT to work as it was designed to work in normal service, providing the VEHICLE has received required maintenance as defined in Section E of this CONTRACT entitled “VEHICLE MAINTENANCE REQUIREMENTS” and does not include worn parts that are within manufacturer tolerances. Please refer to the wording under exclusions for a listing of conditions under which the FAILURE of a COVERED PART is not considered a covered MECHANICAL BREAKDOWN or FAILURE.
9. **REPAIR FACILITY:** Means any licensed automotive REPAIR FACILITY capable of performing repair services to a COVERED PART, approved by the ADMINISTRATOR, and at which YOU seek to acquire service under this CONTRACT.
10. **VEHICLE:** Means the VEHICLE described in the DECLARATIONS PAGE of YOUR CONTRACT.
11. **VENDOR:** Means the company from whom YOU purchased this CONTRACT. VENDOR information can be found on the DECLARATIONS PAGE of this CONTRACT.
12. **WAITING PERIOD:** Means the period specified on the DECLARATIONS PAGE. However, if you have purchased this CONTRACT while another service contract or manufacturer warranty is in force for the VEHICLE that names YOU as the holder then the WAITING PERIOD may be shortened and will end upon expiration of said contract or warranty by time or miles if such expiration occurs before the WAITING PERIOD stipulated on the DECLARATIONS PAGE of YOUR CONTRACT. Thirty (30) days and one-thousand (1000) miles will be added to the term of the CONTRACT.
13. **WE, US, OUR:** Means American Auto Shield, LLC.
14. **YOU, YOUR:** Means the CONTRACT purchaser named on the DECLARATIONS PAGE of YOUR CONTRACT.

B. COVERAGE DESCRIPTION

“TITANIUM” COVERAGE covers all components of the vehicle, except for the following items:

1. Paint; carpeting; upholstery; fabric; VEHICLE frame; the following parts of the manual/ hydraulic clutch assembly: friction disc, pressure plate, throw-out bearing, pilot bearing; rubber hoses and combination rubber/metal lines; moldings; PCV Valve; distributor cap/rotor; wheels and wheel covers; seat belts and retractor; seat heaters integrated in upholstery; clock spring; battery and cables; nuts, bolts, and fasteners; rubber body parts; VEHICLE body panels and components; trim; weather stripping; ducting and tubing; illumination of any kind, including but not limited to lenses, light bulbs, headlight and/ or taillight assemblies, LED lighting and sealed beams; exhaust system; keyless entry pad and transmitters; brake pads, drums, rotor, and shoes; canvas; fiberglass, vinyl or fabric tops; convertible tops and sunroofs including related mechanisms; remote compact disc changers; buttons; handles; door hinges; glass and glass assemblies; audio components not installed by the factory, GPS components and any other parts combined with GPS component(s); CB radios; bright metal; sheet metal; bumpers; ornamental moldings; welds; winch; emissions systems; catalytic converters; spark plugs and wires; glow plugs; wheel balancing; hoses; belts; wiper blades; restraint belts; hydraulic suspension control systems; struts; bearings, mounts, and housing; shock absorbers; interior and exterior trim items; carburetor; throttle body assembly; body seals and gaskets; plastic and framing.

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2. Tires are excluded unless the damaged unit is an original VEHICLE manufacturer equipped tire, or replacement tire of the same size and type, with no less than 5/32 of an inch tread depth, that is properly installed on YOUR VEHICLE. Reimbursement is based on the price of original tires purchased with YOUR VEHICLE and is limited to Twenty-Five Dollars (\$25.00) per tire to repair and Two Hundred Dollars (\$200.00) per tire replacement with a maximum lifetime CONTRACT benefit of Five Hundred Dollars (\$500.00), or according to the Individual State Variance Requirement page at the end of YOUR CONTRACT. Tire repair or replacement is only available for damage caused by a road hazard. Damage caused by negligence, abuse, misuse, collision, manufacturer's defects, curb impact, valve or rim leaks, improper installation, dry rot in either sidewall or treads, tire chains, racing or off-road use, vandalism, fire, theft, driving on underinflated, overinflated or unevenly worn tires are not covered.
3. Parts, items and conditions listed in the Contract at Section D., titled "EXCLUSIONS".

••OPTIONAL COVERAGES••

The following optional coverage's are included only if selected and an additional charge has been paid as shown on the DECLARATIONS PAGE. Unless the DECLARATIONS PAGE indicates that one or more of the following optional COVERAGES was purchased, the components and coverage's listed below are also excluded:

- **LUXURY ELECTRONICS PACKAGE (LEP):** The following specifically named VEHICLE Manufacturer/Factory installed parts are covered: Radio/GPS/Navigation Components; integrated radio/GPS; Liquid Crystal Display (LCD) Screens; DVD Players; Rearview Back- up Camera and Sensors; Voice Activation Systems; Standalone seat heaters not integrated in upholstery; Sunroof and Convertible Top Motors. COVERAGE is limited to either 1 (one) replacement or 1 (one) repair per component for the life of the Contract.
The above LEP COVERAGE is limited only to FAILURES of the "base unit" and does not cover any remote controls, hand-held controls, wiring, game cartridges, headphones, DVDs, MP3 Players, programming, or any other non-listed parts for the covered LEP items above. Any aftermarket components are specifically excluded from coverage.
- **EMISSIONS PACKAGE:** The following components of YOUR VEHICLE will NOT be excluded under this CONTRACT: Air Fuel Ratio Sensor/Oxygen Sensor, Air Pump, Barometric Pressure Sensor, Canister Purge Solenoid, EVAP Purge Canister, EVAP Leak detection Pump and Valve, EVAP vent valve, Deceleration Valve, EGR valve, EGR solenoid, EGR check valve, DPFE sensor, EGR controller, EGR diverter valve, EGR relay, Purge Valve, EGR position sensor, EGR lines, EGR/ EFE Thermal Vacuum Switch, EGR/EFE Valve, Engine Oil Fill Cap, Fuel Fill Cap, Fuel Fill Neck Restrictor, Fuel Tank Pressure Sensor, Fuel Tank Vent Valve, Fuel Temperature Sensor, Idle Air Control Valve, Intake Air Resonator, Intake Air Temperature Sensor, MAP Sensor, Mass Air Flow Sensor, PCV Sensor, Air injection control valve, Air injection check valve, Air injection Pump and Air injection Relay.
- **MARKET LABOR RATE:** ADMINISTRATOR will authorize repairs for covered MECHANICAL BREAKDOWN OR FAILURE based upon the REPAIR FACILITY'S posted labor rate. The maximum payable repair facility labor rate of One Hundred Dollars (\$100.00) per hour shall not apply.

C. ADDITIONAL BENEFITS

The following ADDITIONAL BENEFITS for YOUR covered VEHICLE are provided with YOUR CONTRACT, except where prohibited by law.

1. **ROADSIDE ASSISTANCE:** YOUR CONTRACT provides YOU with an emergency road service program when needed, 24 hours a day, 365 days a year. Emergency Roadside services are provided by Roadside Protect, Inc. by Signature's Nationwide Auto Club, Inc. If YOUR VEHICLE becomes disabled, call 866-222-7869 and a

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service vehicle will be dispatched to YOU. There is a combined Four Hundred Dollar (\$400.00) maximum limit for such emergency road service benefits as listed below for the term of YOUR CONTRACT. YOUR CONTRACT DEDUCTIBLE does not apply to roadside assistance. YOUR ROADSIDE ASSISTANCE BENEFITS include:

- a. **TOWING SERVICE:** If YOUR VEHICLE cannot be started or driven, YOU are covered up to Seventy-Five Dollars (\$75.00) per occurrence for towing expenses.
- b. **EMERGENCY TIRE SERVICE:** If YOUR VEHICLE has a flat or damaged tire, YOU are covered up to a maximum of Seventy-Five Dollars (\$75.00) per occurrence for service to change an inflated spare provided by YOU.
- c. **LOCKOUT SERVICE:** If YOU misplace, break, or accidentally lock YOUR keys in YOUR VEHICLE, dispatch will provide locksmith or emergency VEHICLE service to assist YOU. Lockout service is limited to Seventy-Five Dollars (\$75.00) per occurrence. The cost of new keys is not covered.
- d. **BATTERY SERVICE:** If the battery for YOUR VEHICLE fails, battery jump start services will be provided up to a maximum of Seventy-Five Dollars (\$75.00) per occurrence.
- e. **FUEL DELIVERY SERVICE:** In case it is necessary for the operation of YOUR VEHICLE, a service VEHICLE will deliver oil, fuel, or water to YOU. YOU are responsible for the cost of the oil and fuel. In the event that local state regulations prohibit the delivery of flammable materials (e.g., gas), YOU may have YOUR VEHICLE towed to the nearest gas station as provided under the "Towing Service" paragraph above. Fuel Delivery services are limited to Seventy-Five Dollars (\$75.00) per occurrence.
- f. **WINCHING:** YOU are covered for winching services provided YOUR VEHICLE is within one hundred (100) feet of a public road (excludes off-road driving). Winching services are limited to Seventy-Five Dollars (\$75.00) per occurrence.

2. **CAR RENTAL REIMBURSEMENT:** If YOUR VEHICLE becomes inoperable and must remain at the REPAIR FACILITY and the MECHANICAL BREAKDOWN or FAILURE has been authorized by the ADMINISTRATOR for four (4) or more hours of labor, the ADMINISTRATOR agrees to reimburse YOU for rental car transportation from a licensed vehicle rental company (except where prohibited by law). Such expense shall be limited to Forty Dollars (\$40.00) per calendar day not to exceed One Hundred Sixty Dollars (\$160.00) per occurrence including delays associated with ADMINISTRATOR required inspections or the shipment of parts needed for covered repairs. WE reserve the right to select the rental car company that YOU use. YOUR car rental benefit is based upon the number of labor hours required to repair YOUR VEHICLE as listed in a nationally recognized labor time guide selected by the ADMINISTRATOR. Each additional eight (8) hours of authorized labor qualifies YOU for an additional day of rental reimbursement, subject to the Forty Dollars (\$40.00) per day and One Hundred Sixty Dollars (\$160.00) per occurrence limit of liability, as well as the aggregate limit of liability for this Contract. Rental car benefits require prior authorization by the ADMINISTRATOR.
3. **TRIP INTERRUPTION REIMBURSEMENT:** If YOUR VEHICLE becomes inoperable more than one hundred (100) miles from YOUR home and must remain at the REPAIR FACILITY overnight as a result of a MECHANICAL BREAKDOWN or FAILURE authorized by the ADMINISTRATOR, WE will reimburse YOU for motel and restaurant expenses up to Fifty Dollars (\$50.00) per day for a maximum of three (3) days. The maximum benefit per occurrence is One Hundred Fifty Dollars (\$150.00) and total trip interruption benefits are subject to the aggregate limit of liability for this Contract. To receive motel and restaurant reimbursement, YOU must supply US with receipts from the providers of such services.

D. EXCLUSIONS – The following items are NOT covered by this CONTRACT:

1. MECHANICAL BREAKDOWN OR FAILURE:

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- a. WHEN REPAIRS ARE PERFORMED WITHOUT PRIOR AUTHORIZATION FROM THE ADMINISTRATOR, EXCEPT FOR EMERGENCY REPAIRS COMPLETED IN CONFORMITY WITH THE PROVISIONS AND SUBJECT TO THE LIMITATIONS SET FORTH IN SECTION F, PARAGRAPH 11;
- b. CAUSED BY A LACK OF MAINTENANCE OR MAINTENANCE ITEMS SUCH AS, BUT NOT LIMITED TO: CONSTANT VELOCITY JOINT BOOTS, TIMING BELT, BRAKE PADS OR SHOES, FILTERS, OIL AND OTHER FLUID CHANGES ;
- c. CAUSED BY ACTS OF NATURE, OR BY ANY EXTERNAL CAUSE SUCH AS, BUT NOT LIMITED TO: COLLISION, FIRE OR SMOKE, THEFT, FREEZING, VANDALISM, RIOT OR EXPLOSION, TERRORISM, LIGHTNING, EARTHQUAKE, WINDSTORM, HAIL, VOLCANIC ERUPTION, WATER OR FLOOD, BREAKAGE OF GLASS, FALLING OBJECTS, OR NUCLEAR CONTAMINATION;
- d. OF ANY OTHERWISE COVERED PART THAT DID NOT MEET MANUFACTURER'S SPECIFICATIONS, INCLUDING MODIFICATIONS AND/OR ALTERATIONS TO THE VEHICLE; MECHANICAL BREAKDOWN OR FAILURE OF ANY OTHERWISE COVERED PART THAT IS DIRECTLY OR INDIRECTLY RELATED TO A PART OR SYSTEM THAT DID NOT MEET MANUFACTURER'S SPECIFICATION OR HAS BEEN OTHERWISE MODIFIED OR ALTERED, SUCH PARTS AND MODIFICATIONS INCLUDE BUT ARE NOT LIMITED TO: HEADERS, ALTERED IGNITION SYSTEM, ALTERED ENGINE MANAGEMENT SYSTEMS, FREE FLOW EXHAUST SYSTEM, AFTERMARKET SUNROOFS, AFTER MARKET ALARM SYSTEMS, SNOW PLOWS, OVERSIZED OR UNDERSIZED TIRES, WHEELS OR LIFT AND DROP KITS, WHETHER OR NOT THE VEHICLE WAS PURCHASED WITH SUCH;
- e. IF YOUR VEHICLE IS USED FOR: RACING ON OR OFF ROAD, IN A COMPETITION OR SPEED CONTEST;
- f. IF YOUR VEHICLE IS USED FOR TOWING IN EXCESS OF TWO THOUSAND (2,000) POUNDS UNLESS EQUIPPED WITH A FACTORY APPROVED TOWING KIT AND AUXILIARY TRANSMISSION COOLER, AND THE WEIGHT OF THE TRAILER DOES NOT EXCEED THE VEHICLE MANUFACTURER'S TOWING SPECIFICATION;
- g. IF YOUR VEHICLE IS USED FOR COMMERCIAL PURPOSES EXCEPT WHEN THE VEHICLE IS ELIGIBLE FOR COVERAGE AS DESCRIBED IN SECTION G. "COMMERCIAL VEHICLES" OF YOUR CONTRACT;
- h. OF ANY PART(S), COMPONENT(S), OR REPAIR(S) STATED AS COVERED BY THE MANUFACTURER'S FULL, ORIGINAL OWNER/FIRST RETAIL PURCHASER WARRANTY FOR THE TERM AND MILEAGE OF SUCH COVERAGE TO THE ORIGINAL OWNER/FIRST RETAIL PURCHASER, WHETHER COLLECTIBLE OR NOT, OR CONTINUING MANUFACTURER'S WARRANTY COVERAGE THAT IS TRANSFERABLE TO SUBSEQUENT OWNER WHETHER TRANSFERRED OR NOT;
- i. IF THE COVERED PART IS COVERED BY A MANUFACTURER'S WARRANTY, REPAIRER'S GUARANTEE, OR OTHER SERVICE CONTRACT, OR INSURANCE POLICY OF ANY TYPE THEN SUCH WARRANTY, SERVICE CONTRACT OR INSURANCE SHALL BE PRIMARY AND COVERAGE UNDER THIS CONTRACT SHALL BE SECONDARY;
- j. RELATED TO OPTIONAL COVERAGES OR EQUIPMENT AND/OR USE FOR WHICH A SURCHARGE IS APPLICABLE, UNLESS SUCH SURCHARGE HAS BEEN PAID AND IS NOTED ON THE DECLARATION PAGE;

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- k. IF IT IS DETERMINED THAT THE ODOMETER IS INACCURATE, HAS EVER BEEN INOPERATIVE, OR HAS BEEN ALTERED SUCH THAT THE VEHICLE'S TRUE MILEAGE CANNOT BE VERIFIED;
- l. THAT IS THE RESULT OF A DEFECT THAT THE VEHICLE MANUFACTURER HAS ANNOUNCED AS THEIR RESPONSIBILITY BY A PUBLIC RECALL, TECHNICAL SERVICE BULLETIN AND/OR SPECIAL POLICY FOR THE PURPOSE OF CORRECTING SUCH A DEFECT;
- m. DUE TO CONTINUED OPERATION AND FAILURE TO PROTECT THE VEHICLE FROM FURTHER DAMAGE ONCE A MECHANICAL BREAKDOWN OR FAILURE HAS OCCURRED;
- n. OF A COVERED PART DAMAGED BY A NON-COVERED PART, OR OF A NON-COVERED PART DAMAGED BY A COVERED PART;
- o. CAUSED BY MISUSE, ABUSE, NEGLIGENCE, INCORRECT COMPUTER PROGRAMMING, EXTERNAL NUTS, BOLTS, FASTENERS, CONTAMINATION OF COOLANT, FUEL, FLUIDS OR LUBRICANTS;
- p. RESULTING FROM OVERHEAT, ENGINE SLUDGE, CARBON, PRE-IGNITION, DETONATION, VARNISH, RUST, CORROSION, FOREIGN OBJECTS, DIRT, DUST, LIQUID, CRACKED RUBBER / NEOPRENE PARTS, DRY-ROT, ROAD CHEMICALS, ABUSE, ALTERATION, OR LACK OF PROPER AND NECESSARY AMOUNTS OF COOLANT, FUEL, FLUIDS OR LUBRICANTS;
- q. PRE-EXISTING CONDITIONS THAT EXISTED PRIOR TO THE LATER OF YOUR CONTRACT PURCHASE DATE OR CONTRACT EFFECTIVE DATE AS LISTED ON YOUR DECLARATIONS PAGE AND THE COMPLETION OF YOUR WAITING PERIOD;
- r. THAT OCCURRED OR IS REPORTED AFTER YOUR CONTRACT EXPIRATION OR CANCELLATION EFFECTIVE DATE;
- s. FOR REPAIR OR REPLACEMENT OF HYBRID ENGINE POWERED VEHICLE BATTERIES OR FOR THE REPAIR OR REPLACEMENT OF PARTS ASSOCIATED WITH HYBRID ENGINE POWERED VEHICLE BATTERIES;
- t. THAT OCCURS AS TO GRADUAL LOSS OF PERFORMANCE AND HAS RESULTED FROM NORMAL OPERATION AND USE (DUE TO VEHICLE MILEAGE AND/OR AGE) SUCH AS, BUT NOT LIMITED TO: VALVE GUIDES, VALVES, PISTON RINGS, TRANSMISSION CLUTCH PACK DISCS AND BANDS, OR UNLESS WORN BEYOND MANUFACTURER TOLERANCES;
- u. FOR NORMAL EXPANSION/CONTRACTION SEEPAGE OF SEALS AND GASKETS DUE TO AGE/MILEAGE;
- v. WHEN THE MANUFACTURER'S NEW VEHICLE WARRANTY HAS BEEN DETERMINED NULL AND VOID BY THE MANUFACTURER.

2. STORAGE AND FREIGHT CHARGES;
3. REPAIRS NECESSITATED BY AN IMPROPER PRIOR REPAIR;
4. THE COST OF DIAGNOSIS, TEARDOWN, DISASSEMBLY OR ASSEMBLY IF A COVERED MECHANICAL BREAKDOWN OR FAILURE CANNOT BE VERIFIED BY THE ADMINISTRATOR;
5. ANY ADJUSTMENTS, REPOSITIONING, REFITTING, REALIGNING AND/OR CLEANING, INCLUDING BUT NOT LIMITED TO REPAIRS NECESSARY TO CORRECT: TRIM FIT, SQUEAKS, RATTLES, IDLE, WATER LEAKS OR WIND NOISE;

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6. REPAIRS IF YOUR VEHICLE IS: A NON-U.S. SPECIFICATION MODEL, IS RATED OVER ONE TON PAYLOAD CAPACITY, IS A LEMON LAW BUYBACK VEHICLE, IS A GREY MARKET VEHICLE OR HAS EVER HAD A TITLE INDICATION OF SALVAGE, JUNK, BRANDED OR OTHER DESIGNATION INDICATING THAT THE VEHICLE HAD BEEN STOLEN, WRECKED, DESTROYED, WATER DAMAGED, OR OTHERWISE DAMAGED TO THE EXTENT THAT IT WAS CONSIDERED TO BE UNECONOMICAL TO REPAIR;
7. NORMAL MAINTENANCE ITEMS, PARTS, AND PROCEDURES SUCH AS, BUT NOT LIMITED TO: ENGINE TUNE-UPS, OIL CHANGES, BRAKE PADS AND SHOES, FUSES AND FUSABLE LINKS, FUSE BOXES, COMPUTER PROGRAMMING, WHEEL OR SUSPENSION ALIGNMENT, FASTENING HARDWARE (EXTERNAL NUTS, BOLTS, SPRINGS, BRACKETS, ETC.), INJECTOR CLEANING, SHOP SUPPLIES, DISPOSAL FEES AND OTHER MISCELLANEOUS SHOP CHARGES;
8. LUBRICANTS, COOLANTS AND FLUIDS UNLESS REQUIRED IN CONNECTION WITH A COVERED REPAIR;
9. ANY PART THAT HAS NOT BROKEN OR FAILED, BUT FOR WHICH A REPAIR FACILITY RECOMMENDS OR REQUIRES REPAIR OR REPLACEMENT;
10. THE REPAIR OR REPLACEMENT OF VALVES AND/OR PISTON RINGS FOR THE PURPOSE OF RAISING THE ENGINE'S COMPRESSION OR CORRECTING OIL CONSUMPTION, STICKING OR STUCK RINGS, WHEN MECHANICAL BREAKDOWN OR FAILURE HAS NOT OCCURRED, INCLUDING WHEN SUCH CONDITION RESULTS FROM EXCESSIVE CARBON BUILD-UP;
11. ANY REPAIR IF VERIFIABLE RECEIPTS, AS REQUIRED IN SECTION E. VEHICLE MAINTENANCE REQUIREMENTS," ARE NOT PROVIDED IF REQUESTED BY THE ADMINISTRATOR;
12. ANY COMPONENTS, PARTS OR COSTS INVOLVED WITH UPDATING, BETTERMENT, OR RETROFITTING OF COVERED COMPONENTS OR SYSTEMS OF YOUR VEHICLE FOR ANY REASON INCLUDING BUT NOT LIMITED TO: PRODUCT CHANGES, LACK OF PRODUCT AVAILABILITY, OR GOVERNMENT REGULATIONS;
13. REPAIRS TO CURE FLUID/OIL LUBRICANT SEEPAGE;
14. SHOP SUPPLIES AND HAZARDOUS WASTE REMOVAL;
15. RETROFITS OR REPLACEMENTS OF ANY COMPONENTS CAUSED BY OR DUE TO COMPLIANCE WITH LAW OR LEGISLATION, AND INCLUDING EMISSION CONTROL EQUIPMENT AND SENSORS;
16. IF IT IS DISCOVERED THAT A CONTRACT IS ERRANTLY SOLD TO YOU ON AN INELIGIBLE VEHICLE, THEN A FULL REFUND OF THE COST OF THE CONTRACT SHALL BE MADE TO YOU;
17. LOSS OF TIME, INCONVENIENCE, DAMAGE TO PROPERTY OR OTHER INCIDENTAL OR CONSEQUENTIAL DAMAGE THAT RESULTS FROM VEHICLE THEFT, MECHANICAL BREAKDOWN OR FAILURE, AND INJURY AND/OR DEATH OF ANY PERSON REGARDLESS IF THE DAMAGE OR INJURY WAS CAUSED BY YOUR VEHICLE OR ITS PARTS EITHER BEFORE OR AFTER REPAIRS HAVE BEEN MADE;
18. VEHICLES NOT INCLUDED IN ADMINISTRATOR'S RATE AND CLASS GUIDES, INCLUDING BUT NOT LIMITED TO MOTOR HOMES, MOTORCYCLES, RECREATIONAL VEHICLES, VEHICLES USED FOR AGRICULTURAL PURPOSES, EXOTIC VEHICLES, VEHICLES EQUIPPED WITH A SNOW PLOW, BRACKET AND/OR CONTROLS ARE NOT ELIGIBLE FOR COVERAGE UNDER THIS CONTRACT.
19. FAILURES TO THE AIR BAGS, SEAT BELTS OR SUPPLEMENTAL RESTRAINT SYSTEMS.

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E. VEHICLE MAINTENANCE REQUIREMENTS

1. This CONTRACT requires VEHICLE maintenance to be performed as follows:
 - a. VEHICLE maintenance services are to be performed as recommended by YOUR VEHICLE manufacturer. Contact YOUR local dealer or the manufacturer's website of the make of YOUR VEHICLE or the ADMINISTRATOR if YOU have questions about required VEHICLE maintenance;
 - b. Keep all receipts for maintenance performed on YOUR VEHICLE as YOU may, at OUR sole discretion, be required to present the receipts in the event of MECHANICAL BREAKDOWN or FAILURE.

If requested, proof of required service including verifiable receipts showing date, mileage, and VEHICLE identification number of the VEHICLE at the time of service must be presented in order to have repairs authorized on YOUR VEHICLE. If YOU perform your own maintenance, YOU must maintain a log indicating the date and mileage of each service performed and copies of receipts for oil, fluids, filters and other supplies used. YOU may, at OUR sole discretion, be required to provide a copy of the maintenance log and receipts in the event of a claim and YOUR failure or inability to do so may result in a denial of COVERAGE in accordance with this section.

COMMERCIAL VEHICLES have special service requirements. See COMMERCIAL VEHICLE in Section G. of YOUR CONTRACT.

F. IN THE EVENT OF A MECHANICAL BREAKDOWN OR FAILURE:

1. YOU shall protect the VEHICLE from further damage whether or not such MECHANICAL BREAKDOWN or FAILURE is covered by YOUR CONTRACT. Any operation of the VEHICLE that results in further damage related to the original MECHANICAL BREAKDOWN or FAILURE shall be considered negligence on YOUR part and any such further damage shall not be covered under this CONTRACT. YOU are responsible for making sure that all VEHICLE fluids are full and that the oil warning light/gauge and temperature warning light/gauge are functioning before driving the VEHICLE. YOU are required to safely pull YOUR VEHICLE off of the road and shut off the engine immediately when any of the lights/gauges indicate a problem.
2. Present this CONTRACT to the REPAIR FACILITY and call the ADMINISTRATOR, toll free at **1-800-531-1925**.
3. The ADMINISTRATOR will determine the validity of the CONTRACT: proper owner, proper VEHICLE, that the CONTRACT is still in force and that payments are current if you enrolled in a payment plan at the time of purchase of this CONTRACT.
4. YOU are responsible for authorizing and paying for any tear down and/or diagnosis time needed to determine if the VEHICLE has a covered MECHANICAL BREAKDOWN or FAILURE. This CONTRACT will not cover flat rate charges for diagnosis. If the breakdown is not caused by a covered MECHANICAL BREAKDOWN or FAILURE, YOU are responsible for payment of the expenses associated with the tear down and diagnosis.
5. Prior to proceeding with repairs, ensure the REPAIR FACILITY calls the ADMINISTRATOR with an estimate of repairs and receives an authorization number from the ADMINISTRATOR. ADMINISTRATOR will not be liable for repairs performed without prior ADMINISTRATOR authorization, regardless of whether or not you have authorized the REPAIR FACILITY to complete the repairs. **Except for emergency repairs performed in accordance with and subject to the limitations included in F.11, any repair performed without prior authorization from the ADMINISTRATOR will not be covered.**

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6. The ADMINISTRATOR will verify COVERAGE, confirm the cost of repair using nationally recognized labor guides, authorize repair of COVERED PARTS and labor, and provide the REPAIR FACILITY with an authorization code.
7. The ADMINISTRATOR reserves the right to inspect YOUR VEHICLE prior to issuing any authorization to the REPAIR FACILITY. In the event of a dispute between the ADMINISTRATOR and the REPAIR FACILITY, the ADMINISTRATOR reserves the right to move YOUR VEHICLE to a REPAIR FACILITY of the ADMINISTRATOR'S choice.
8. At the ADMINISTRATOR'S election, repair or replacement of COVERED PARTS will be made with parts of like kind and quality, including but not limited to new, re-manufactured, exchanged, or used components.
9. In-home repair (both self and mobile) is not covered under this CONTRACT. Any payment for the cost of transporting the VEHICLE to a REPAIR FACILITY as a result of an in-home repair effort, or expenses related to correction of ineffective or failed self-repair efforts is not covered.
10. YOU are responsible for paying any amounts not covered by this CONTRACT, including but not limited to the DEDUCTIBLE, for each visit to the REPAIR FACILITY.
11. Reimbursement for emergency repairs performed outside of normal business hours may be obtained by YOU only if YOU contact US no later than the first business day after such emergency repairs are performed and such emergency repairs meet the following criteria:
 - a. The MECHANICAL BREAKDOWN or FAILURE must prevent YOU from safely operating YOUR VEHICLE.
 - b. The need for repair is immediate and the ADMINISTRATOR'S office is closed.
 - c. The MECHANICAL BREAKDOWN or FAILURE must be of a covered component of YOUR VEHICLE.
 - d. The total cost of the repair and/or replacement must not exceed Two Hundred Fifty Dollars (\$250.00). For any repair or replacement with a cost exceeding Two Hundred Fifty Dollars (\$250.00), YOU must obtain ADMINISTRATOR'S prior authorization as set forth above or any amount in excess of Two Hundred Fifty Dollars (\$250.00) will not be covered and will be YOUR responsibility.
12. The ADMINISTRATOR will make payment directly to the REPAIR FACILITY or to YOU for the covered and authorized repairs or additional CONTRACT benefits. The form of payment will be decided by the ADMINISTRATOR.
13. The maximum hourly rate to be paid on any covered repair will be determined based on average REPAIR FACILITY labor rates for the zip code area and VEHICLE type as determined by the ADMINISTRATOR, but not to exceed One Hundred Dollars (\$100.00) per hour. Any labor charges over One Hundred Dollars (\$100.00) per hour will be YOUR responsibility in the event the repair facility will not accept our allowed rate and YOU choose to have repairs made at that repair facility. The One Hundred Dollars (\$100.00) per hour limitation shall be eliminated in the event the market labor rate option has been paid for and is listed on the DECLARATIONS PAGE.

G. COMMERCIAL VEHICLES

1. This CONTRACT may be available for certain types of COMMERCIAL VEHICLES as long as: (a) the VEHICLE is not rated over one (1) ton payload capacity and; (b) the appropriate surcharge is paid at time of CONTRACT purchase.
2. Only the following commercial applications are eligible for coverage under this contract: delivery, messenger, route sales or services, inspections/examinations, maintenance or repair, gardening, and carrying hand tools to the job site.

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3. COMMERCIAL VEHICLES are required to follow all original manufacturer's severe service scheduled maintenance and must not exceed maximum towing/load capacities. For specific information, consult YOUR owner's manual or a dealer who sells the make of YOUR VEHICLE.
4. VEHICLES used in any commercial manner not provided in G.2. above are not eligible for COVERAGE. Commercial uses not eligible for coverage include but are not limited to; taxi, limousine, shuttle, police or other emergency use, security service or any law enforcement agency, snow plowing, towing.
5. Any VEHICLE used as a rental or loaner is not eligible for coverage.
6. VEHICLES rated over one-ton payload capacity and fleet VEHICLES are not eligible for COVERAGE.

H. INSURANCE INFORMATION

1. OUR obligations under this CONTRACT are insured by American Bankers Insurance Company of Florida, 11222 Quail Roost Drive, Miami, FL 33157. If WE fail to perform or make payment under the terms of the CONTRACT within sixty (60) days after YOU request performance or payment, YOU may apply directly to American Bankers Insurance Company of Florida. Please call 1-866-306-6694 for instructions. Consult the individual state provisions at the end of this CONTRACT to determine if YOUR state has any variances to the above.
2. Purchase of this CONTRACT is NOT REQUIRED in order to purchase or obtain financing for the VEHICLE. This CONTRACT is not issued by the manufacturer or wholesale company marketing the VEHICLE. This CONTRACT will not be honored by such manufacturer or wholesale company.

I. CONTRACT PERIOD

The CONTRACT begins upon the CONTRACT effective date and starting odometer as indicated on the DECLARATIONS PAGE and will continue until the expiration date or expiration miles as shown on the CONTRACT DECLARATIONS PAGE. This CONTRACT is not renewable.

J. TERRITORY

This CONTRACT applies only to a MECHANICAL BREAKDOWN or FAILURE occurring within the Continental United States, Alaska, Hawaii and Canada.

K. LIMITATIONS OF LIABILITY

1. The aggregate limit of liability of all claims and benefits payable under this CONTRACT shall never exceed the amount stated on the DECLARATION PAGE or the Actual Cash Value (ACV) of the Vehicle as indicated in the then current NADA Official Used Car Guide as "rough trade-in" or "average trade-in" value depending on the condition of the Vehicle as determined by the Administrator at the time immediately preceding the Mechanical Breakdown or Failure, taking age, mileage and condition into consideration and excluding tag, tax and licensing fees whichever is greater. Liability shall be limited to the reasonable price for repair or replacement of any COVERED PART and the reasonable amount of labor time needed for the repair or replacement of any COVERED PART as based on a nationally recognized guide as selected by the ADMINISTRATOR (maximum labor rate as specified in Section F.13 of YOUR CONTRACT). Parts replacement may include new parts, or parts of like kind and quality, which may include used parts, after-market parts or remanufactured parts, as customarily used in the automobile industry.

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2. YOU will be responsible for the cost of all repairs that exceed the aggregate limit of liability under this CONTRACT. The ADMINISTRATOR shall not be required to authorize or pay for any repair amounts if all needed or covered repairs are not performed on YOUR VEHICLE. WE will not be liable to YOU for consequential damages or injuries, nor for any costs or expenses that provide betterment, upgrade, or enhancement to YOU or YOUR VEHICLE. This limit of liability applies regardless of the cause and regardless of the legal theory asserted. There are no warranties that extend beyond the description on the face hereof. The warranties of merchantability and fitness for a particular purpose are expressly excluded and disclaimed.

L. SUBROGATION

YOU agree that WE, after honoring a claim on YOUR CONTRACT, have all rights of subrogation against those who may be responsible for YOUR MECHANICAL BREAKDOWN or FAILURE. YOU shall do whatever is necessary to secure such rights. YOU shall do nothing to prejudice such rights, and **YOU shall execute and deliver to ADMINISTRATOR instruments and papers required to either secure or maintain such rights.** All amounts recovered by YOU for which YOU were previously reimbursed under YOUR CONTRACT shall become OUR property or the property of OUR designee and shall be forwarded to the same by YOU, up to the total amount paid by US under YOUR CONTRACT.

M. ARBITRATION

Read the following arbitration provision carefully. It limits certain of Your rights, including Your right to obtain relief or damages through court action.

Any legal dispute between YOU and ADMINISTRATOR relating to this CONTRACT shall be resolved by binding arbitration. To begin Arbitration, either You or We must make a written demand to the other party for Arbitration. The Arbitration will take place before a single arbitrator. It will be administered in keeping with the Binding Pre-Dispute Arbitration Rules ("Rules") of the Better Business Bureau ("BBB") in effect when the Claim is filed. You may get a copy of the BBB's Rules by contacting the BBB at 3801 E. Florida Avenue, Suite 350, Denver CO 80210; by calling at 303-758-2100; or by visiting www.bbb.org. The filing fees to begin and carry out arbitration will be shared equally between You and Us. The Federal Arbitration Act, 9 U.S.C. § 1, et seq., will govern and not any state law on arbitration. You agree and understand that this arbitration provision means that YOU give up YOUR right to go to court on any Claim covered by this provision. YOU also agree that any arbitration proceeding will only consider YOUR Claims. Claims by or on behalf of other individuals will not be arbitrated in any proceeding that is considering YOUR Claims. Please refer to the "Individual State Variance Requirement" at the end of YOUR CONTRACT for any added requirements in YOUR state. In the event this Arbitration provision is not approved by the appropriate state regulatory agency, and/or is stricken, severed, or otherwise deemed unenforceable by a court of competent jurisdiction, YOU and WE specifically agree to waive and forever give up the right to a trial by jury. Instead, in the event any litigation arises between YOU and US, any such lawsuit will be tried before a judge, and a jury will not be impaneled or struck.

N. TRANSFER OF YOUR CONTRACT

1. Only the Original CONTRACT Purchaser may transfer this CONTRACT. The right to a refund is not transferable.
2. The Original CONTRACT Purchaser must contact ADMINISTRATOR and submit ALL of the following information / documentation at time of transfer request in order to transfer the CONTRACT:

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- a. Administrative processing fee of Fifty Dollars (\$50.00), a completed transfer application (available from the ADMINISTRATOR) initiated by the original CONTRACT purchaser, and a copy of this CONTRACT; and
- b. A copy of proper documentation evidencing change of ownership and mileage at date of sale, including a notarized bill of sale signed by both parties; and
- c. The original CONTRACT holder must provide the new owner and the ADMINISTRATOR with copies of all receipts evidencing required maintenance has performed as described in the "VEHICLE Maintenance Requirements" section of YOUR CONTRACT;

- 3. This CONTRACT may not be transferred to another VEHICLE. It may only be transferred to a different private owner of the same VEHICLE;
- 4. The VEHICLE is subject to inspection (at OUR discretion and at YOUR expense) and transfer must take place within thirty (30) days of change of VEHICLE ownership;
- 5. YOU may not transfer this CONTRACT to a vehicle dealer or to the customer of a vehicle dealer, nor may this CONTRACT be transferred to a commercial use application user if the commercial use surcharge was not paid at time of original CONTRACT purchase;
- 6. All remaining underlying warranties must be transferred to the new owner;
- 7. The new CONTRACT holder will be bound by the TERMS AND CONDITIONS of this CONTRACT;
- 8. If the original owner / first retail purchaser full warranty does not transfer to the subsequent owner, this CONTRACT COVERAGE will not apply to any MECHANICAL BREAKDOWN or FAILURE that would have been covered for the original owner / first retail purchaser under the manufacturer's original owner / first retail purchaser full warranty.

O. CANCELLATION

- 1. YOU may cancel this CONTRACT by contacting American Auto Shield, LLC at 1597 Cole Blvd, Suite 200 Lakewood, CO 80401 in writing and by submitting a request to cancel the CONTRACT and a Federal Odometer Statement or notarized affidavit verifying mileage at the time of request. YOU may cancel this CONTRACT within thirty (30) days of the CONTRACT purchase date, if no claim has been made, and receive a full refund of the total CONTRACT purchase price. The right to a refund is not transferable. YOU may cancel this CONTRACT at any other time and if requested by YOU in writing, receive a pro rata refund based upon the total CONTRACT purchase price calculated upon the greater of the days in force or the miles driven compared to the total CONTRACT term, less claims paid and less the cancellation fee of Fifty Dollars (\$50.00), subject to state specific information provided in any applicable state-specific variance page to this CONTRACT.
- 2. The ADMINISTRATOR may cancel this CONTRACT for non-payment of any portion of the CONTRACT purchase price, for misrepresentation in obtaining this CONTRACT, misrepresentation in the submission of a claim, or if YOUR VEHICLE is found to be modified in a manner not recommended by the VEHICLE manufacturer.
- 3. In the event YOUR CONTRACT is cancelled for non-payment, YOU will receive, at the ADMINISTRATOR'S discretion, either:
 - a. A pro rata refund based upon the total CONTRACT purchase price calculated based upon the greater of the days in force or the miles driven compared to the total CONTRACT term, less claims paid and less a

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cancellation fee of Fifty Dollars (\$50.00), subject to state specific information provided in applicable state specific addendum to this CONTRACT, or

- b. A continuation of YOUR COVERAGE until a future cancel date or odometer reading. This future cancel date and odometer reading shall be determined by calculating the percentage of the total CONTRACT price that has been paid after deducting a cancellation fee and claims paid, if applicable and applying that percentage to the CONTRACT term and mileage term purchased and adding such amounts to the CONTRACT effective date and the true and accurate starting odometer reading as provided in YOUR DECLARATIONS PAGE. Cancellation for misrepresentation in the submission of a claim, misrepresentation in obtaining the CONTRACT or VEHICLE modification shall be based on one hundred (100) percent of the unearned pro rata CONTRACT purchase price, as of the cancellation date, less claims paid and less the Fifty Dollar (\$50.00) cancellation fee, if applicable.

All cancellation refunds for CONTRACTS that have not been completely paid for at the time of the cancellation may be fully or partially paid to the payment plan provider or other party responsible for collecting payments on YOUR CONTRACT as listed on the DECLARATIONS PAGE of this CONTRACT or any separate payment plan agreement entered into at the time of purchase.

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PAYMENT PLAN AGREEMENT

Buyer		Customer #:
SAMPLE CONTRACT		
Name:		
Address:		
City:	State:	Zip:
Phone:		
E-Mail:		
Vehicle Information		Contract Effective Date _____
Make:	Model: _____	
Year:	Odometer: _____	
Seller Dealer #(if applicable): Name: CARCHEX Address: 118 Shawan Road Suite 210 City: Baltimore State: MD Zip: 21030 Phone: 877-227-2439 Fax: E-Mail: Salesperson:		

You, the Buyer, may buy the Vehicle Service Contract for the total cash price shown in the Itemization or according to the terms of this Payment Plan Agreement ("Agreement"). By signing this Agreement, you choose to buy the Vehicle Service Contract from the Seller and pay for it according to this Agreement. The Vehicle Service Contract is issued by American Auto Shield.

The Vehicle Service Contract number is provided at the top of this Agreement. You and we agree to be bound by the terms of the Agreement. "We," "us" and "our" refer to the Seller shown above, and, upon assignment of this Agreement, to PayLink Payment Plans, LLC dba PayLink Direct ("PayLink Direct"). The Important Disclosures below are part of this Agreement.

Excepted as checked, you have purchased the Vehicle Service Contract primarily for personal, family or household use.

Agricultural Business

Itemization of Payment Plan Amount

(a)	CASH PRICE (before taxes)	\$
(b)	TAXES on SALE	\$
(c)	TOTAL CASH PRICE ($a + b$)	\$
(d)	DOWN PAYMENT	\$
(e)	TOTAL UNPAID BALANCE ($c - d$)	\$

IMPORTANT DISCLOSURES

IMPORTANT DISCLOSURES				
ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments	Total Sale Price
The cost of your credit as a yearly rate.	The dollar amount the credit will cost you.	The amount of credit provided to you or on your behalf.	The amount you will have paid after you have made all payments as scheduled.	The total cost of your purchase on credit, including your down payment of
0.00%	\$ 0.00	\$ _____	\$ _____	\$ _____ \$ _____

Your Payment Schedule Will Be:

Number of Payments	Amount of Each Payment	When Payments Are Due
	\$ _____	Monthly beginning _____

Security Interest: You are giving us a security interest in any refund due upon cancellation of the Vehicle Service Contract.

Security Interest: You are giving us a security interest in any refund due upon cancellation of the vehicle service contract.
Late Charge: Except as provided below, if you do not make your full payment within 5 days of its scheduled due date, you will pay a late charge of the lesser of \$20 or 5% on the part of the payment that is late. If you live in Arizona, California, Colorado, the District of Columbia, Florida, Georgia, Hawaii, Idaho, Indiana, Iowa, Kansas, Missouri, New York, Oklahoma, South Carolina, Virginia, West Virginia, Wisconsin or Wyoming, your late charge will be the lesser of \$10 or 5% of the part of the payment that is late if you do not make your payment within 10 days of its scheduled due date. If you live in Maine, Massachusetts, Mississippi, or South Dakota, your late charge will be the lesser of \$5 or 5% of the part of the payment that is late if you do not make your payment within 15 days of its scheduled due date. If you live in North Carolina, your late charge will be the lesser of \$6 or 5% of the part of the payment that is late if you do not make your payment within 10 days of its scheduled due date.

Prepayment: If you pay early, you will not have to pay a penalty.

Please read this Agreement for additional information about security interests, non-payment, default, and any required repayment in full before the scheduled date.

PAYMENT OPTIONS: You have paid Seller the Down Payment in the amount set forth above. You will make your remaining payments as scheduled and disclosed in the Important Disclosures to the Seller, or upon assignment, PayLink Direct, using the checked payment option below. You may make payments using one of the two payment options below. If neither payment option is checked, we'll provide you with monthly statements (invoices).

Payment Option #1: AUTHORIZATION FOR CREDIT OR DEBIT CARD PAYMENT
You authorize us to make the applicable number of consecutive monthly charges to your credit/debit card account listed below, in the amount and on the dates specified in the Important Disclosures above (plus late charges and returned payment charges, if any). This authority will remain in effect until the Payment Plan Amount is paid in full, together with applicable charges if any, or until we receive written notification of termination from you in time to allow reasonable opportunity to act on such notification. You agree to notify us in writing of any changes in your account information or termination of this authorization at least 15 days prior to the next payment date. If you change your credit/debit card account, this authorization remains effective for your new account.

Credit Card #							Expiration Date		
				/					
	M	M	/		Y	Y			

You agree to notify us in writing of any changes in your account information or termination of this authorization at least 15 days prior to the next payment date. If you change your account, this authorization remains effective for your new account. You request the financial institution that holds the account to honor the debit entries that we initiate.

PAYMENT PLAN AGREEMENT

Service Contract Number

ADDITIONAL TERMS AND CONDITIONS

PROMISE TO PAY. You agree to pay us the Payment Plan Amount according to the terms of this Agreement.

LATE CHARGE AND RETURNED PAYMENT CHARGES. You agree to pay the late payment charges specified in the Important Disclosures. The applicable late charge is based upon your state of residence at the time you sign or ratify this Agreement.

Except as provided below, if any payment you make is returned unpaid for any reason, after we make any demand applicable law requires and wait the time applicable law requires, you agree to pay us a returned payment charge of \$25. If you live in Arizona or Massachusetts, you agree to pay a returned payment charge of \$10. If you live in California, Missouri or Wisconsin, you agree to pay a returned payment charge of \$15. If you live in Connecticut, Idaho, New York or Utah, you agree to pay a returned payment charge of \$20. If you live in the District of Columbia, Iowa or Wyoming, you will not pay returned payment charges. If you live in Maine, Virginia, or Vermont, you will be liable for returned payment charges as prescribed by a court if we take action against you.

All late charges, returned payment charges, or other fees you incur must be paid in the next monthly payment and in accordance with the payment option you select and/or in effect at the time of the next monthly payment.

CANCELLATION AND ASSIGNMENT OF RIGHTS. You have the right to cancel the Vehicle Service Contract at any time in accordance with the terms of the Vehicle Service Contract. If you exercise the right to cancel the Vehicle Service Contract before making all payments, you agree to send written notice of the cancellation to the Administrator and us. You authorize us to direct the Administrator/Seller to cancel the Vehicle Service Contract if we do not receive any payment within 10 days of the scheduled payment date, as applicable law allows.

You hereby grant us a security interest in and assign to us your right to receive refunds pursuant to the Vehicle Service Contract. If the Vehicle Service Contract is cancelled before you have paid the full Payment Plan Amount and any other fees or charges due to us under this Agreement, any refund due to you after proceeds are applied to your outstanding obligations under this Agreement (the "Buyer Refund") will be paid to you. The Buyer Refund is calculated in the manner described in the Vehicle Service Contract but based on amounts actually paid by you rather than the Total Sales Price of the Vehicle Service Contract. If you are entitled to a Buyer Refund, you will receive the refund from the Seller or the Administrator of the Vehicle Service Contract. No assignee of the Seller shall have a contractual or other responsibility under this Agreement or the Vehicle Service Contract to pay or calculate such refund, or for the performance of any other services required by the Vehicle Service Contract.

PAYMENTS AFTER CANCELLATION. Any payment you make after we receive a notice of cancellation will not constitute a reinstatement of the Vehicle Service Contract but will be applied to your outstanding obligations under this Agreement. Neither the acceptance nor the application of any payment will constitute the reinstatement of Vehicle Service Contract or constitute a waiver of any default hereunder.

DEFAULT. If you fail to make any payment when due or, subject to the requirement in this section, fail to comply with any other provision in this Agreement (default), after notice and any right to cure required by applicable law, we have the right to cancel the Vehicle Service Contract and take any action permitted by law to collect what you owe. Upon cancellation, you agree that we may collect and receive any refunds or proceeds with respect to the Vehicle Service Contract. We will apply those refunds and proceeds to your outstanding obligations under this Agreement. If there is a surplus in excess of \$1.00, you are entitled to the surplus. Except where prohibited by applicable law, you hereby release and discharge us from any liability for damages with respect to cancellation of the Vehicle Service Contract due to default and you shall indemnify and hold us harmless from any liabilities, claims, damages or causes of action for any action taken as a result of your default under this Agreement. Our failure to require strict performance of any provision in this Agreement or to exercise any of our rights under this Agreement will not waive or relinquish any future right under this Agreement.

******If required by applicable law, we will only consider the failure to comply with other provisions of this Agreement an event of default if our prospect of payment, performance, or realization of collateral is significantly impaired. Where required, we bear the burden of establishing significant impairment.

POWER OF ATTORNEY. In the event you default under the terms of this Agreement, and if allowed by applicable law, you hereby irrevocably appoint us as your true and lawful attorney-in-fact with respect to the Vehicle Service Contract until all amounts payable hereunder are paid in full. If allowed by applicable law, you agree that we will have full power under this power of attorney to (i) cancel or reinstate the Vehicle Service Contract, (ii) endorse or execute, in your name, all checks issued and all other documents or instruments relating to the Vehicle Service Contract, (iii) receive, demand, collect or sue for any amounts relating to the Vehicle Service Contract due and owing to us by the Administrator, insurer, Seller, or other obligor and (iv) take such other actions as are necessary to further the purposes of this Agreement.

ACCEPTANCE, RATIFICATION, ACCURACY. This Agreement shall be effective when signed by you and us, or where applicable, upon the first of the following events to occur after we mail you a copy of the Agreement (1) you sign and transmit to us a copy of the signed Agreement, in wet ink or electronically, or (2) you make your first payment. Either signature or payment according to the terms of the Agreement ratifies and makes effective your and our obligations under the Agreement. You may not modify the preprinted terms of this Agreement.

SERVICING AND COLLECTION CONTACTS. By providing your wireless (cell) telephone number, you expressly consent to receiving telephone calls from us, and any assignee of this Agreement, concerning your Agreement, including calls to collect what you owe. Live calls may be made by one of our employees. Calls may also be made by a prerecorded, autodialized voice or text message as applicable law allows. Your consent covers *all* types of calls. We do not charge you for such calls. Your wireless carrier will charge you for our incoming calls and text messages according to your plan.

ENTIRE AGREEMENT. This Agreement constitutes the entire agreement between you and us. It supersedes any other written or oral agreement between the parties, and, except as otherwise set forth herein, may be modified only in writing signed by us. No oral changes to the terms of this Agreement are binding on you or us.

REMEDIES, GOVERNING LAW, WAIVERS. This Agreement is governed and construed in accordance with federal law and the laws of the state of your residence as provided on the first page of this Agreement. Each provision in this Agreement will be interpreted so as to be effective and valid under applicable law. This Agreement includes an arbitration provision. By signing or ratifying this Agreement, you agree to be bound by the terms of the arbitration provision.

MISCELLANEOUS. The content and format of this Agreement has been adopted to provide you with important information in a clear and familiar form and its use does not imply that any particular federal or state law relating to lending or installment sales applies to this Agreement or transactions it contemplates. You expressly acknowledge and understand that the purchase of a Vehicle Service Contract is not required either to purchase or obtain financing for a vehicle. Time is of the essence in this Agreement.

PAYMENT PLAN AGREEMENT

Service Contract Number

For purchases primarily for personal, family or household use, the following disclosures applies.

NOTICE: ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED PURSUANT HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.

ARBITRATION PROVISION. This Arbitration Provision significantly affects your rights in any dispute with us. Please read this Arbitration Provision carefully before you sign or ratify the Agreement.

EITHER YOU OR WE MAY CHOOSE TO HAVE ANY DISPUTE BETWEEN US DECIDED BY ARBITRATION AND NOT IN COURT. IF A DISPUTE IS ARBITRATED, YOU AND WE WILL EACH GIVE UP CERTAIN RIGHTS THAT MAY BE AVAILABLE IN COURT, INCLUDING OUR RIGHT TO A TRIAL BY JURY. IF A DISPUTE IS ARBITRATED, YOU WILL GIVE UP YOUR RIGHT TO PARTICIPATE AS A CLASS REPRESENTATIVE OR CLASS MEMBER ON ANY CLASS CLAIM YOU MAY HAVE AGAINST US.

Any claim or dispute, whether in contract, tort or otherwise (including the interpretation and scope of this clause and the arbitrability of any issue), between you and us or our employees, agents, successors or assigns, which arises out of or relates in any manner to this Agreement or any resulting relationship (including any such relationship with third parties who do not sign this Agreement, such as an assignee of the Agreement) shall, at your or our election (or the election of any such third party), be resolved by neutral, binding arbitration and not by a court action. Any claim or dispute is to be arbitrated on an individual basis and not as a class action. You expressly waive any right you may have to arbitrate a class action. This is called the "class action waiver."

You may choose the applicable rules of either the American Arbitration Association ("AAA") or another arbitration organization, subject to our approval. You may obtain a copy of the rules of the AAA by visiting its web site (www.adr.org). We waive the right to require you to arbitrate an individual claim if the amount you seek to recover qualifies as a small claim under applicable law.

This Arbitration Provision relates to an agreement that evidences a transaction involving interstate commerce. Any arbitration under this Arbitration Provision shall be governed by the Federal Arbitration Act (9 U.S.C. § 1 *et seq.*).

The arbitrators shall be attorneys or retired judges and shall be selected in accordance with the applicable rules of the chosen arbitration organization. The arbitrator shall apply substantive governing law and the applicable statute of limitations. The arbitration award shall be in writing. The arbitration hearing shall be conducted in the federal district in which you live, or such other place convenient to you as required by the rules of the chosen arbitration organization. If you demand arbitration first, you will pay the filing fee if the chosen arbitration organization requires it. We will advance and/or pay any other fees and costs required by the rules of the chosen arbitration organization.

The arbitrator's award shall be final and binding on all parties. There shall be a limited right to appeal to the extent allowed by the Federal Arbitration Act. The amount we pay may be reimbursed in whole or in part by decision of the arbitrator if the arbitrator finds that any of your claims is frivolous.

If any part of this Arbitration Provision other than the Class Action Waiver is found by a court or arbitrator to be unenforceable, the remainder shall be enforceable. If the Class Action Waiver is found by a court or arbitrator to be unenforceable, the remainder of this Arbitration Provision shall be unenforceable. This Arbitration Provision shall survive the termination of any contractual agreement between you and us, whether by default or repayment in full.

STATE LAW DISCLOSURES:

OHIO. If you reside in Ohio, the following disclosures applies: The Ohio laws against discrimination require that all creditors make credit equally available to all creditworthy customers and that credit reporting agencies maintain separate credit histories on each individual upon request. The Ohio Civil Rights Commission administers compliance with this law.

NOTICE TO BUYER: (1) Do not sign this Agreement before you read it or if it contains any blank spaces. (2) You are entitled to an exact copy of this Agreement. (3) You have the right to cancel the Vehicle Service Contract at any time and make no further payments. (4) You have the right to pay in advance the full amount due without penalty. (5) Keep this Agreement to protect your legal rights.

BY SIGNING BELOW OR BY MAKING YOUR FIRST PAYMENT AFTER YOU HAVE RECEIVED A MAILED OR ELECTRONIC COPY OF THIS AGREEMENT, YOU ACKNOWLEDGE RECEIPT OF A COMPLETED COPY OF THIS AGREEMENT. YOU ACKNOWLEDGE THAT YOU HAVE READ THIS AGREEMENT, INCLUDING THE ARBITRATION PROVISION ABOVE, AND YOU AGREE TO BE BOUND BY THE TERMS OF THIS AGREEMENT.

BUYER	SELLER		
<input checked="" type="checkbox"/> Authorized via Telephone	Authorized via Telephone		
Signature	Signature	Date	Date

In accordance with the terms and conditions of the agreement between Seller and PayLink Direct, Seller hereby assigns its right, title, and interest in this Agreement to PayLink Direct, at 222 S. Riverside, Suite 950 Chicago, IL 60606.

Frequently Asked Questions

Where Can I Take My Vehicle For Repairs?

You can take your vehicle to any ASE licensed repair facility, franchise dealership, or national chain such as Pep Boys, Midas, Goodyear or Firestone. Go to www.ASE.com to locate an ASE service center near you.

**What Do I Do If I Find Errors In The Information Printed In This Packet?**

Please contact our customer service team immediately at 877-CARCHEX and we are happy to assist you.

What Are My Maintenance Requirements For My Vehicle?

All vehicle service contracts sold by CARCHEX require that, at a minimum, the factory maintenance plan must be followed. Please take a moment to review all maintenance requirements included in the service contract portion of this packet.

Can A Service Contract Be Canceled?

We want you to be fully satisfied with every purchase from CARCHEX. If you are not satisfied for any reason with the contract that you have purchased, you may contact CARCHEX within 30 days for a full refund of the purchase price. You must contact CARCHEX and submit the required form within 30 days of your purchase date to ensure full credit. Requests for cancellations received beyond the 30 days are subject to the terms of the enclosed Service Contract.

About CARCHEX

CARCHEX is one of very few Extended Vehicle Protection companies who have earned accreditation from the Better Business Bureau (BBB). CARCHEX has also earned an A+ rating with the BBB and has been helping automotive consumers protect their vehicles for more than a decade. CARCHEX is endorsed by Pat Goss of PBS's popular automotive series MotorWeek. Pat only endorses companies he has purchased from himself and that meet his very high consumer advocacy standards. CARCHEX also ranked on the 2009-2011 Inc. 500/5000 as one the fastest growing private companies in the United States.



Did You Know?

On average, one in three people will be involved in a drunk driving crash in their lifetime.

That's why at CARCHEX, we are very proud to announce our partnership with MADD. As partners, our goal is to positively affect change in our community, heighten awareness in road safety, and help teach responsible decision making. "We hope that this partnership helps to bring us one step closer to putting an end to drunk driving," said Jason Goldsmith, CARCHEX's CEO. As part of the partnership, CARCHEX will offer exclusive benefits and discounts on all their products and services. For more information, please visit: www.carchex.com/madd.

About MADD:



Founded by a mother whose daughter was killed by a drunk driver, Mothers Against Drunk Driving® (MADD) is the nation's largest nonprofit working to protect families from drunk driving and underage drinking.

MADD also supports drunk and drugged driving victims and survivors at no charge, serving one person every 8.6 minutes through local MADD victim advocates and at 1-877-MADD-HELP. Learn more at www.madd.org or by calling 1-877-ASK-MADD.

If you or someone you love has been affected by a drunk driver, MADD is here to help. Services are available 24 hours a day, every day of the year through our Victim/Survivor Help Line 877.MADD.HELP.

Drunk Driving Statistics:

Almost every 90 seconds, a person is injured in a drunk driving crash.



An average drunk driver has driven drunk at least 80 times before a first arrest.



On average, 1 in 3 people will be involved in a drunk driving crash in their lifetime



In 2012, 10,322 people died in drunk driving crashes — one every 51 minutes.



In 2014, CARCHEX will donate \$20,000 to Mothers Against Drunk Driving in support of their efforts to eliminate drunk driving, support the victims of this violent crime, and prevent underage drinking. More information available at www.madd.org or by calling 1.877.ASK.MADD.



Maintenance Log

Use this to record service information. Keep all receipts for repairs and maintenance completed on your vehicle.

Vehicle Maintenance Tips by Pat Goss

Maintain Your Car

Extended Vehicle Protection Plans can save car owners a substantial amount of money, but purchasing a plan does not magically absolve you from maintaining your vehicle. You are expected to still get all the regular maintenance that is suggested by the owner's manual: oil changes, filter changes, tire rotations, and all the other services that help to keep your car running smoothly. You cannot ignore these important requirements because without them your car will run poorly. If you read your plan paperwork you will probably also discover that you are expected to maintain your vehicle in a certain manner in order for your coverage to remain valid. If you take your car in to see a mechanic and it is obvious that you have been neglecting your responsibilities as a car owner and also running your car into the ground, your claim may be denied. This certainly does not mean that getting an oil change a couple of hundred miles late will suddenly cancel your coverage plan, but it does mean that you shouldn't take your car out to a car crash derby on the weekends and then expect your coverage plan to cover the repairs.

Finding Service

Many car owners cringe at the thought of service contracts because they envision restrictive service options when the time comes to fix a problem. Many people are quite particular about where they get their car serviced, and they certainly don't like the idea of being told which mechanics or auto shops to take their cars to. Buying Extended Vehicle Protection from CARCHEX.com does not suddenly limit the places that you can take your car for service. You can continue to take your car to the dealership, the quick repair shop down the road, or to the mechanic who has been servicing your vehicles since you were 16 years old. The only difference is that you're not the one paying for the repairs because they are covered by the coverage plan you purchased. The repair shop deals directly with the claims administrator to ensure prompt payment.

Save By Flushing

Modern automatic transmissions had very humble beginnings back in 1904 with a clunky centrifugal unit from the Sturtevant brothers of Boston. Over the years automatic transmissions have evolved into reliable, economical and fun to drive units that work through a series of sensors and an onboard computer to mastermind their decisions. In 1970 the average price of a new car was \$3900 today the price of a transmission can easily exceed that! So with replacement cost so high and prevention so cheap transmission maintenance makes a lot of sense. Today a proper transmission service is flushing, which dramatically extends transmission life. During this process the car is connected to a transmission flush machine and every drop of fluid that circulates back into the transmission first passes through a bank of highly efficient fluid filters. The filters trap all the bad stuff to keep it from reentering the transmission and causing wear. Ideally a flush should be done every two years or 24,000 miles because clean fluid in a clean transmission means longer life. Nothing lasts forever, all fluids wear out and when the fluid wears out the transmission soon follows. Finally beware of shops that sell you a fluid exchange and call it a flush. A fluid exchange is quick and highly profitable for the shop but a waste of your money. Fluid exchanges can be done right in the service lane in about half an hour where a flush requires about an hour and a half.



**Pat Goss of TV's MotorWeek,
America's Trusted Mechanic
and CARCHEX Spokesman**

Understand the maintenance needs of your vehicle, find a repair shop, get the proper service, and maximize your automotive investment in Goss' Garage.



CARCHEX wants to give you hundreds of dollars

Earn \$50 for every person your refer who purchases Extended Vehicle Protection from CARCHEX

It's like money in the bank!

For details call 877-CARCHEX



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www.youtube.com/carchex



blog.carchex.com



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