

GOOD SAM EXTENDED SERVICE PLAN TERMS AND CONDITIONS

I. IMPORTANT TELEPHONE NUMBERS

If You need assistance for customer service matters such as sales, payments, or cancellations please call the customer service telephone number at 1-800-895-3060.

For all claim related matters please call 1-888-861-8697.

II. AGREEMENT

The Declaration Page and Good Sam Extended Service Plan Terms and Conditions make up the entire Agreement (the "Agreement") between You and Us regarding the **Coverage** and related benefits for Your **Approved Vehicle**. This Agreement begins on the **Effective Date** and ends on the **Expiration Date** or when the **Expiration Mileage** has been reached on the **Approved Vehicle** Odometer, whichever occurs first.

III. DEFINITIONS

Throughout this Agreement, the words "You" and "Your" refer to the named Agreement holder as shown in the declaration page. This Agreement is between QBE Administration Services, Inc. (the Obligor) and You. The words "We", "Us" and "Our" refers to the Obligor providing this Agreement. Other words and phrases that appear in bold face type have special meaning. They are defined as follows:

1. **Administrator** means QBE Administration Services, Inc. You may contact the **Administrator's** office at any time for coverage questions or receive assistance in filing a claim at 1-888-861-8697, P.O. Box 372790, Denver, CO 80237-9714.
2. **Approved Vehicle** means the vehicle identified by the **VIN** in the Declaration Page.
3. **Coverage** means the **Coverage You** selected for the **Approved Vehicle** as fully described under Section V. **COVERAGES**.
4. **Covered Part:** If You purchased the Silver Coverage the **Covered Parts** are the parts installed at the time of the manufacturing of the **Approved Vehicle** that are specifically listed after each component group heading of the **Coverage** plan purchased. Any part not listed on the **Coverage You** purchased is not covered, regardless of the cause for its failure.
If You purchased the Gold Coverage, all parts installed at the time of the manufacturing of the **Approved Vehicle** are covered, except for those parts and services found in Section VII. **EXCLUSIONS** of this Agreement. Repairs needed to a non-covered part caused by the **Mechanical Breakdown** of a **Covered Part** will also be covered under the Gold Coverage, unless other exclusions apply.
5. **Deductible:** The amount shown in Section B of the Declaration Page for which You are responsible to pay to the repair facility in the event of a claim being covered by this Agreement. This does not include any non-covered repairs or expenses which You will be responsible for.
6. **Effective Date** means the date on which Your Agreement will become effective, for the **Coverage You** have selected.
7. **Emergency Repair** means a necessary repair to Your **Approved Vehicle** at a state licensed repair facility when the **Administrator's** offices are closed.
8. **Expiration Date** means the date shown on the Declaration Page that will cause this Agreement to expire, even if the **Expiration Mileage** has not been reached.
9. **Expiration Mileage** means the maximum total mileage indicated on the **Approved Vehicle's** odometer that will cause this Agreement to automatically expire, even if the **Expiration Date** has not been reached.
10. **Mechanical Breakdown** means the failure of a **Covered Part** to perform its intended function due to defects in materials or faulty workmanship in its manufacturing. This does not include the normal reduction in operating performance of a **Covered Part** due to normal wear and tear, including parts in which wear tolerances that are outside the manufacturer's specifications are exceeded that are not due to defect in material or faulty workmanship in the manufacturing of a **Covered Part**. (Please refer to Section VII. **EXCLUSIONS** for other exclusion that may apply). Leaks of a **Covered Part** will only be considered a **Mechanical Breakdown** if it is an active leak to a drip. **Seepage and/or buildup is considered normal and will not be covered.**
11. **Retail Value of the Vehicle** means the retail value of the **Approved Vehicle** at the time of repair or service, as determined by J.D. Power, (<https://www.jdpower.com/cars>), taking into consideration the location, mileage and condition of the **Approved Vehicle**.
12. **Vehicle Identification Number (VIN)** means the seventeen alpha-numeric identifiers assigned to a motor vehicle by the manufacturer.

IV. HOW TO MAKE A CLAIM

1. If the **Approved Vehicle** is inoperable, and to prevent any further damage, immediately stop the **Approved Vehicle** and call for towing or roadside assistance. It is Your responsibility to use all reasonable means and precautions to protect the **Approved Vehicle** from further damage. Continued operation of the **Approved Vehicle** after any **Mechanical Breakdown** shall constitute failure to protect the **Approved Vehicle**. Any damage from failure to protect the **Approved Vehicle** shall not be recoverable.
2. Prior to starting repairs, the repair facility must contact the **Administrator's** claims office at 1-888-861-8697 with diagnosis and estimate of repairs. If You experience an **Emergency Repair** when a covered **Mechanical Breakdown** occurs when the **Administrator's** office is closed, You must have the repair facility contact the **Administrator** during the next two business days. Failure to contact the **Administrator** and report the claim within the next two business days may result in nonpayment (see Section VII. **EXCLUSIONS**).
3. You must authorize Your chosen state licensed repair facility to inspect and diagnose the **Mechanical Breakdown**, as necessary, to determine the cause of failure and the cost of parts and labor to repair. IMPORTANT: You must call the **Administrator** prior to any engine or transmission disassembly. You are responsible for the cost of disassembly in the event the **Mechanical Breakdown** is NOT payable under this Agreement (see General Agreement Exclusions).
4. If requested, permit inspection of the **Approved Vehicle** by the **Administrator** BEFORE repairs are performed.
5. Upon request, provide proof of maintenance (see VI. **YOUR RESPONSIBILITIES**).
6. You must pay the **Deductible** and any other non-covered expenses as applicable.
7. Payment for covered **Mechanical Breakdowns** will be made to either the repair facility or You in accordance with Agreement provisions within thirty (30) days after receipt of the repair order. Repair orders must be received by the **Administrator** within ninety (90) days of completion of repairs and the repair order must be signed by You. Failure to sign repair order may cause delays in processing Your claim.

Claims mailed in without prior authorization from the **Administrator** will be denied.

V. COVERAGES

1. Silver Coverage

If You elected the Silver Coverage, the following parts listed after each component group heading are covered:

Engine: Engine block; cylinder head; rotor housing (rotary engine); oil pan; valve cover; timing cover; all internally lubricated parts contained within the engine block, cylinder head, or rotor housing; oil pump; timing chain, timing chain gears and timing chain tensioners; timing belt and timing belt tensioner;

balance belt; variable valve camshaft actuator (**not the variable valve solenoid**); intake and exhaust manifolds (**If the catalytic converter is permanently attached to the exhaust manifold, the exhaust manifold will not be covered if the mechanical breakdown is the catalytic converter.**); harmonic balancer; engine mounts; water pump; flywheel or flexplate.

Transmission, transaxle and transfer case: Case housings, housing covers and pans; all internally lubricated parts contained within the housings; torque converter; viscous couplings; vacuum modulator; transmission mounts; transfer case shift/encoder motor; transmission/transaxle range position sensor/switch.

Drive axle (includes FWD, 4WD and AWD vehicles): Front and rear drive axle housings and covers; all internally lubricated parts contained within the drive axle housings; axle shafts; constant velocity joints and boots; driveshafts; universal joints; flex discs; driveshaft center support bearing; driveshaft yokes; 4WD engagement actuators and motors; 4WD manual locking hubs.; all seals and gaskets forth.

Air and Fuel System: Fuel pumps; supercharger/turbocharger housing and all internal parts of the housings (**does not include wastegates or other attaching parts**).

Odometer & Speedometer: Odometer and speedometer and their cables and connectors.

Steering: Steering gear assembly; rack and pinion housing all internally lubricated parts contained within the housing; power steering pump and it's reservoir; seals and gaskets for the steering gear assembly and the rack and pinion housing; power steering pump pulley; steering column shafts, their couplings and bearings; tie rod ends; pitman arm, idler arm, and all other steering linkages; power steering metal lines.

Front Suspension: MacPherson struts; upper and lower control arms; control arm shafts and bushings; upper and lower ball joints; Front wheel hub and bearing; steering knuckles and spindles; stabilizer bar, stabilizer bar bushings and links; coil springs; torsion bars.

Brakes: Master cylinder, vacuum or hydro booster; calipers; wheel cylinders; equalizer and distributing valves, proportioning valve.

Interior Climate Control: A/C Compressor, compressor clutch and it's pulley; accumulator; receiver dryer; evaporator; condenser; serpentine belt tensioner and idler pulley; expansion valve; orifice tube; A/C pressure switches, blower motor and blower motor resistor.

Electrical – Alternator; voltage regulator; starter motor; starter solenoid; manually operated electrical switches; ignition switch; wiper motors; electronic ignition control module; radiator fan relay; wiring harnesses; and electrical components of a heated back glass defroster. **NOTE: Heated back glass coverage is for electrical components only and does not include general glass or other physical damage.**

Seals and Gaskets: Seals and Gaskets are covered for those listed parts in this section.

2. Gold Coverage

If You elected the Gold Coverage, all parts installed at the time of the manufacturing of the **Approved Vehicle** are covered, except for those parts and services found in Section VII. **EXCLUSIONS** section of this Agreement. Repairs needed to a non-covered part caused by the **Mechanical Breakdown** of a **Covered Part** will also be covered under the Gold Coverage as long as no exclusions apply.

3. Additional Benefits of the Agreement

Car Rental:

If Your **Approved Vehicle** becomes inoperative due to a **Mechanical Breakdown** that is covered by this Agreement or any repair being covered under a manufacturer's warranty, We will pay for Car Rental reimbursement up to \$60 per day, not to exceed 5 days for a total of \$300 for any one (1) period. Car Rental will be based on the number of labor hours approved for the **Mechanical Breakdown** repair. Each eight (8) hours or portion thereof of approved labor counts as one (1) day Car Rental. In the event the **Approved Vehicle** requires an inspection by Us, We will pay up to an additional two (2) days Car Rental. Car Rental is not provided for delays because of shop scheduling or for work not covered by this Agreement. Car Rental will be reimbursed only upon receipt of an invoice from a licensed car rental agency. This benefit applies only if there is no **Trip Interruption** benefit being applied.

Trip Interruption: For this Benefit to apply, the covered **Mechanical Breakdown** must have occurred 100 miles or further from Your residence and requires You to stay in the location where the covered **Mechanical Breakdown** occurred. You will be reimbursed for up to ten (10) days of (receipted) costs for meals, lodging and car rental (this car rental is not to be combined and is not in addition to the **Car Rental** benefit) with the expense incurred by You and Your family while staying at a hotel/motel or campground that is due to a covered **Mechanical Breakdown** which has caused a delay en-route to Your destination. To qualify for this benefit, You must not be able to utilize Your **Approved Vehicle** due to a covered **Mechanical Breakdown** covered under this Agreement. The covered period will begin on the date of the **Mechanical Breakdown** and one (1) day of travel benefits will be paid for each eight (8) hours, or portion thereof, of authorized labor time required to complete the repairs. Up to two (2) days will be added in the event the **Approved Vehicle** requires an inspection by Us to determine if repairs are covered under this Agreement. No travel benefits will be paid for delays that may be caused repair facility scheduling or things such as part delays, shipments, or holidays and weekends. Expenses will be reimbursed up to \$150.00 per day for meals and lodging and up to \$60.00 per day for rental car costs.

VI. YOUR RESPONSIBILITIES

To obtain coverage or reimbursement under this Agreement, You must: (i) properly operate the **Approved Vehicle** and (ii) provide proof of scheduled maintenance services. Proof of scheduled maintenance services includes maintenance records that show mileage, date of maintenance service, VIN and the maintenance that was performed.

Scheduled maintenance service requires periodic service checks based on mileage and/or time intervals based on the year, make and model of Your **Approved Vehicle**. Please review the Owner's Guide for **Approved Vehicle** for Your scheduled maintenance service requirements. If You perform Your own scheduled maintenance services, You must maintain a log including date, mileage and description of each maintenance service and provide corresponding receipts for purchases of parts and fluids. **Covered Parts** that require replacement at certain time and/or mileage intervals are not covered due to scheduled maintenance service requirements. In the event a **Covered Part** was not replaced at its prescribed replacement interval it will not be covered in the event a **Mechanical Breakdown** occurs.

VII. EXCLUSIONS

This Agreement Excludes the Following:

1. Any claim submitted without the authorization of the Administrator prior to starting any repairs. (see IV. HOW TO MAKE A CLAIM). Mail in claims without receiving prior authorization will not be accepted.
2. Any Mechanical Breakdown or damage resulting from continued operation, such as not stopping Your Approved Vehicle immediately or having it towed or caused by Your failure to take reasonable precautions to prevent further damage when an apparent problem exists (see IV. HOW TO MAKE A CLAIM).
3. The repair or replacement of any Covered Part if a Mechanical Breakdown has not occurred.
4. Any costs incurred for diagnostics or disassembly work if a Mechanical Breakdown is not covered by this Agreement (see XI. PAYMENT OF COVERED REPAIRS).
5. Any preexisting conditions (a condition that already existed on the Approved Vehicle when You purchased Your Agreement) or any Mechanical Breakdown occurring prior to the Effective Date of the Agreement, whether it be known or unknown.
6. Any repair or replacement of a Covered Part that has failed due to normal wear and tear and not due to a defect in material or faulty

workmanship in the manufacturing of a Covered Part.

7. Repair or replacement of an engine due to oil consumption, loss of compression or misfires (which may cause a check engine light), if the only problem is due to normal wear and tear such as worn piston and/or piston rings, lining up of piston rings, worn engine block, worn valves or valve guides, or carbon/sludge build up on these parts.
8. Any environmental surcharges, waste disposal fees, shop supplies, and other similar miscellaneous charges.
9. For Silver Coverage: Any part that is not listed for coverage is not covered, regardless of the cause of the failure of that part. There is no consequential coverage for non-covered parts that are damaged due to the failure of a covered part.
10. For Gold Coverage: Consequential damages will be covered as long as no other exclusions apply.
11. Any non-covered parts or services, including but not limited to, the performance of normal maintenance services as set forth in the owner's guide for the Approved Vehicle, scheduled replacement of parts and wear items, and parts and services such as: adjustments of any type unless required with a repair being covered by this Agreement; all rubber, plastic and metal lines, hoses and tubes; fittings and connectors for lines, hoses and tubes; spark plugs; tune-ups; fan, engine, and serpentine belts; all filters; oil drain plug and oil filter housing caps and covers; glow plugs; engine block plugs (also called Welch or freeze plugs); adjustments to carburetors or fuel injection systems; complete exhaust systems including catalytic converters and particulate filters; brake rotors; brake drums; brake shoes; brake pads; brake springs and other brake mounting hardware; all batteries; external charging stations or systems; battery cables and connectors; fuses and circuit breakers; clutch slave and master cylinder; clutch disc, pressure plate, throw-out (release) bearing, dry clutch assemblies for automatically shifted manual transmissions, and pilot bearings; body and frame mounts; wheel alignments; wheel balance; tires, wheels and rims; flushing or cleaning of any system; wiper blades and arms; clamps; attaching hardware; grommets; glass; mirror glass; body parts; body and glass seals; paint/trim; soft trim; moldings; bright metal and chrome; door and window weather stripping; upholstery; fabric; convertible top frames and upholstery; electronic device software; digital video and compact audio discs; all HID, LED, halogen bulbs and standard incandescent bulbs; headlight, taillight, turn light and all other all other lighting assemblies; freight and core charges; any part that was not originally installed by the manufacturer; oil, coolant, additives, and refrigerants or other fluids, except when required in conjunction with the repair of a Covered Part (this is limited to necessary amounts required to refill the system one (1) time for the repair of the Covered Part); nuts, bolts, and fasteners except when required to complete a covered repair on a Covered Part.
12. Any part that a repair facility or manufacturer recommends or requires to be repaired, replaced, or is an update (including updated software or programming), and is not a Mechanical Breakdown. This includes modifications, replacement or alteration of existing parts or systems necessitated by the replacement of an obsolete, superseded, or unavailable part, and improper maintenance or repair.
13. Any Mechanical Breakdown or damage resulting from misuse; abuse; negligence; damage due to overcharging; jump starting; allowing an electric or hybrid drive vehicle's high voltage drive battery to reach zero or near zero; exposing the Approved Vehicle to temperatures above 120 degrees Fahrenheit over 24 hours or -13 degrees Fahrenheit for over 7 days; use of any electric or hybrid vehicle charger not recommended by the manufacturer.
14. Any Mechanical Breakdown or damage resulting from collision or upset; fire or smoke; theft or attempted theft; vandalism; riot or civil commotion; acts of war or invasion; terrorism; explosion; lightning; earthquake; freezing; rust or corrosion; windstorm; hail; water or flood; acts of God; salt; pollution or contamination; environmental and road hazard damage; chemical or nuclear incident; ionizing radiations or contamination by radioactivity from any irradiated nuclear fuel or from any other external cause.
15. Any Mechanical Breakdown caused by a lack of required maintenance as set forth under Section VI. YOUR RESPONSIBILITIES; contaminants or contaminated fluids, fuel, coolants, oils, and lubricants; foreign objects; improper amounts or types of lubricants, fuels, or coolants; sludge and/or varnish.
16. Any loss or expense that is a direct result of a mechanical or structural defect for which a manufacturer has announced a recall or other announcement for the purpose of correcting a defect, or the repair of any part covered by the Federal Emission Warranty, whether collectable or not.
17. Any vehicle that currently has or at any time has had an altered, or inoperative odometer that has been left unrepaired, whether such repair is covered by this Agreement or not.
18. Any vehicle modified or altered with, but not limited to, high performance, off-road equipment, and/or battery/electrical system that is not original factory equipment, done before or after the Effective Date of this Agreement. Any vehicle used for any type of competitive driving or racing.
19. Any vehicle that is used or equipped with any of the following: Any tire or wheel sizes and/or offsets not recommended by the manufacturer. Any vehicle equipped with a lift kit or has any parts that are used to lift a vehicle or its suspension.
20. Mechanical Breakdown or failure as a result of spinning of tires or over revving.
21. Any vehicle used for pulling a trailer, unless the vehicle was properly equipped beforehand for this purpose as recommended by the manufacturer.
22. Any vehicle that is reconstructed from salvage; declared a total loss; is a manufacturer or Dealer buyback; declared a lemon; the vehicle identification number has been changed or altered; or if the original manufacturer's warranty has been voided for any reason.
23. Any loss or expense if Your Approved Vehicle is used for the following: Any commercial or business use (full or part time), taxi, livery or ride share services; municipal, volunteer or professional emergency services; fleet or pool services; towing a trailer whose weight exceeds the manufacturer's recommendations for that vehicle or is used for any snowplowing.
24. Any vehicle that has the following characteristics: step-van; high-cube van; box body; cab and chassis or other incomplete vehicle; right hand steering; any vehicle that has business related equipment permanently mounted to the chassis or bed of the vehicle; or that have special bodies designed for construction, hauling or delivery.
25. Any vehicle not originally manufactured to be sold in the U.S. meeting U.S. specifications, commonly known as a gray market vehicle.
26. Our liability for incidental and consequential damages including, but not limited to, personal injury, physical damage, property damage, loss of use of Your Approved Vehicle, loss of time, inconvenience, and commercial loss resulting from the operation, maintenance, or use of Your Approved Vehicle is expressly excluded.
27. Any Mechanical Breakdown covered by any limited warranty, manufacturer's warranty, manufacturer's and/or dealer customer assistance program, repairer's guarantee, road club, or any other guarantee, warranty, or insurance policy, whether collectible or not. It is Your responsibility for making sure that all remaining manufacturer's original warranties are transferred to You.
28. Loss, damage, cost, expense, or any other sum payable under this Agreement of whatsoever nature directly or indirectly caused by, resulting from or in connection with:
 - (a) any actual or threatened unauthorized, malicious, or criminal act, or series of actual or threatened unauthorized, malicious, or criminal acts, or any hoax relating to any of these;

- (b) any failure to act, error, omission or accident or series of related failures to act, series of related errors, series of related omissions or series of related accidents; or
- (c) partial or total unavailability or failure, or series of related partial or total unavailability or failures, involving or affecting the use or operation of, access to, or the processing of any computer, hardware, software, data, information technology and communications system, electronic device, server, cloud or microcontroller including any similar system or any configuration of the aforementioned, and including any associated input, output or data storage device.
29. We shall not provide cover nor be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose Us or any member of Our group to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

VIII. LIMIT OF LIABILITY

This Agreement is limited to the repair or replacement of a failed Covered Part, due to a covered Mechanical Breakdown, only to restore the Approved Vehicle to the same or like condition prior to the Mechanical Breakdown. The aggregate total of all claims paid will not exceed the Retail Value of the Approved Vehicle at the time of a current claim. Once this limit has been reached no further claims will be payable. Renewing or extending the Coverage Term does not change the Limit of Liability.

IX. PARTS REPAIR AND REPLACEMENT

Replacement of parts shall be made with parts of like kind and quality, which may include new, remanufactured, rebuilt, refurbished, reconditioned, or used parts. Aftermarket parts that meet original equipment specification may also be used. At times it may be necessary to request repair facilities to send out parts for refurbishing at special facilities. You may also request a betterment offer in which You may pay the difference between the part We will authorize and part You wish to use (Example: We will authorize a rebuilt part but You wish to use a new part. We will pay the amount that We would authorize towards the new part and You will pay the difference.)

X. REPAIRERS GUARANTEE

Any repair facility repairing Your Approved Vehicle for a Mechanical Breakdown covered by this Agreement is fully responsible for that repair for the term of the warranty indicated on the repair order (minimum ninety (90) days). This Agreement has no liability for similar repairs to the same part(s) during the warranty period. If more than one mechanical breakdown contract or insurance policy can be applied to a Mechanical Breakdown covered by this Agreement, then this Agreement shall be excess over all other contracts or policies, regardless of collectability.

XI. PAYMENT OF COVERED REPAIRS

After taking into consideration Your Deductible, We will pay for the reasonable cost or reimburse You for the reasonable cost to repair a covered Mechanical Breakdown (diagnostic and repair time are allowed only for Covered Repairs and as indicated in a current edition of a Mitchell or AllData labor guides, or in the event there is a Technical Service Bulletins (TSB) We will use that published time listed on the TSB.), when repaired by a state licensed repair facility or, if necessary, We will arrange for the repair of such covered Mechanical Breakdown at Our expense. The payment of sales tax on Covered Repairs will be made in accordance with the regulations of the taxing authority in the state where Your Approved Vehicle is being repaired. Payment of covered Mechanical Breakdowns will only be released upon the receipt of a verifiable invoice signed by the Agreement holder shown on the Declaration Page or the person to whom this Agreement was properly transferred, indicating that the authorized repairs were properly performed and completed. Failure to sign the repair order may cause delays in processing Your claim. In the event We will be reimbursing You for repairs, reimbursement will be made via electronic fund transfer and We will contact You with instructions for this.

XII. DEDUCTIBLE

The deductible is the amount stated on the Declaration Page that You must pay for each repair visit.

XIII. GENERAL PROVISIONS

1. Dispute Resolution & Arbitration

Any controversy or claim arising out of or relating to this Agreement or the breach thereof, may be settled by mutually agreed upon arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association and judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction thereof. Unless both parties agree otherwise, arbitration will take place in the county in which the address shown in the Declarations is located. Local rules of law to procedure and evidence will apply.

2. Fraud or Misrepresentation

This Agreement is issued in reliance upon the truth of all representations made by You. We will not pay a claim where You have made any misrepresentations, omissions, concealment of fact or made incorrect statements that were fraudulent or are material in either Our acceptance of the risk or hazard from the Agreement holder:

3. Transferability

You may transfer the remaining coverage of the Approved Vehicle under this Agreement, if You or the transferee of this Agreement initiates the transfer process and provides the following items to Us, within thirty (30) days of the Approved Vehicle sale:

- (i) a statement of the mileage on the Approved Vehicle at the time of transfer; and
- (ii) the name, address and phone number of the transferee.

You may not transfer coverage if the Approved Vehicle becomes ineligible for coverage or is repossessed. Transferred Agreements may not be cancelled by You.

4. Legal Action Against Us

No suit or action may be brought against Us unless there has been full compliance with all terms of this Agreement.

5. Right to Recover

If anything is paid under this Agreement and You have the right to recover from another party, Your rights became subrogated to Us up to the amount paid. You must do whatever is necessary to enable Us to enforce these rights.

6. No Benefit to Bailee

We do not cover, directly or indirectly, any person or organization transporting or holding property for a fee.

7. Non-Renewal

We are under no obligation to renew this Agreement. Once We choose to non-renew this Agreement or condition its renewal upon changes of limits or elimination of any Coverages, We shall mail or deliver written notice to You at least thirty (30) days before the end of the Agreement's Expiration Date. The notice of non-renewal or conditional renewal shall include the reason for non-renewal or conditional renewal, which may be based on Your involvement in an accident, a change in, or addition of, a vehicle or an insured; a change in the location of the use or storage of the Approved Vehicle, payment of claims filed by You or someone else, or other reasons that are both lawful and not unfairly discriminatory.

8. Entire Agreement

This Agreement represents the entire agreement between You and Us. No person has the authority to change this Agreement or to waive any provisions.

9. Territory

This Agreement applies to a **Mechanical Breakdown** occurring within the United States of America or Canada.

XIV. CANCELLATION AND REFUNDS

1. Cancellation

(a) **You** may cancel this Agreement by returning it to **Us**; or by notifying **Us** by phone or in writing when, at a future date, cancellation is to take effect.

(b) **We** may only cancel this Agreement for the following reasons:

- (i) Nonpayment of premium.
- (ii) Fraud by **You**.
- (iii) Material misrepresentation by **You**.
- (iv) Gross negligent acts or omissions by **You** which substantially increase the hazards insured against; or
- (v) Physical changes in the property causing it to be uninsurable.

If **We** cancel due to nonpayment of premium, **We** will give **You** at least ten (10) days advance written notice. If **We** cancel because of fraud or material misrepresentation by **You**, **We** will give **You** at least twenty (20) days written notice. If **We** cancel for any other reason, **We** will give **You** at least thirty (30) days advance written notice. Notice of cancellation shall state the reason for cancellation. Proof of mailing will be sufficient proof of notice.

A lienholder or financier of this Agreement, if any, may cancel this Agreement for nonpayment or if the **Approved Vehicle** is declared a total loss or is repossessed by providing written notice of cancellation at least ten (10) days before the effective date of cancellation. If the Agreement is canceled for any of these reasons, any refunds will be issued to the lienholder on behalf of **Your** account.

2. Refunds

If **We** receive a cancellation request on or before the 30th day from the **Signature Date** or **Effective Date** and no claims have been filed under this Agreement, **We** will cancel this Agreement and refund any premium paid either to **You**, or if there is a lienholder or financier, back to the lienholder or financier.

If **We** receive a cancellation request after the 30th day or if a claim has been filed at any time during the term of this Agreement from the **Signature Date** or **Effective Date**, **We** will refund **Your** premium on a pro rata basis either to **You**, or if there is a lienholder or financier, back to the lienholder or financier, less an administrative fee of \$50.00.

Requests for cancellations may be received by phone by calling 1-800-895-3060 or in writing to P.O. Box 6904, Englewood, CO 80155.

XV. AGREEMENT INSURED BY

This Agreement is not an insurance policy. However, **We** have an reimbursement insurance policy in effect with QBE Insurance Corporation, Policy Number: QAS00001, P.O. Box 372390, Denver, CO 80237-9714, 1-888-861-8697. **You** are entitled to make a direct claim against QBE Insurance Corporation, upon **Our** failure to perform under the Agreement within sixty (60) days after the repair order has been filed with **Us**. QBE Insurance Corporation, which issued the reimbursement insurance policy, shall pay on behalf of **Us** any sums **We** are legally obligated to pay or shall provide the service which **We** are legally obligated to perform according to **Our** contractual obligations under the Agreement issued or sold by **Us**.

XVI. STATE SPECIFIC PROVISIONS

This Agreement is amended, and the language below governs if **You** purchased this Agreement in the state listed below:

ALABAMA:

Dispute Resolution & Arbitration

Any controversy or claim arising out of or relating to this Agreement or the breach thereof, may be settled by mutually agreed upon arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association and judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction thereof. The arbitration shall be held in the county in which the contract holder lives and in the state of Alabama.

Cancellation by You: **You** may cancel this Agreement by returning it to **Us**; or by notifying **Us** in writing when, at a future date, cancellation is to take effect. If **You** cancel after thirty (30) days, an administrative fee, not to exceed \$25.00, will be charged by **Us**.

Cancellation by Us: If **We** cancel this Agreement, **We** shall mail to **You** written notice stating the reason and effective date of cancellation, at **Your** last known address, at least five (5) days prior to cancellation. However, if **We** cancel for nonpayment or material misrepresentation relating to the **Approved Vehicle** or its use, no prior notice is required.

Refunds: If **You** have not received **Your** refund amount within forty-five (45) days of **Your** cancellation request, **You** are entitled to receive ten percent (10%) of the refund amount outstanding for every month that the refund is delayed.

ALASKA:

INSURER GUARANTEE: Should QBE Administration Services, Inc. fail to pay any valid claim within thirty (30) days after proof of loss has been filed, **You** are entitled to make a direct claim against QBE Insurance Corporation.

Paragraph 7. under IV. **HOW TO MAKE A CLAIM** is deleted and replaced with the following:

7. Payment for covered **Mechanical Breakdowns** will be made to either the repair facility or **You** in accordance with Agreement provisions within thirty (30) days after receipt of the repair order.

Paragraph 29. under section VII. **EXCLUSIONS** is deleted in its entirety.

X. **REPAIRERS GUARANTEE** is deleted in its entirety and replaced with the following:

Any repair facility repairing **Your Approved Vehicle** for a **Mechanical Breakdown** covered by this Agreement is fully responsible for that repair for the term of the warranty indicated on the repair order (minimum ninety (90) days). This Agreement has no liability for similar repairs to the same part(s) during the warranty period.

Paragraph 1. **Dispute Resolution & Arbitration** under **GENERAL PROVISIONS** is deleted in its entirety and replaced with the following:

1. **Dispute Resolution & Arbitration**

The parties to this Agreement have the ability to resolve a dispute over the value of a covered loss without the need to go to court. If **You** and **We** fail to agree on the amount of a covered first party loss, either may make written demand upon the other to submit the dispute for appraisal. Within ten (10) days of the written demand, **You** and **We** must notify the other of the competent appraiser each has selected. The two appraisers will promptly choose a competent and impartial umpire. Not later than fifteen (15) days after the umpire has been chosen, unless the time period is extended by the umpire, each appraiser will separately state in writing the amount of the loss. If the appraisers submit a written report of agreement on the amount of the loss, the agreed amount will be binding upon **You** and **Us**. If the appraisers fail to agree, the appraisers will promptly submit their differences to the umpire. A decision agreed to by one of the appraisers and the umpire will be binding upon **You** and **Us**. All expenses and fees, not including counsel or adjuster fees, incurred because of the appraisal shall be paid as determined by the umpire.

XIV. CANCELLATION AND REFUNDS is deleted in its entirety and replaced with the following:

- (a) The Agreement must allow **You** to cancel the Agreement not later than 30 days after the date that the Agreement was delivered to **You**. If **You** return the Agreement to **Us** within the applicable time period and a claim has not been made under the Agreement before the Agreement is returned to **Us**, the Agreement is void, and **We** shall refund the full amount of the provider fee to **You** or credit **Your** account not later than 45 days after the return of the Agreement to **Us**. If **We** do not pay or credit a refund owed under this subsection not later than 45 days after **You** return the Agreement, a penalty in the amount of 10 percent of the provider fee paid by **You** for each month the refund remains unpaid shall be added to the refund.
- (b) After the time specified in (a) of this section, or if a claim has been made under the Agreement within that time, **You** may cancel the Agreement, and **We** shall refund to or credit **Your** account the prorated amount of the unearned provider fee, less any claims paid, not later than 45 days after the return of the Agreement to **Us**. If **We** do not pay or credit a refund owed under this subsection not later than 45 days after **You** returns the Agreement, a penalty in the amount of 10 percent of the unearned provider fee paid by **You** for each month the refund remains unpaid shall be added to the refund. **We** may charge a reasonable cancellation fee of 7.5 percent of the unearned provider fee paid by **You**.
- (c) The Agreement shall state the terms, restrictions or conditions governing cancellation of the Agreement by **Us**. **We** may only cancel the Agreement for:
 - (i) nonpayment of the provider fee.
 - (ii) conviction of **You** of a crime having as one of its necessary elements an act increasing a hazard covered by the Agreement.
 - (iii) discovery of fraud or material misrepresentation made by **You** or a representative of **You** in obtaining the Agreement or by **You** in pursuing a claim under the Agreement.
 - (iv) discovery of a grossly negligent act or omission by **You** that substantially increases the hazards covered by the Agreement.
 - (v) physical changes in the property covered by the Agreement that result in the property becoming ineligible for coverage under the Agreement; or
 - (vi) a substantial breach of duties by **You** related to the covered **Approved Vehicle**.
- (d) **We** shall mail a written notice to **You** at **Your** last known address contained in **Our** records at least five days before cancellation by **Us**. The notice shall state the effective date of the cancellation and the reason for the cancellation. Prior notice is not required if the reason for cancellation is nonpayment of the provider fee or fraud or a material misrepresentation by **You** in obtaining the Agreement or by **You** in pursuing a claim under the Agreement. If **We** cancel the Agreement, **We** shall refund or credit to the **Your** account the prorated amount of the unearned provider fee, less any claims paid, within 45 days after the return of the Agreement to **Us**. If **We** do not pay or credit a refund owed under this subsection within 45 days after **We** cancel the Agreement, a penalty in the amount of 10 percent of the unearned provider fee paid by **You** for each month the refund remains unpaid shall be added to the refund.

XIV. AGREEMENT INSURED BY

This Agreement is not an insurance policy. However, **We** have an reimbursement insurance policy in effect with QBE Insurance Corporation, P.O. Box 372390, Denver, CO 80237-9714, 1-800-773-9980. **You** are entitled to make a direct claim against QBE Insurance Corporation, upon **Our** failure to perform under the Agreement within thirty (30) days after the repair order has been filed with **Us**. QBE Insurance Corporation, which issued the reimbursement insurance policy, shall pay on behalf of **Us** any sums **We** are legally obligated to pay or shall provide the service which **We** are legally obligated to perform according to **Our** contractual obligations under the Agreement issued or sold by **Us**.

ARIZONA:

Exclusions:

- 5. **Any claim as a result of a pre-existing conditions (a condition that already existed on the Approved Vehicle when You purchased Your Agreement) or any Mechanical Breakdown occurring prior to the Effective Date of the Agreement that can reasonably determined to have occurred prior to the Agreement purchase date or if the information provided by You is found to be deceptively inaccurate. In accordance with ARS 20-1095.06(D)(12), We may not exclude pre-existing conditions if such conditions were known or should have reasonably been known by Us or the person selling the Agreement on Our behalf.**
- 12. **Any part that a repair facility or manufacturer recommends or requires to be repaired, replaced, or is an update (including updated software or programming), and is not a Mechanical Breakdown. This includes modifications, replacement or alteration of existing parts or systems necessitated by the replacement of an obsolete, superseded, or unavailable part.**

Dispute Resolution & Arbitration: Arbitration cannot be an absolute dispute remedy and both parties must agree to arbitration. This arbitration provision does not prohibit an Arizona resident from following the process to resolve complaints under the provisions of A.R.S. §20-1095.09, Unfair trade Practices as outlined by the Arizona Department of Insurance and Financial Institutions. To learn more about this process, **You** may contact the Arizona Department of Insurance and Financial Institutions at 100 N. 15th Ave., Suite 261, Phoenix, AZ 85007-2630, Attn: Consumer Protection. **You** may directly file any complaint with the A.D.I.F.I. against a Service Company issuing an approved Service Contract under the provisions of A.R.S. §§ 20-1095.04 and/or 20- 1095.09 by contacting the Consumer Protection Division of the A.D.I.F.I. at 602-364-2499.

Cancellation and Refunds:

- (a) This Agreement may be cancelled by **You** at any time during the Agreement period. To cancel this Agreement, **You** must return this Agreement to **Your** selling provider of this Agreement or the Administrator.
 - (i) If **You** cancel during the first thirty (30) days, a one hundred percent (100%) refund of the Agreement Plan Price will be made.
 - (ii) If **You** cancel after thirty (30) days, the administration fee that **We** will charge and retain will be no more than ten percent (10%) of the amount paid by the **You** or \$50, whichever is less
- (b) **We** cannot cancel or void this Agreement due to acts or omissions of **Us** or **Our** assignees or subcontractors for their failure to provide correct information or their failure to perform the services or repairs provided in a timely, competent, or workmanlike manner. Parts or components repaired or replaced pursuant to this Agreement will not be excluded. **We** may not cancel or void this Agreement for the following: (1) pre-existing conditions that were known or that reasonably should have been known by **Us**; (2) prior use or unlawful acts relating to the product; or (3) misrepresentation by either **Us**; (4) ineligibility for the program.

CONNECTICUT:

If this Agreement's term is for less than one (1) year, **Your** Agreement will be automatically extended if **Your Approved Vehicle** is in **Our** custody for a repair.

Dispute Resolution & Arbitration: If **You** purchased this Agreement in Connecticut, **You** may pursue arbitration to settle disputes between **You** and **Us**. **You** may mail **Your** complaint to: State of Connecticut, Insurance Department, P.O. Box 816, Hartford, CT 06142-0816, Attention: Consumer Affairs. The written complaint must describe the dispute, identify the price of the product and cost of repair, and include a copy of this Agreement.

Cancellation by You: If **Your Approved Vehicle** is sold, lost, stolen, or destroyed, **You** may cancel this Agreement.

DISTRICT OF COLUMBIA (WASHINGTON D. C.):

Cancellation by Us: If **We** cancel this Agreement, **We** will mail written notice to **You** at **Your** last known address, stating the reason and effective date of cancellation at least five (5) days prior to the effective date. However, such prior notice is not required if **We** cancel for nonpayment, material misrepresentation by **You**, or a substantial breach of **Your** contractual duties relating to the **Approved Vehicle** or its use.

Refunds: If **We** fail to provide **Your** full refund within forty-five (45) days, a ten percent (10%) per month penalty shall be added to a refund not paid or credited.

FLORIDA:

Our Florida license number is #48688. The Florida Office of Insurance Regulation does not regulate the rates charged for this Agreement.

Transferability: **You** may transfer the remaining coverage of the **Approved Vehicle** under this Agreement, if **You** or if the transferee of this Agreement initiates the transfer process and provides the following items to **Us** at P.O. Box 6904, Englewood, CO 80155 within 180 days of the **Approved Vehicle** sale: a letter, signed by **You**, transferring this Agreement to the transferee; a statement of the mileage on the **Approved Vehicle** at the time of transfer; and the name and address of the transferee.

You may not transfer coverage if the Vehicle becomes a Branded Vehicle or is repossessed. Transferred Agreements may not be cancelled.

Cancellation by You: **You** may cancel this Agreement within sixty (60) days after purchase and **You** will receive a refund equal to one hundred percent (100%) of the gross premium paid by. After sixty (60) days, if this Agreement is cancelled by **You**, lender, finance company, or creditor, **We** shall return directly to **You** no less than ninety percent (90%) of the unearned pro rata premium, less any claims paid. Cancellations initiated by lenders, creditors, or finance companies are only valid if authorized by the terms of this Agreement.

Cancellation Us: After this Agreement has been in effect for sixty (60) days, **We** can only cancel this Agreement for the following reasons:

- (i) there has been a material misrepresentation or fraud at the time of sale of this Agreement.
- (ii) **You** have failed to maintain the **Approved Vehicle** as prescribed by the manufacturer.
- (iii) the odometer has been tampered with or disabled and **You** failed to repair it; or
- (iv) nonpayment of premium by **You**, in which case **We** shall mail **You** written notice of cancellation via certified mail.

GEORGIA:**VII. EXCLUSIONS:**

- 5. Any pre-existing conditions known to **You** (a condition that already existed on the **Approved Vehicle** when **You** purchased **Your Agreement**) or any **Mechanical Breakdown** occurring prior to the **Effective Date of the Agreement**.
- 7. Repair or replacement of an engine due to oil consumption, loss of compression or misfires (which may cause a check engine light), if the only problem is due to normal wear and tear such as worn piston and/or piston rings, lining up of piston rings, worn engine block, worn valves or valve guides, or carbon build up on these parts.
- 15. Any **Mechanical Breakdown** caused by a lack of required maintenance as set forth under **Section VI. YOUR RESPONSIBILITIES**; contaminants or contaminated fluids, fuel, coolants, oils, and lubricants; foreign objects; improper amounts or types of lubricants, fuels, or coolants; or varnish.
- 17. Any vehicle, while owned by **You** that currently has or at any time has had an altered, or inoperative odometer that has been left unrepaired, whether such repair is covered by this Agreement or not.
- 18. Any vehicle modified or altered with, but not limited to, high performance, off-road equipment, and/or battery/electrical system by **You** or with **Your knowledge that is not original factory equipment, done before or after the Effective Date of this Agreement**. Any vehicle, while owned by **You** used for any type of competitive driving or racing.

XII. GENERAL PROVISIONS:

- 1. **Dispute Resolution & Arbitration** is deleted in its entirety.

Cancellation by You: A ten percent (10%) penalty per month shall be added to a refund that is not paid or credited within 45 days after **You** return this Agreement. Within the first thirty (30) days, if **You** have filed a claim, **You** may cancel this Agreement and receive a full refund, less the cost of such claims paid. If **You** cancel the Agreement after the first 30 days **You** will receive a pro rata refund less claims paid less a cancellation fee of 10% of the pro rata refund amount or \$50, whichever is less.

Cancellation by Us: **We** may only cancel this Agreement for fraud, material misrepresentation, or failure to pay the Plan Price when due. If **We** cancel this Agreement, **We** will mail to **You** written notice, stating the effective date and reason for cancellation, to **Your** last known address at least thirty (30) days before the effective date of cancellation. After the first thirty (30) days, or if **You** have filed a claim, **Your** refund will equal one hundred percent (100%) of the unearned pro rata Plan Price.

HAWAII:

Cancellation by Us: If **We** cancel this Agreement, **We** will mail to **You** written notice to **Your** last known address at least five (5) days in advance and such notice shall state the reason and effective date of cancellation.

However, such notice shall not be required if **We** cancel for nonpayment, material misrepresentation by **You** to **Us**, or substantial breach of **Your** duties under this Agreement relating to the **Approved Vehicle** or its use.

Refunds: A ten percent (10%) penalty shall be added to a refund not paid or credited within forty-five (45) days after **You** return this Agreement to **Us**.

IDAHO:

Coverage afforded under this Agreement is not guaranteed by the Idaho Insurance Guaranty Association.

INDIANA:

This service contract is not insurance and is not subject to Indiana insurance law.

IOWA:

This Service Contract is subject to the applicable provisions of the Iowa Consumer Credit Code, Chapter 537. If **You** have questions regarding **Your** Service Contract, **You** may address them to the Iowa Insurance Commissioner at the following address: Iowa Insurance Division, 1963 Bell Avenue, Suite 100, Des Moines, Iowa 50315-1000.

Cancellation by Us: If **We** cancel this Agreement, **We** shall provide **You** written notice at **Your** last known address at least fifteen days prior to the effective date and such notice shall state the reason and effective date of cancellation.

Refunds: A ten percent (10%) penalty shall be added each month to a refund is not paid to **You** within thirty (30) days after **You** return this Agreement.

LOUISIANA:

This Agreement is not regulated by the Louisiana Department of Insurance. Any concerns **You** have under this Agreement may be directed to the state attorney general.

Cancellation by Us: If **We** cancel this Agreement, **We** will mail written notice to **Your** last known address, stating the reason and effective date of cancellation, at least five (5) days prior to cancellation. However, prior notice is not required if **We** cancel for nonpayment, material misrepresentation by **You** to **Us**, or a substantial breach of duties by **You** relating to the **Approved Vehicle** or its use.

Refunds: A ten percent (10%) penalty per month shall be added to any full refund not paid or credited to **You** within forty-five (45) days after **You** return this Agreement to **Us**.

MAINE:

Cancellation by Us: If **We** cancel this Agreement, **We** shall mail to **You** written notice to **Your** last known address, stating the reason and effective date of cancellation at least fifteen (15) days prior to cancellation.

Refunds: A monthly penalty equal to ten percent (10%) of the provider fee will be added to any full refund not paid or credited within forty-five (45) days after return of the Agreement to **Us**. Any refunds **You** are entitled to will also include any sales tax **You** paid on this Agreement.

MARYLAND:

This Agreement is automatically extended if **We** fail to perform the services under this Agreement and it will not terminate until the services are provided in accordance with this Agreement.

Refunds: If **We** fail to provide **Your** full refund or credit **Your** account within forty-five (45) days of cancellation, a monthly penalty equal to ten percent (10%) of the Plan Price for each month the refund is not paid or credited.

MINNESOTA:

Your Responsibilities: For Used Vehicles - repairs resulting from the lack of required or recommended maintenance, provided that, at the time the used **Vehicle** came into **Your** possession or control: 1) the **Approved Vehicle** still retained its owner's manual; or, 2) **You** were offered a copy of the owner's manual for an incremental charge of ten dollars (\$10) or less; or 3) the maintenance requirements contained in the Scheduled Maintenance Guide were replaced with a new specific maintenance schedule.

Exclusions:

17. **Repairs to the Approved Vehicle if the odometer:** (a) has been tampered with, but only if the tampering occurs while the **Approved Vehicle** is in **Your** possession or control; or (b) If **You** have failed to have a broken odometer repaired, if the odometer failed while the **Approved Vehicle** is in **Your** possession or control.

Cancellation by Us: If **We** cancel this Agreement, **We** shall mail written notice to **You** at **Your** last known address, stating the reason and effective date of cancellation, at least fifteen (15) days prior to cancellation, unless **We** cancel for nonpayment, material misrepresentation by **You** to **Us**, or a substantial breach of duties by **You** relating to the **Approved Vehicle** or its use, in which case **We** will provide five (5) days' notice.

Refunds: A ten percent (10%) penalty per month shall be added to a full refund not paid or credited within forty-five (45) days after return of this Agreement to **Us**.

MISSISSIPPI:

XIII. GENERAL PROVISIONS:

1. **Dispute Resolution & Arbitration** is deleted in its entirety.

Cancellation and Refunds:

(a) Cancellation by **You** shall require **Us** to permit **You** to return the Agreement within twenty (20) days of the date the Agreement was mailed to **You**, within ten (10) days of delivery if the Agreement was delivered to **You** at the time of sale, or within a longer time period permitted under the Agreement. Upon return of the Agreement to **Us** within the applicable time period, if no claim has been made under the Agreement prior to its return to **Us**, the Agreement will be voided, and **We** will refund to **You**, or credit to the **Your** account, the full Plan Price of the Agreement. The right to void the Agreement provided in this subsection is not transferrable, applies only to the original contract holder, and is allowed only when no claim has been made prior to its return to **Us**. 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 Agreement to **Us**.

Subsequent to the time period specified in subsection (1), or if a claim has been made under the Agreement within that time period, **You** may cancel the Agreement, and **We** shall refund to **You** one hundred percent (100%) of the unearned pro rata Plan Price of the Agreement, less the amount of any claims paid.

(b) Cancellation by **Us** shall only occur in instances of nonpayment of the provider fee, a material misrepresentation by **You** to **Us**, or a substantial breach of duties by **You** relating to the covered product or its use.

In the event of cancellation by **Us** for reason other than nonpayment of the provider fee, **We** shall refund to **You** one hundred percent (100%) of the unearned pro rata Plan Price of the Agreement, less the amount of any claims paid.

MISSOURI:

Cancellation by You: A ten percent (10%) penalty of the amount outstanding per month shall be added to any refund not paid within forty-five (45) days after **You** return this Agreement. If a claim has been made during the initial 30-day period, **Your** refund will equal the full Plan Price, less any claims paid. After the initial 30-day period, **You** may cancel this Agreement and be entitled to a refund equal to one hundred percent (100%) of the unearned pro rata provider fee. **We** will mail to **You** written notice of cancellation within forty-five (45) days of termination.

MONTANA:

Cancellation by Us: If **We** cancel this Agreement, **We** shall mail to **You** written notice to **Your** last known address stating the reason and effective date for cancellation, at least five (5) days prior to cancellation. However, such prior notice shall not be required if **We** cancel for nonpayment, material misrepresentation by **You** to **Us**, or substantial breach of duties by **You** relating to the **Approved Vehicle** or its use.

NEBRASKA:

XII. GENERAL PROVISIONS:

1. **Dispute Resolution & Arbitration** is deleted in its entirety.

Cancellation by You: If **You** cancel during the first thirty (30) days a one hundred percent (100%) refund of the Plan Price less any claims paid will be made. Refund will not include any finance charges associated with the Plan Price. If **You** cancel after thirty (30) days but within sixty (60) days, a one hundred percent (100%) refund of the Plan Price. If **You** cancel after sixty (60) days, a Pro-Rata refund of the Plan Price will be made based upon the greater of the time or mileage expired from the Plan Price date less any claims paid.

Cancellation by Us: If **We** cancel during the first sixty (60) days, **We** will refund one hundred percent (100%) of the plan Price less any claims paid. If **We** cancel after sixty (60) days, a Pro-Rata refund of the Plan Price will be made based on greater of time or mileage expired from the Plan Price date less any claims paid. If the total of claims paid exceeds the amount of the refund, **Your** refund will be zero dollars (\$0.00). If **We** cancel, **We** will provide a written notice to **You** via certified mail sixty (60) days in advance of cancellation.

NEVADA:

This Agreement is between QBE Administration Services, Inc. P.O. Box 372791, Denver, Co 80237-9714 (the Obligor) and **You**.

Exclusion 18. is amended to include the following language:

Having unauthorized or non-manufacturer recommended modifications does not exclude all coverage or void the entire contract. This contract will continue to provide any applicable coverage that is not related to the unauthorized or non-manufacturer recommended modifications or any damage arising therefrom, unless such coverage is otherwise excluded by the terms of this contract.

Exclusion 22. is deleted in its entirety and replaced with the following:

22. Any vehicle that is reconstructed from salvage; declared a total loss; is a manufacturer or Dealer buyback; declared a lemon; the vehicle identification number has been changed or altered. This Contract will not be initially issued to any vehicle whose original warranty has ever been voided by the manufacturer, however, if this Contract has already been issued and the manufacturer's warranty becomes void during the term of this Contract, We will not automatically suspend all coverage, We will not provide any coverage that would have otherwise been provided under the manufacturer's warranty, however, We will continue to provide any other coverage under this Contract, unless such coverage is otherwise excluded by the terms of this Contract.

XIII. GENERAL PROVISIONS:

1. **Dispute Resolution & Arbitration** is deleted in its entirety.

If You are not satisfied with the manner in which We handle Your claim, You may contact the Nevada Commissioner of Insurance at (888) 872-3234.

XIV. CANCELLATION AND REFUNDS is deleted in its entirety and replaced with the following:

- (a) **Cancellation by You:** You may cancel this Agreement by submitting a written request to the Us containing a copy of Your Agreement and the current mileage on Your Vehicle. During the first thirty (30) days from the Agreement purchase date, We will refund You one hundred percent (100%) of the Agreement price. After the first thirty (30) days from the Agreement purchase date, We will refund You a pro-rated amount of the Agreement price, based on the greater of the number of days the Agreement was in force or miles driven compared to the total Agreement term, less a twenty-five dollar (\$25.00) cancellation fee, within forty-five (45) days after the Agreement has been returned to Us. A ten percent (10%) penalty per month shall be added to a refund that is not made within forty-five (45) days of return of this Service Contract to Us.
- (b) **Cancellation by Us:** We may cancel this Agreement during the first thirty (30) days of the Agreement purchase date for any reason. After seventy (70) days, We may cancel this Agreement for material misrepresentation or fraud by You at time of sale or non-payment of Agreement price by You. If We cancel this Agreement, We will refund You one hundred percent (100%) of the Agreement price. No claims paid on Your Agreement will ever be deducted from any refund issued pursuant to this Agreement in Nevada. If We cancel this Agreement, no cancellation will become effective until at least fifteen (15) days after the notice of cancellation is mailed to You. If Your Agreement is financed, the lender has the right to receive the lender portion of the cancellation refund amounts still owed to the lender. If Your Vehicle is repossessed, stolen or declared a total loss, the lender may provide notice to Us and We may initiate cancellation in compliance with NRS 690C.270. In either case, no cancellation will become effective until at least fifteen (15) days after the notice of cancellation is mailed to You. This Agreement will not be initially issued to any vehicle whose original warranty has ever been voided by the manufacturer. However, if this Agreement has already been issued and the manufacturer's warranty becomes void during the term of this Agreement, We will not automatically suspend all coverage. We will not provide any coverage that would have otherwise been provided under the manufacturer's warranty. However, We will continue to provide any other coverage under this Agreement, unless such coverage is otherwise excluded by the terms of this Agreement. This Agreement is non-renewable.

NEW HAMPSHIRE: In the event You do not receive satisfaction under this Agreement, You may contact the New Hampshire Insurance Department at (603) 271-2261 or 21 S. Fruit Street, #14, Concord, NH 03301.

XIII. GENERAL PROVISIONS, 1. Dispute Resolution & Arbitration is amended to include: All arbitration or dispute resolution in New Hampshire is subject to and will not impede any consumer rights as provided for under New Hampshire RSA 542.

Refunds: The \$50.00 administrative fee is deleted and replaced with an administrative fee of \$50.00 or 10% of the Agreement price, whichever is less.

NEW JERSEY:

Cancellation by Us: If We cancel this Agreement, We shall mail written notice to You at Your last known address stating the reason and effective date of cancellation at least five (5) days prior to cancellation. However, such prior notice will not be required if We cancel for nonpayment, material misrepresentation or omission, or substantial breach of contractual obligations concerning Your Approved Vehicle or its use.

Refunds: A ten percent (10%) penalty of the Plan Price shall be added, per month, to any full refund not provided to You within forty-five (45) days of cancellation.

NEW MEXICO:

Cancellation by Us: If this Agreement has been in effect for at least seventy (70) days, We cannot cancel this Agreement before expiration of the term or one (1) year after the effective date of this Agreement. No cancellation will be effective until at least fifteen (15) days after the notice of cancellation is mailed to You. We will not impose an administrative fee if We cancel.

Refunds: A ten percent (10%) penalty of the Plan Price shall be added to Your full refund for each thirty (30) day period that We fail to pay Your refund if We fail to provide a refund within sixty (60) days of cancellation. If Your Agreement is financed and Your loan has not been fully paid, We may provide a refund to Your lender but such payment shall not exceed any outstanding balance on Your loan.

NEW YORK:

Cancellation by Us: If We cancel this Agreement, We shall mail to You written notice to Your last known address stating the reason and effective date of cancellation at least fifteen (15) days prior to cancellation. However, such advance notice is not required if We cancel for nonpayment, material misrepresentation, or substantial breach of duties by You relating to Your Approved Vehicle or its use.

Refunds: A ten percent (10%) penalty per month shall be added to a refund not made within thirty (30) days after return of this Agreement to Us.

NORTH CAROLINA:

Cancellation by Us: We may not cancel this Agreement in Our discretion and may only cancel for nonpayment or for a direct violation of this Agreement by You.

OKLAHOMA:

This is not an insurance contract. Coverage afforded under this Agreement is not guaranteed by the Oklahoma Insurance Guaranty Association.

WARNING: Any person who knowingly, and with intent to injure, defraud or deceive and insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

Our Oklahoma Service Warranty License # is 502728205.

Cancellation by You: If You cancel this Agreement, Your refund will equal ninety percent (90%) of the unearned pro rata provider fee, less the actual cost of any claims paid.

Cancellation by Us: If We cancel this Agreement, Your refund will equal one hundred percent (100%) of the unearned provider fee, less any claims paid.

OREGON:

All Agreement obligations are between QBE Administration Services, Inc., the obligor (hereinafter referred to as "We", "Us" or "Our") and the Agreement holder.

Complaints: Unresolved complaints can be addressed to the Department of Consumer and Business Services, Oregon Division of Financial Regulation, Consumer Advocacy Unit, 350 Winter Street NE, Room 300-2, Salem, Oregon 97301. The telephone number is 1-888-877-4894.

XIII. GENERAL PROVISIONS:

1. **Dispute Resolution & Arbitration** is deleted in its entirety.

SOUTH CAROLINA: In the event of a dispute with Us, You may contact the South Carolina Department of Insurance, Capitol Center, 1201 Main Street, Suite 1000, Columbia, SC 29201 or call (800) 768-3467.

Cancellation by Us: If **We** cancel this Agreement, **We** shall mail to **You** written notice to **Your** last known address stating the reason and effective date of cancellation at least fifteen (15) days prior to cancellation. Such prior notice is not required if **We** cancel for nonpayment, material misrepresentation by **You** to **Us**, or a substantial breach of duties by **You** relating to the **Approved Vehicle** or its use.

Refunds: A ten percent (10%) penalty per month shall be added to any full refund not paid or credited to **You** within forty-five (45) days after return of this Agreement to **Us**.

TEXAS:

Unresolved complaints concerning **Us** or **Our** Administrator, or questions concerning the regulation of service contract providers and administrators, may be directed to the Texas Department of Licensing and Regulation ("TDLR"). TDLR's mailing address is P.O. Box 12157, Austin, TX 78711-2157, and its telephone number is (800) 803-9202. **Our** Texas license is #679.

Cancellation by You: **You** may cancel this Agreement before the thirty-first (31st) day after the Signature Date, and if **You** have filed a claim, **You** will be entitled to a refund equal to the full Plan Price paid, less the cost of any claims paid under this Agreement. **You** may cancel this Agreement on or after the thirty-first (31st) day after the Signature Date and receive a refund equal to the pro rata Plan Price. If **We** fail to pay or credit any refund due to **You** before the forty-sixth (46th) day after the date notice of cancellation was received by **Us**, a ten percent (10%) penalty of the amount outstanding shall be added to **Your** refund for each month the refund amount remains outstanding.

Cancellation by Us: **We** may cancel this Agreement by mailing a written notice of cancellation to **Your** last known address stating the reason and effective date of cancellation at least five (5) days prior to the effective date of cancellation. However, such prior notice is not required if **We** cancel because of nonpayment, fraud or material misrepresentation by **You** to **Us**, or substantial breach of a duty by **You** relating to the **Approved Vehicle** or its use.

UTAH:

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

Purchase of this product is optional and is not required in order to finance, lease, or purchase a motor vehicle. Payment of this service contract may be paid cash, check or credit card by the contract holder or financed with the vehicle loan or lease.

All Agreement obligations are between QBE Administration Services, Inc., the obligor (hereinafter referred to as "**We**", "**Us**" or "**Our**") and the Agreement holder.

The following language is added to paragraph 7. under IV. **HOW TO MAKE A CLAIM:**

Failure 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.

XIII. GENERAL PROVISIONS:

1. **Dispute Resolution & Arbitration** is deleted in its entirety.

Cancellation by Us: **We** may only cancel this Agreement for material misrepresentation, substantial change in the risk assumed unless **We** should have reasonably foreseen the change or contemplated the risk when entering into the contract, substantial breach in contractual duties, or nonpayment.

Notice of cancellation stating the reason and effective date of cancellation will be mailed to **You** no later than thirty (30) days in advance, except for nonpayment, and **We** shall mail written notice to **You** via first-class mail.

VIRGINIA:

If any promise made in this Agreement has been denied or has not been honored within sixty (60) days after **Your** request, **You** may contact the Virginia Department of Agriculture and Consumer Service, Office of Charitable and Regulatory Programs to file a complaint.

WASHINGTON:

We only have sixty (60) days from the date of the sale of this Agreement to determine whether or not **Your Approved Vehicle** qualifies for this Agreement and after sixty (60) days, **Your Approved Vehicle** will be qualified and **We** cannot cancel based on eligibility. The implied warranty of merchantability on the **Approved Vehicle** is not waived if **You** purchased this Agreement within 90 days of the purchase of the **Approved Vehicle** and **We** also sold the **Approved Vehicle**.

The definition of "**You**" and "**Your**" means the **Service Contract Holder**.

The definition of "**We**", "**Us**", "**Our**" and **Administrator** means the **Service Contract Provider** of this Agreement.

III. **DEFINITIONS** is amended to include the following:

Plan Price means the price the Agreement Holder paid for this Agreement.

VI. **YOUR RESPONSIBILITIES** is amended to include the following:

Failure to have the required maintenance performed and/or failure to provide verifiable receipts when requested will result in denial of Coverage if the failure to maintain **Your Approved Vehicle** involved the failed part or parts.

Exclusion 1. under VII. **EXCLUSIONS** is amended as follows:

Any claim submitted without the authorization of the Administrator prior to starting any repairs, except in the case of an emergency repair of a covered component required after business hours as outlined under IV. HOW TO MAKE A CLAIM.

XIII. **CANCELLATION AND REFUNDS** is deleted in its entirety and replaced with the following:

- a. **Cancellation by You:** **You** may cancel this Agreement by submitting a written request to the Seller stating the date upon which the cancellation is effective and containing a copy of **Your** Agreement and the current mileage on **Your Approved Vehicle**. During the first sixty (60) days from the Agreement Sale Date, **We** or the Seller will refund **You** 100% of the Agreement Sale Price, less any claims paid on **Your** Agreement. After the first sixty (60) days from the Agreement Sale Date, **We** or the Seller will refund **You** a pro-rated amount of the Agreement Sale Price, based on the lesser of the months or miles remaining, less a twenty-five-dollar (\$25) cancellation fee. A ten percent (10%) penalty per month shall be added to a refund that is not made within thirty (30) days of return of this Agreement to **Us**.
- b. **Cancellation by Us:** **We** may cancel this Agreement during the first sixty (60) days of the Agreement Sale Date for any reason. If **We** cancel this Agreement, **We** or the Seller will refund **You** 100% of the Agreement Sale Price. After the first sixty (60) days, **We** may only cancel this Agreement for misrepresentation in obtaining this Agreement or in the submission of a claim or for nonpayment of the Agreement charge by **You**.

Dispute Resolution & Arbitration: Arbitration proceedings under this Agreement will be binding. All arbitration will be conducted in conformity with Chapter 7.04A RCW. Any dispute arising out of this Agreement shall be brought in a state court of Washington. Any arbitration proceeding initiated under this Agreement shall be held at a location in closest proximity to **Your** permanent residence. The Insurance Commissioner of Washington is the Service Provider's attorney to receive service of process in any action, suit or proceeding in any court, and the state of Washington has jurisdiction of any civil action in connection with this Contract.

INSURER GUARANTEE: **You** may file a claim, including all sums which **We** are legally obligated to pay to **You**, directly with QBE Insurance Corporation, subject to the exclusions, deductions and limitations contained in this Agreement and in the underlying policy of insurance. The policy also covers **Our** cancellation refund obligations. **You** may contact QBE Insurance Corporation using the information in Section XV. **AGREEMENT INSURED BY.**

WISCONSIN:

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

Cancellation by You: A ten percent (10%) penalty of the amount outstanding shall be added per month if **We** fail to provide **Your** full refund within forty-five (45) days of return of this Agreement. In the event of a total loss of the **Approved Vehicle** that is not covered by this Agreement, **You** may cancel and receive a pro rata refund.

Cancellation by Us: **We** may cancel this Agreement for nonpayment, material misrepresentation by **You** to **Us**, or a substantial breach of duties by **You** relating to the **Approved Vehicle** or its use. If **We** cancel, **We** shall mail to **You** written notice to **Your** last known address stating the reason and effective date of cancellation at least five (5) days prior to cancellation.

Refunds: The \$50 administrative fee is deleted and replaced with an administrative fee \$50 or 10% of the refund amount, whichever is less.

WYOMING:

XIII. GENERAL PROVISIONS:

1. **Dispute Resolution & Arbitration** is deleted in its entirety.

Cancellation by You: A ten percent (10%) penalty per month shall be added to any full refund not paid or credited within forty-five (45) days after return of this Agreement to **Us**.

Cancellation by Us: If **We** cancel this Agreement, **We** shall mail to **You** written notice to **Your** last known address stating the reason and effective date of cancellation at least ten (10) days prior to cancellation by **Us**. Prior notice is not required if **We** cancel for nonpayment, material misrepresentation by **You** to **Us**, or substantial breach of duties by **You** relating to the **Approved Vehicle** or its uses.

SAMPLE