

TERMS, CONDITIONS AND CLAIMS PROCEDURES

DEFINITIONS

- **ADMINISTRATOR:** Means the company appointed by US to administer this **CONTRACT**, Automobile Protection Corporation – APCO.
- **CONTRACT:** Means this **VEHICLE SERVICE CONTRACT**.
- **CONTRACT PURCHASE DATE:** Means the date that YOU purchased this **CONTRACT**.
- **COSMETIC WHEEL REPAIR:** Means the process used to remove minor scratches or scuffs from the **VEHICLE'S** manufacturer-supplied wheels/rims, subject to the terms, conditions, limitations and exclusions set forth in this **CONTRACT**.
- **EXTERIOR PAINT SCRATCH REPAIR:** Means the process used to remove minor paint scuffs, surface scratches and minor scrapes on the **VEHICLE'S** painted sheet metal body panels, subject to the terms, conditions, limitations and exclusions set forth in this **CONTRACT**.
- **INTERIOR FABRIC REPAIR:** Means the process used to mend minor cuts, rips, tears, and burn holes to the **VEHICLE'S** interior upholstery, seats and carpet, subject to the terms, conditions, limitations and exclusions set forth in this **CONTRACT**.
- **KEY REPLACEMENT COVERAGE:** Means the reimbursement for the replacement of lost, stolen, damaged or inoperable keys, of the **VEHICLE**, subject to the terms, conditions, limitations and exclusions set forth in this **CONTRACT**.
- **PAINTLESS DENT REPAIR OR PDR:** Means the process used to remove small dings and minor dents from the painted surface of **YOUR VEHICLE**, subject to the terms, conditions, limitations and exclusions set forth in this **CONTRACT**.
- **SELLING DEALER:** Means the **DEALER** from whom YOU purchased this **CONTRACT**.
- **VEHICLE:** Means the **VEHICLE** described in the Customer Information section of this **CONTRACT**.
- **WE, US AND OUR:** Means Automobile Protection Corporation - APCO, the party obligated under the terms of this **CONTRACT**.
- **WINDSHIELD REPAIR:** Means the process to mend minor chips or cracks in the **VEHICLE'S** front windshield that are not in the direct line of sight of the driver, subject to the terms, conditions, limitations and exclusions set forth in this **CONTRACT**.
- **YOU, YOUR:** Means the purchaser of this **CONTRACT** listed in the Customer Information section of this **CONTRACT**, or a qualified transferee (see section 11).

1. EASYCARE PAINTLESS DENT REPAIR

A. WHAT IS COVERED

This **CONTRACT** provides limited repairs of minor dents and dings, up to 4 inches in diameter, to exterior painted sheet metal body panels to the **VEHICLE**, subject to the terms, conditions, exclusions and limitations contained herein. Service under this **CONTRACT** will not be provided on a particular dent or ding in the event that the qualified technician determines, within his sole discretion, that the damage cannot be repaired using the **PDR** process.

B. COVERAGE LIMITS

As long as conditions herein are met and the damage can be repaired through the **PDR** process, there are no limitations as to the number of **PDR** repairs YOU may receive within the term of this **CONTRACT**. The performance of work for prescribed repairs as stated in section "1.A. WHAT IS COVERED" constitutes the sole remedy available under this **CONTRACT** for **PAINTLESS DENT REPAIR**. See section "1.C. WHAT THIS CONTRACT DOES NOT COVER" for those conditions which are not covered by this **CONTRACT**.

C. WHAT THIS CONTRACT DOES NOT COVER

- Dents that are non-repairable using the **PDR** process.
- Environmental damage; including rust, corrosion, hail and damage from chemicals.
- Chrome or unpainted portions of **YOUR VEHICLE**, glass, plastic or other non-metal exterior sections of the **VEHICLE'S** body.
- Magnesium panels, bumpers and grills.
- Any damage to the interior of the **VEHICLE**, or the undercarriage of the **VEHICLE**.
- Chips, cracks or other damage to the paint on the surface of the **VEHICLE**.
- Dents, dings or creases that will damage the body or paint finish if the **PDR** process is utilized.
- Dents or dings that are not capable of being completely repaired by the **PDR** process.
- Dents or dings that must be repaired using putty, sanding, bonding, primer or paint.
- Dents or dings where access is restricted due

to manufacturer bracing, double metal panels, aftermarket installations or other access limitations.

- Dents or dings on roof panels equipped with a sunroof or a moonroof.
- Dent or dings if the **VEHICLE** is used commercially, such as, but not limited to, emergency vehicles, law enforcement vehicles, ambulances, rental vehicles, vehicles for hire and trucks rated over one ton.
- Damage caused by misuse or abuse.
- Dents or dings that occur prior to the **CONTRACT PURCHASE DATE** or are reported after this **CONTRACT'S** expiration.
- Dents or dings over 4 inches in diameter.
- Reimbursement for any expenses incurred by YOU for services.
- Repairs that are not capable, at the sole determination of OUR technician, of being completely repaired using standard industry repair methods specific to the type of damage for which repair service is provided under this **CONTRACT**.
- Repairs covered by warranty, repairer's guarantee, other service contract or insurance policy, regardless of whether each can or cannot be honored or collected, or is unavailable for any reason, including such entity or person providing the warranty, repairer's guaranty, other service contract or insurance policy has ceased normal business operations, has bankruptcy proceedings commenced by or against it or a receiver or trustee is appointed to oversee the property of such entity or person or such entity or person makes an assignment for the benefit of creditors.
- INCIDENTAL OR CONSEQUENTIAL LOSS OR DAMAGE UNDER THIS CONTRACT INCLUDING, BUT NOT LIMITED TO, LIABILITY FOR INJURY, LOSS OF LIFE, PROPERTY DAMAGE, LOSS OF USE, LOSS OF TIME OR INCONVENIENCE.

2. EASYCARE WINDSHIELD REPAIR

A. WHAT IS COVERED

This **CONTRACT** provides repair to minor glass chips or cracks to **YOUR VEHICLE'S** front windshield that are determined repairable after inspection by and within the sole discretion of OUR technician.

B. COVERAGE LIMITS

As long as conditions herein are met and the damage to **YOUR VEHICLE'S** windshield can be repaired, there are no limitations as to the number of repairs YOU may receive within the term of this **CONTRACT**. The performance of work for prescribed repairs as stated in section "2.A. WHAT IS COVERED" constitutes the sole remedy available under this **CONTRACT** for **WINDSHIELD REPAIR**. See section "2.C. WHAT THIS CONTRACT DOES NOT COVER" for those conditions which are not covered by this **CONTRACT**.

C. WHAT THIS CONTRACT DOES NOT COVER

- Glass chips larger than a half dollar coin.
- Cracks more than 2 inches long.
- Chips or cracks that could impair the line of sight of the driver or create other safety issues.
- Environmental damage; including rust, corrosion, hail and damage from chemicals.
- Damage to glass surfaces of **YOUR VEHICLE**, other than the windshield.
- Damage to the **VEHICLE** that requires replacement of the entire windshield.
- Damage caused by misuse or abuse.
- Damage if the **VEHICLE** is used commercially, such as, but not limited to, emergency vehicles, law enforcement vehicles, ambulances, rental vehicles, vehicles for hire and trucks rated over one ton.
- Any chips or cracks to **YOUR VEHICLE'S** windshield that occur prior to the **CONTRACT PURCHASE DATE** or are reported after this **CONTRACT'S** expiration.
- Reimbursement for any expenses incurred by YOU for services.
- Repairs that are not capable, at the sole determination of OUR technician, of being completely repaired using standard industry repair methods specific to the type of damage for which repair service is provided under this **CONTRACT**.
- Repairs covered by warranty, repairer's guarantee, other service contract or insurance policy, regardless of whether each can or cannot be honored or collected, or is unavailable for any

reason, including such entity or person providing the warranty, repairer's guaranty, other service contract or insurance policy has ceased normal business operations, has bankruptcy proceedings commenced by or against it or a receiver or trustee is appointed to oversee the property of such entity or person or such entity or person makes an assignment for the benefit of creditors.

- INCIDENTAL OR CONSEQUENTIAL LOSS OR DAMAGE UNDER THIS CONTRACT INCLUDING, BUT NOT LIMITED TO, LIABILITY FOR INJURY, LOSS OF LIFE, PROPERTY DAMAGE, LOSS OF USE, LOSS OF TIME OR INCONVENIENCE.

3. EASYCARE EXTERIOR PAINT SCRATCH REPAIR

A. WHAT IS COVERED

This **CONTRACT** provides limited cosmetic repair to minor paint scuffs, surface scratches and minor scrapes, not to exceed 6 inches in length, that are located on the **VEHICLE'S** exterior painted sheet metal body panels and are considered to be non-body shop repairable as determined after inspection by, and within the sole discretion of OUR technician.

B. COVERAGE LIMITS

As long as conditions herein are met and the damage to **YOUR VEHICLE'S** painted sheet metal body panels can be repaired, there are no limitations as to the number of repairs YOU may receive within the term of this **CONTRACT**. The performance of work for prescribed repairs as stated in section "3.A. WHAT IS COVERED" constitutes the sole remedy available under this **CONTRACT** for **EXTERIOR PAINT SCRATCH REPAIR**. See section "3.C. WHAT THIS CONTRACT DOES NOT COVER" for those conditions which are not covered by this **CONTRACT**.

C. WHAT THIS CONTRACT DOES NOT COVER

- Paint scuffs, surface scratches and scrapes in excess of 6 inches in length.
- Large or deep scratches, inaccessible scratches, collision damage, rock chips or holes in the body finish which are not repairable by the scratch repair process.
- Environmental damage; including rust, corrosion, hail and damage from chemicals.
- Chrome or unpainted portions of **YOUR VEHICLE**, plastic, or other non-metal exterior sections of the vehicle body or attached to the vehicle body.
- Scratches that must be repaired using putty, sanding, bonding, primer or paint.
- Damage caused by misuse or abuse.
- Damage if the **VEHICLE** is used commercially, such as, but not limited to, emergency vehicles, law enforcement vehicles, ambulances, rental vehicles, vehicles for hire and trucks rated over one ton.
- Paint scratches, surface scuffs or scrapes that were on the **VEHICLE** at the **CONTRACT PURCHASE DATE** or are reported after this **CONTRACT'S** expiration.
- Reimbursement for any expenses incurred by YOU for services.
- Repairs that are not capable, at the sole determination of OUR technician, of being completely repaired using standard industry repair methods specific to the type of damage for which repair service is provided under this **CONTRACT**.
- Repairs covered by warranty, repairer's guarantee, other service contract or insurance policy, regardless of whether each can or cannot be honored or collected, or is unavailable for any reason, including such entity or person providing the warranty, repairer's guaranty, other service contract or insurance policy has ceased normal business operations, has bankruptcy proceedings commenced by or against it or a receiver or trustee is appointed to oversee the property of such entity or person or such entity or person makes an assignment for the benefit of creditors.
- INCIDENTAL OR CONSEQUENTIAL LOSS OR DAMAGE UNDER THIS CONTRACT INCLUDING, BUT NOT LIMITED TO, LIABILITY FOR INJURY, LOSS OF LIFE, PROPERTY DAMAGE, LOSS OF USE, LOSS OF TIME OR INCONVENIENCE.

4. EASYCARE INTERIOR FABRIC REPAIR

A. WHAT IS COVERED

This **CONTRACT** provides limited cosmetic repair to the **VEHICLE'S** interior upholstery, seats and carpet where

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the damage (burn holes, cuts, rips and tears) does not exceed 2 inches in diameter and is determined repairable after inspection by and within the sole discretion of **OUR** technician.

B. COVERAGE LIMITS

As long as conditions herein are met and the damage to **YOUR VEHICLE'S** interior upholstery, seats and carpet can be repaired, there are no limitations as to the number of repairs **YOU** may receive within the term of this **CONTRACT**. The performance of work for prescribed repairs as stated in section "4.A. **WHAT IS COVERED**" constitutes the sole remedy available under this **CONTRACT** for **INTERIOR FABRIC REPAIR**. See section "4.C. **WHAT THIS CONTRACT DOES NOT COVER**" for those conditions which are not covered by this **CONTRACT**.

C. WHAT THIS CONTRACT DOES NOT COVER

- Burn holes, cuts, rips or tears in **YOUR VEHICLE'S** upholstery, seats or carpet in excess of 2 inches in diameter.
- Damage to floor mats, faux wood, wood or carbon fiber trim or dashboard.
- Damage caused by misuse or abuse.
- Damage if the **VEHICLE** is used commercially, such as, but not limited to, emergency vehicles, law enforcement vehicles, ambulances, rental vehicles, vehicles for hire and trucks rated over one ton.
- Burn holes, rips or tears to the interior upholstery, seats and carpet that were on the **VEHICLE** at the **CONTRACT PURCHASE DATE**.
- Reimbursement for any expenses incurred by **YOU** for services.
- Repairs that are not capable, at the sole determination of **OUR** technician, of being completely repaired using standard industry repair methods specific to the type of damage for which repair service is provided under this **CONTRACT**.
- Repairs covered by warranty, repairer's guarantee, other service contract or insurance policy, regardless of whether each can or cannot be honored or collected, or is unavailable for any reason, including such entity or person providing the warranty, repairer's guaranty, other service contract or insurance policy has ceased normal business operations, has bankruptcy proceedings commenced by or against it or a receiver or trustee is appointed to oversee the property of such entity or person or such entity or person makes an assignment for the benefit of creditors.
- **INCIDENTAL OR CONSEQUENTIAL LOSS OR DAMAGE UNDER THIS CONTRACT INCLUDING, BUT NOT LIMITED TO, LIABILITY FOR INJURY, LOSS OF LIFE, PROPERTY DAMAGE, LOSS OF USE, LOSS OF TIME OR INCONVENIENCE.**

5. EASYCARE COSMETIC WHEEL REPAIR

A. WHAT IS COVERED

This **CONTRACT** provides limited repair of cosmetic surface damage to the **VEHICLE'S** manufacturer-supplied alloy or steel wheels. Cosmetic surface damage includes abrasions, scratches and scrapes to the wheel/rim of **YOUR VEHICLE** that is deemed repairable after inspection by and within the sole discretion of **OUR** technician.

B. COVERAGE LIMITS

As long as conditions herein are met and the damage to **YOUR VEHICLE'S** manufacturer-supplied wheels can be repaired, there are no limitations on the number of repairs **YOU** may receive within the term of this **CONTRACT**. The performance of work for prescribed repairs as stated in section "5.A. **WHAT IS COVERED**" constitutes the sole remedy available under this **CONTRACT** for **COSMETIC WHEEL REPAIR**. See section "5.C. **WHAT THIS CONTRACT DOES NOT COVER**" for those conditions which are not covered by this **CONTRACT**.

C. WHAT THIS CONTRACT DOES NOT COVER

- Wheels that were not supplied by the **VEHICLE'S** manufacturer ("aftermarket wheels").
- Chrome wheels/rims and alloy wheels/rims with chrome simulation.
- Wheels with plastic chrome covers, plastic cladding or PVC coated wheels.
- Remanufacturing or replacement of covered wheels/rims.
- Wheels that are dented or bent.
- Damage caused by misuse or abuse.
- Commercial use of the **VEHICLE**, such as, but not

limited to, emergency vehicles, law enforcement vehicles, ambulances, rental vehicles, vehicles for hire and trucks rated over one ton.

- Any damage that existed prior to the **CONTRACT PURCHASE DATE** or is reported after this **CONTRACT'S** expiration.
- Reimbursement for any expenses incurred by **YOU** for services.
- Repairs that are not capable, at the sole determination of **OUR** technician, of being completely repaired using standard industry repair methods specific to the type of damage for which repair service is provided under this **CONTRACT**.
- Repairs covered by warranty, repairer's guarantee, other service contract or insurance policy, regardless of whether each can or cannot be honored or collected, or is unavailable for any reason, including such entity or person providing the warranty, repairer's guaranty, other service contract or insurance policy has ceased normal business operations, has bankruptcy proceedings commenced by or against it or a receiver or trustee is appointed to oversee the property of such entity or person or such entity or person makes an assignment for the benefit of creditors.
- **INCIDENTAL OR CONSEQUENTIAL LOSS OR DAMAGE UNDER THIS CONTRACT INCLUDING, BUT NOT LIMITED TO, LIABILITY FOR INJURY, LOSS OF LIFE, PROPERTY DAMAGE, LOSS OF USE, LOSS OF TIME OR INCONVENIENCE.**

6. EASYCARE KEY REPLACEMENT

A. WHAT IS COVERED

This **CONTRACT** provides reimbursement for the replacement of up to two (2) of **YOUR VEHICLE** keys provided to **YOU** at the **CONTRACT PURCHASE DATE** that are damaged, inoperable, lost or stolen, not to exceed \$750 per key, including any associated programming. Coverage is not extended to a key which was not provided at the **CONTRACT PURCHASE DATE**. Additionally, this **CONTRACT** covers the replacement of keys on **YOUR VEHICLE** key ring, including the transponder and any applicable programming. See below for additional coverage details:

- Additional key replacement coverage – If **YOUR VEHICLE** keys are lost or stolen, **WE** will pay to replace additional keys that were on the lost or stolen key ring. Additional keys that are covered include those that are on **YOUR VEHICLE** key ring, including, but not limited to the following keys for: cars, trucks, boats, trailers, RV and personal items such as lock boxes and safes. The maximum benefit for additional key replacement is limited to \$200 per occurrence, regardless of the number of additional keys.
- With the purchase of this **CONTRACT**, **YOU** will receive the following complimentary Roadside Assistance benefits:
 - » 24-Hour Emergency **VEHICLE** Lock-Out Assistance – If a key for **YOUR VEHICLE** is damaged, inoperable, lost or stolen, or locked in **YOUR VEHICLE**, assistance will be provided to unlock **YOUR VEHICLE**. Call our toll-free, 24-Hour Assistance line for lockout assistance. Locksmith services are covered up to a maximum limit of \$85 per occurrence.
 - » 24-Hour Emergency Home Lock-Out Assistance – If **YOU** are locked out of **YOUR** home, **WE** will provide locksmith services to unlock **YOUR** home. Home lock-out assistance is covered up to a maximum limit of \$85 per occurrence. If keys have to be made for **YOUR** home, **WE** will provide up to three (3) key replacements for the term of **YOUR CONTRACT**. **YOU** must demonstrate proof of residence, such as a valid driver's license with the address indicated, and be present at the residence for home lock-out services.

B. COVERAGE LIMITS

See section "6.A. **WHAT IS COVERED**" and section "6.C. **WHAT THIS CONTRACT DOES NOT COVER**" for this coverage's limitations and those conditions which are not covered by this **CONTRACT**.

C. WHAT THIS CONTRACT DOES NOT COVER

- Any replacement or repair made without **OUR** prior authorization.
- Repairs covered by warranty, repairer's guarantee, other service contract or insurance policy, regardless of whether each can or cannot be honored or collected, or is unavailable for any reason, including such entity or person providing the warranty, repairer's guaranty, other service contract or insurance policy has ceased normal

business operations, has bankruptcy proceedings commenced by or against it or a receiver or trustee is appointed to oversee the property of such entity or person or such entity or person makes an assignment for the benefit of creditors.

- Inoperability due to loss of battery charger or battery failure of the key(s).
- Any replacement of key(s) when two (2) sets of keys were not delivered to **YOU** by the **SELLING DEALER** at the **CONTRACT PURCHASE DATE**.
- Damage caused by misuse or abuse.
- Repair or damage to **YOUR** residence, **VEHICLE** or other property.
- Any loss or damage that occurs prior to the **CONTRACT PURCHASE DATE** or reported after this **CONTRACT'S** expiration.
- Damage or loss if the **VEHICLE** is used commercially, such as, but not limited to, emergency vehicles, law enforcement vehicles, ambulances, rental vehicles, vehicles for hire and trucks rated over one ton.
- Costs in excess of the reasonable price for repair or replacement of any covered part, not to exceed the manufacturer's suggested retail price. The reasonable price for repair or replacement is based on nationally recognized flat rate and/or factory manuals and pricing guides. Replacement may be made with parts of like kind and quality, when available.
- **INCIDENTAL OR CONSEQUENTIAL LOSS OR DAMAGE UNDER THIS CONTRACT INCLUDING, BUT NOT LIMITED TO, LIABILITY FOR INJURY, LOSS OF LIFE, PROPERTY DAMAGE, LOSS OF USE, LOSS OF TIME OR INCONVENIENCE.**

7. ROADSIDE ASSISTANCE

With this **CONTRACT**, **YOU** will receive complimentary Roadside Assistance Benefits for the **VEHICLE**, for the term of this **CONTRACT**. **YOUR VEHICLE'S** Roadside Assistance Benefits, up to a \$65 per occurrence maximum, are

- 24-Hour, toll-free emergency dispatch;
- Emergency towing;
- Battery jump start;
- Fuel delivery; and
- Flat tire service.

8. CONTRACT TERM

The time limit of the term selected starts on the **CONTRACT PURCHASE DATE** and expires when the time of the term, shown in the **VSC** Term section of the Customer Information section of this **CONTRACT**, is reached.

9. HOW TO OBTAIN SERVICE

A. For PAINTLESS DENT REPAIR, WINDSHIELD REPAIR, EXTERIOR PAINT SCRATCH REPAIR, INTERIOR FABRIC REPAIR and COSMETIC WHEEL REPAIR:

To arrange for these services under this **CONTRACT**, **YOU** must first call 1-855-775-6460 to obtain prior authorization. Once authorization is granted, **YOU** will be contacted by a qualified technician. **YOU MAY NOT SEEK SERVICE FROM ANY OTHER VENDOR, OR RECEIVE ANY OTHER PROVISION OF SERVICE UNDER THIS CONTRACT, WITHOUT PRIOR APPROVAL OF THE ADMINISTRATOR.** **YOU** may be asked to take **YOUR VEHICLE** to **YOUR SELLING DEALER'S** location or a participating automobile dealer to obtain services.

B. For KEY REPLACEMENT:

To arrange for service under this **CONTRACT**, **YOU** must first call **US** at 1-855-775-6460 to obtain prior authorization before work on a key or a key replacement commences. **YOU MAY NOT SEEK SERVICE FROM ANY OTHER VENDOR, OR RECEIVE ANY OTHER PROVISION OF SERVICE UNDER THIS CONTRACT, WITHOUT OUR PRIOR APPROVAL.** **YOU** may be asked to take **YOUR VEHICLE** to **YOUR SELLING DEALER'S** location or a participating automobile dealer to obtain services. Additionally:

- All damaged and inoperable **VEHICLE** keys must be made available to the repairing dealer for inspection prior to the replacement of such **VEHICLE** keys.
- The repairing dealer must fax a copy of the original repair order to **US** for final payment.
- **WE** will pay the repairing dealer directly on **YOUR** behalf as soon as a complete repair order is received. **YOU** will not have to pay the repairing dealer for any services provided up to the covered limits. See section "6.A. **WHAT IS COVERED**" for **YOUR** coverage limits.

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- **WE** do not cut, order or program any lost or damaged keys.

C. For ROADSIDE ASSISTANCE:

To request Roadside Assistance Benefits call 1-855-775-6460. **YOU MAY NOT SEEK SERVICE FROM ANY OTHER VENDOR, OR RECEIVE ANY OTHER PROVISION OF SERVICE UNDER THIS CONTRACT, WITHOUT OUR PRIOR APPROVAL.**

10. CANCELLATION

YOU may cancel this **CONTRACT** by notifying the **SELLING DEALER** or the **ADMINISTRATOR** in writing by submitting the following documents:

- This **CONTRACT**.
- If **YOUR VEHICLE** has been repossessed, supply a copy of the repossession papers.
- If **YOUR VEHICLE** has been totaled, supply a copy of **YOUR** insurance company's verification of loss.
- If **YOUR VEHICLE'S** lien has been paid, supply a copy of discharge of lien from the lienholder.

In the event of cancellation of this **CONTRACT** within 30 days of the **CONTRACT PURCHASE DATE**, **YOU** are entitled to a full refund. After 30 days, or if a claim has been authorized or paid, **YOU** will receive a pro rata refund based on the days in force related to the term of this **CONTRACT**, minus a \$50 cancellation fee. Any pro rata cancellation refund due under this **CONTRACT** will be calculated using the date **WE** receive a cancellation request from **YOU** or **YOUR** authorized representative. In the event **YOU** no longer own the **VEHICLE** and provide documentation to **US** within 60 days of the ownership change, **YOUR CONTRACT** will be cancelled effective the date **YOU** no longer own the **VEHICLE**. In the event that the cost of this **CONTRACT** is part of a retail sales contract, any lender shall be additionally named on the refund check (unless **YOUR** request for cancellation is accompanied by a discharge of lien). In the case of a repossession, or a total loss, then the lender shall have the right to cancel this **CONTRACT** effective the date **YOUR VEHICLE** was repossessed or totaled and shall be the sole payee of any refund check. See section "15. STATE SPECIFIC CANCELLATION CLAUSES".

This **CONTRACT** cannot be cancelled by **US** except for fraud or material misstatement on **YOUR** part, or for **YOUR** failure to pay for this **CONTRACT**.

11. TRANSFER

In the event **YOU** sell the covered **VEHICLE**, this **CONTRACT** may be transferred to the new owner, provided this **CONTRACT** has not been cancelled. Within 30 days of the change in ownership of the **VEHICLE**, **YOU** should submit in writing, the following documents:

- A transfer fee of \$50 made payable to the **ADMINISTRATOR**.
- This **CONTRACT**.
- The **VEHICLE** identification number.
- Make and model of the **VEHICLE**.
- Date of sale of the **VEHICLE**.
- Name and address of both **YOU** and the new owner of the covered **VEHICLE**.

All required documentation should be mailed directly to the **ADMINISTRATOR** at P.O. Box 8058, Norcross, GA 30091-8058.

This **CONTRACT** may not be assigned separately from the covered **VEHICLE**, nor can it be assigned to a new or used car dealer or anyone other than an individual purchasing the **VEHICLE** for personal use. See section "14. ADDITIONAL STATE INFORMATION" for supplementary state specific transfer language.

12. INSURANCE

To ensure **OUR** ability to perform under this **CONTRACT**, **WE** have purchased a service contract reimbursement insurance policy issued by Arch Insurance Company, 2345 Grand Blvd, Suite 900, Kansas City, MO 64108; phone number: (800) 821-5546. In the event **WE** do not pay any covered claim within 60 days after proof of loss has been filed or **WE** cease to do business or go bankrupt, **YOU** may make a direct claim to the insurer.

13. ARBITRATION PROVISION

PLEASE READ THIS ARBITRATION PROVISION CAREFULLY TO UNDERSTAND YOUR RIGHTS. IT PROVIDES THAT ANY CLAIM OR DISPUTE THAT YOU MAY HAVE IN THE FUTURE RELATING TO YOUR CONTRACT AND YOUR DEALINGS WITH US OR THIS CONTRACT ADMINISTRATION, OR BOTH, MUST BE RESOLVED THROUGH BINDING ARBITRATION.

ARBITRATION.

A. Arbitration is a method of resolving any claim, dispute or controversy without filing a lawsuit. In this Arbitration Provision, **YOU, WE** and the **ADMINISTRATOR** (the "Parties") are waiving our right to go to court and are agreeing instead to submit any claims, disputes or controversies between the Parties to binding arbitration. This Arbitration Provision sets forth the terms and conditions of our agreement to binding arbitration. The Parties agree and acknowledge that **YOUR** purchase of this **CONTRACT** affects interstate commerce and the Federal Arbitration Act ("Act") applies to this Arbitration Provision.

B. The Parties agree to resolve all claims, disputes and controversies (collectively "Claims") related in any way to this **CONTRACT** by binding arbitration, including but not limited to Claims related to the sale of this **CONTRACT** and the relationship(s) and duties among the Parties, and including further, without limitation, Claims arising under contract, tort, statute, regulation, rule, ordinance or other rule of law or equity. In addition, the arbitrator shall decide issues related to the applicability, scope and validity of this Arbitration Provision. Notwithstanding this agreement to arbitrate, each of the Parties retains the right to seek remedies in small claims court to resolve any Claim within the jurisdiction of small claims court. By signing this **CONTRACT**, **YOU** acknowledge **YOUR** understanding that all Parties hereunder are waiving their rights to go to court, except for small claims court, to resolve any Claims arising under this **CONTRACT** between or among the Parties.

C. **YOU** agree and hereby expressly waive any right **YOU** may have to litigate in small claims court, state, county or federal court any Claim on a class-action basis or in any other collective or representative proceeding as either a representative or member of a class, or as a private attorney general, or to otherwise pursue any Claim in a class-action in small claims, state, county or federal court. Notwithstanding anything to the contrary in this Arbitration Provision, any dispute regarding the validity and effect of this Class Action Waiver prohibiting **YOU** from participating in or filing a class-action in any court shall be determined exclusively by a court.

D. The arbitration shall be administered by JAMS, The Resolution Experts' ("JAMS") or the American Arbitration Association ("AAA") as mutually agreed upon by the Parties. The arbitration shall be governed pursuant to the JAMS or AAA Rules and Procedures or other applicable JAMS or AAA rules or procedures ("Code"), except to the extent the Code or other applicable rules or procedures conflicts with this Arbitration Provision. The arbitration will take place before a single, neutral arbitrator selected in accordance with the AAA or JAMS Code in effect at the time the arbitration is commenced. **YOU** have a right to attend the arbitration hearing in person. Any hearing for the arbitration will be held in the county that **YOU** live in, the closest AAA or JAMS location to **YOUR** residence or another mutually-agreed-upon hearing location. For information about how to initiate arbitration with JAMS, the Parties shall refer to the JAMS Code and forms at www.jamsadr.com or call (800) 352-5267. For information about how to initiate arbitration with the AAA, the Parties shall refer to the AAA Code and forms at www.adr.org or call (800) 778-7879.

E. If **YOU** initiate arbitration with AAA, **YOU** must pay any AAA filing fee and/or arbitrator's fee in effect at the time **YOU** initiate arbitration. If **YOU** initiate arbitration with JAMS, **YOU** must pay **YOUR** arbitration fees up to a maximum of \$250. **WE** will pay all other remaining arbitration costs and expenses, including any remaining AAA costs or expenses or JAMS Case Management Fee and all remaining, reasonable professional fees for the arbitrator's services. If **WE** initiate arbitration against **YOU**, **WE** will pay **YOUR** filing fee and all costs associated with the arbitration. Each Party shall bear the expense of that Party's attorneys, expert witnesses and other witnesses, regardless of which party prevails in the arbitration. To the extent that applicable law or rules or regulations permit the recovery of attorneys' fees or other costs or expenses by a prevailing Party, this Arbitration Provision does not limit such recovery.

F. An arbitration award may not be set aside except upon the limited circumstances set forth in the Federal Arbitration Act. An award in arbitration will be enforceable under the Federal Arbitration Act by any court having jurisdiction.

G. The time for commencing an arbitration asserting any Claim shall be determined by reference to the applicable statute(s) of limitations, including the applicable rules governing the commencement of the limitations period, and a Claim in arbitration is barred to the same extent it would be barred if it were asserted in court rather than in arbitration.

H. Nothing herein is intended or should be construed as consent to class-action or representative arbitration. By signing this **CONTRACT**, the Parties agree and acknowledge that there is no agreement of any kind between the Parties to conduct any arbitration on a class-action or collective basis, by **YOU** as a representative of others, a private attorney general or a member of a class. The Parties collectively and **YOU**, individually, acknowledge and do not agree to arbitration of any Claim hereunder on a class-action, collective or representative basis under any circumstances.

I. If any portion of this Arbitration Provision is deemed invalid or unenforceable, the remaining portions of this Arbitration Provision shall nevertheless remain valid and enforceable, provided, however, that if the portions regarding **YOUR** waiver of class-action rights (Paragraph C) or the Parties' acknowledgement not to consent to class arbitration (Paragraph H) are deemed invalid or unenforceable, then this Arbitration Provision shall, upon election of any Party, be invalidated and unenforceable in its entirety.

J. In the event of a conflict or inconsistency between this Arbitration Provision and the other provisions of this **CONTRACT** or any prior agreement, this Arbitration Provision governs. See section "14. ADDITIONAL STATE INFORMATION" for supplementary state specific arbitration language.

14. ADDITIONAL STATE INFORMATION

- **GEORGIA, MISSISSIPPI, OREGON:** Section "13. ARBITRATION PROVISION" is not applicable and is considered removed for residents of Georgia, Mississippi and Oregon.
- **IDAHO:** Coverage afforded under this **CONTRACT** is not guaranteed by the Property and Casualty Guarantee Association.
- **ILLINOIS:** For section "1.B., 2.B., 3.B., 4.B., 5.B. and 6.B. COVERAGE LIMITS", the following language is added as the last sentence: "THIS **CONTRACT** DOES NOT PROVIDE COVERAGE FOR WEAR AND TEAR."
- **INDIANA:** THIS **CONTRACT** IS NEITHER AN AUTOMOBILE LIABILITY INSURANCE CONTRACT, NOR AN AUTOMOBILE PHYSICAL DAMAGE INSURANCE CONTRACT AND IS NOT SUBJECT TO INDIANA INSURANCE LAW. For section "1.C. WHAT THIS CONTRACT DOES NOT COVER", the 14th bullet is deleted in its entirety and replaced by the following: "Dents or dings that are known by **YOU** and occur prior to the **CONTRACT PURCHASE DATE** or are reported after this **CONTRACT'S** expiration." For section "2.C. WHAT THIS CONTRACT DOES NOT COVER", the 9th bullet is deleted in its entirety and replaced by the following: "Any chips or cracks to **YOUR VEHICLE'S** windshield that are known by **YOU** and occur prior to the **CONTRACT PURCHASE DATE** or are reported after this **CONTRACT'S** expiration." For section "3.C. WHAT THIS CONTRACT DOES NOT COVER", the 8th bullet is deleted in its entirety and replaced by the following: "Paint scratches, surface scuffs or scrapes that are known by **YOU** and were on the **VEHICLE** at the **CONTRACT PURCHASE DATE** or are reported after this **CONTRACT'S** expiration." For section "4.C. WHAT THIS CONTRACT DOES NOT COVER", the 5th bullet is deleted in its entirety and replaced by the following: "Burn holes, rips or tears to the interior upholstery, seats and carpet that are known by **YOU** and were on the **VEHICLE** at the **CONTRACT PURCHASE DATE**." For section "5.C. WHAT THIS CONTRACT DOES NOT COVER", the 8th bullet is deleted in its entirety and replaced by the following: "Any damage that is known by **YOU** and existed prior to the **CONTRACT PURCHASE DATE** or is reported after this **CONTRACT'S** expiration." For section "6.C. WHAT THIS CONTRACT DOES NOT COVER", the 7th bullet is deleted in its entirety and replaced by the following: "Any loss or damage that is known by **YOU** and occurs prior to the **CONTRACT PURCHASE DATE** or reported after this **CONTRACT'S** expiration." For section "12. INSURANCE", the last sentence is deleted in its entirety and replaced by the following: "In the event **WE** do not pay or provide service for any covered claim, including any claim for the return of the unearned portion of the cost of this **CONTRACT**, within 60 days after proof of loss has been filed or **WE** cease to do business or go

TERMS, CONDITIONS AND CLAIMS PROCEDURES

bankrupt, **YOU** may make a direct claim to the insurer. Proof of **YOUR** payment for this **CONTRACT** to the **SELLING DEALER** or **ADMINISTRATOR** that issued this **CONTRACT** constitutes proof of payment to the reimbursement insurer that issued the reimbursement policy for this **CONTRACT**." In section "13. **ARBITRATION PROVISION**", the following is hereby added after all instances of the term "binding arbitration" referenced in the first paragraph and in items A and B: "provided all Parties mutually agree at the time of the dispute or Claim."

- **MAINE:** For section "11. **TRANSFER**", the following language is added as the last sentence: "Any subsequent transferee cannot cancel this **CONTRACT**." For section "12. **INSURANCE**", the last sentence is deleted in its entirety and replaced by the following: "In the event **WE** do not pay or provide service for any covered claim, including any claim for the return of the unearned portion of the cost of this **CONTRACT**, within 60 days after proof of loss has been filed or **WE** cease to do business or go bankrupt, **YOU** are entitled to make a direct claim with the insurer."
- **NEBRASKA:** THIS **CONTRACT** CONTAINS AN **ARBITRATION PROVISION WHICH MAY BE ENFORCED BY THE PARTIES. SEE SECTION "13. ARBITRATION PROVISION"**. For section "13. **ARBITRATION PROVISION**", the first paragraph and items A and B are deleted in their entirety and replaced by the following: "**PLEASE READ THIS ARBITRATION PROVISION CAREFULLY TO UNDERSTAND YOUR RIGHTS. PROVIDED THE PARTIES VOLUNTARILY AND WILLFULLY ENTER INTO THIS ARBITRATION PROVISION, ANY CLAIM OR DISPUTE THAT YOU MAY HAVE IN THE FUTURE RELATING TO YOUR CONTRACT AND YOUR DEALINGS WITH US OR THIS CONTRACT ADMINISTRATOR, OR BOTH, MUST BE RESOLVED THROUGH BINDING ARBITRATION. A.** Arbitration is a method of resolving any existing claim, dispute or controversy without filing a lawsuit. Provided the Parties voluntarily and willfully enter into this Arbitration Provision, **YOU, WE** and the **ADMINISTRATOR** (the "Parties") are waiving our right to go to court and are agreeing instead to submit any existing claims, disputes or controversies between the Parties to binding arbitration. This Arbitration Provision sets forth the terms and conditions of our agreement to binding arbitration. The Parties agree and acknowledge that **YOUR** purchase of this **CONTRACT** affects interstate commerce and the Federal Arbitration Act ("Act") applies to this Arbitration Provision. **B.** The Parties agree to resolve existing claims, disputes and controversies (collectively "Claims") related in any way to this **CONTRACT** by binding arbitration, including but not limited to Claims related to the sale of this **CONTRACT** and the relationship(s) and duties among the Parties, and including further, without limitation, Claims arising under contract, tort, statute, regulation, rule, ordinance or other rule of law or equity. In addition, the arbitrator shall decide issues related to the applicability, scope and validity of this Arbitration Provision. Notwithstanding this agreement to arbitrate, each of the Parties retains the right to seek remedies in small claims court to resolve any Claim within the jurisdiction of small claims court. By signing this **CONTRACT**, **YOU** acknowledge **YOUR** understanding that all Parties hereunder are waiving their rights to go to court, except for small claims court, to resolve any Claims arising under this **CONTRACT** between or among the Parties."
- **OHIO:** This **CONTRACT** is not insurance and is not subject to the insurance laws of this state. For section "12. **INSURANCE**", the following language is added as the last sentence: "**YOU** may also make a direct claim to the insurer in the event **WE** do not pay any valid cancellation refund due hereunder within 60 days."
- **OREGON:** For sections "1.B., 2.B., 3.B., 4.B., 5.B. and 6.B. **COVERAGE LIMITS**", the following language is added as the last sentence: "THERE IS NO DEDUCTIBLE UNDER THIS **CONTRACT**."
- **SOUTH CAROLINA:** If this **CONTRACT ADMINISTRATOR** does not resolve a disputed claim within 60 days of proof of loss, **YOU** may contact the South Carolina Department of Insurance, P.O. Box 100105, Columbia, SC 29202-3105 or by calling (800) 768-3467.

- **TEXAS:** Automobile Protection Corporation - APCO is a licensed administrator in Texas under registration no. 107. Any unresolved complaints concerning a registrant or questions concerning this **CONTRACT ADMINISTRATOR** may be addressed to the Texas Department of Licensing and Regulation, P.O. Box 12157, Austin, Texas 78711 or by calling (800) 803-9202 or (512) 463-6599.

15. STATE SPECIFIC CANCELLATION CLAUSES

The following state-required cancellation language replaces the applicable provisions of section "10. **CANCELLATION**" for each state referenced below. All other provisions of section 10 not amended by the state-required language below remain in full force and effect.

- **GEORGIA:** **YOU** may cancel this **CONTRACT** at any time by sending **US** this **CONTRACT**. If **YOU** cancel this **CONTRACT** within the first 30 days, **YOU** are entitled to a full refund. After this **CONTRACT** has been in effect for more than 30 days, **YOUR** refund will be calculated on a pro rata basis, and **YOU** will receive the unused portion of the days that this **CONTRACT** has been in effect compared to the **VSC** Term shown in the Customer Information section of this **CONTRACT**. If this **CONTRACT** names a lienholder, **WE** will make the lienholder the co-payee of any refund, except, **WE** will make the lienholder the sole payee if **YOUR VEHICLE** has been repossessed or is a total loss, unless **YOU** provide **US** with proof that the lienholder has been paid. **CANCELLATION REFUNDS WILL BE PAID BY THE SELLING DEALER.**
In the event **WE** cancel this **CONTRACT** within the first 30 days, **YOU** are entitled to a full refund. After 30 days, or if a claim has been authorized or paid, **YOU** will be refunded a pro rata amount, based on the greater number of days in force as related to the term of this **CONTRACT**. The cancellation of this **CONTRACT** for nonpayment is effective no sooner than ten (10) days after delivery or first-class mailing of a written notice to this **CONTRACT** holder. Cancellation for any other reason is effective no sooner than 30 days after delivery or first-class mailing of a written notice to this **CONTRACT** holder.
- **HAWAII:** A ten percent (10%) penalty per month shall be added to a refund that is not paid or credited within 45 days after return of this **CONTRACT** to the **ADMINISTRATOR**.
- **ILLINOIS:** In the event **YOU** request a cancellation of this **CONTRACT** within the first 30 days after its purchase and if no service has been provided as authorized by the **ADMINISTRATOR**, **YOU** will be paid a full refund. After 30 days, or if a claim has been authorized by the **ADMINISTRATOR**, **YOU** will receive a pro rata refund of this **CONTRACT** price, based upon the days in force, as related to the term of this **CONTRACT**, minus a cancellation fee not to exceed the lesser of ten percent (10%) of this **CONTRACT** price or \$50.
- **MAINE:** In the event of cancellation of this **CONTRACT** within the first 30 days, **YOU** are entitled to a full refund. A ten percent (10%) penalty per month shall be added to a refund that is not paid or credited within 45 days after the return of this **CONTRACT** to the **ADMINISTRATOR**. After 30 days, or if a claim has been authorized or paid, **YOU** will receive a pro rata refund based on the days in force related to the term of this **CONTRACT**, minus a cancellation fee of ten percent (10%) of the cost of this **CONTRACT** or \$50, whichever is less. Cancellation of this **CONTRACT** by **US** will not become effective until at least 15 days after the notice of cancellation is mailed to **YOU**. The cancellation notice shall state the effective date of the cancellation and the reason for the cancellation.
- **MARYLAND:** A ten percent (10%) penalty per month shall be added to a refund that is not paid or credited within 45 days after return of this **CONTRACT** to the **ADMINISTRATOR**.
- **MINNESOTA:** In the event of cancellation of this **CONTRACT** within the first 30 days, **YOU** are entitled to a full refund if no claim has been paid. A ten percent (10%) penalty per month shall be added to a refund that is not paid within 45 days after return of this **CONTRACT**

to the **ADMINISTRATOR**. After 30 days, or if a claim has been authorized or paid, **YOU** will receive a pro rata refund based on the days in force related to the term of this **CONTRACT**, minus a \$50 cancellation fee.

- **MISSISSIPPI:** Cancellation of this **CONTRACT** by **US** will not become effective: (i) until at least ten (10) days after the notice of cancellation is mailed to **YOU** for **YOUR** failure to make payment for this **CONTRACT** and (ii) until at least 30 days after the notice of cancellation is mailed to **YOU** for any other reason.
- **NEW JERSEY:** A ten percent (10%) penalty per month shall be added to a refund that is not paid or credited within 45 days after return of this **CONTRACT** to the **ADMINISTRATOR**.
- **NEW MEXICO:** Cancellation of this **CONTRACT** by **US** will not become effective until at least 15 days after the notice of cancellation is mailed to **YOU**. A ten percent (10%) penalty shall be added each 30 days to a refund that is not paid or credited within 60 days after return of this **CONTRACT** to the **ADMINISTRATOR**.
- **NEW YORK:** **YOU** may return this **CONTRACT** within 30 days of the **CONTRACT PURCHASE DATE**. If no claim has been made under this **CONTRACT**, this **CONTRACT** shall be void and **WE** shall refund **YOU** the full purchase price of this **CONTRACT**. A ten percent (10%) penalty per month shall be added to a refund not paid within 30 days after return of this **CONTRACT** to the **ADMINISTRATOR**. The full refund applies only to the original purchaser of this **CONTRACT** under the above provisions. After 30 days, or if a claim has been authorized or paid, **WE** shall refund to **YOU** a pro rata amount based on the days in force related to the term of this **CONTRACT**, minus a \$50 cancellation fee.
- **SOUTH CAROLINA:** A ten percent (10%) penalty per month shall be added to a refund that is not paid or credited within 45 days after return of this **CONTRACT** to the **ADMINISTRATOR**.
- **TEXAS:** In the event of cancellation of this **CONTRACT** within the first 30 days after the **CONTRACT PURCHASE DATE**, **YOU** are entitled to a full refund. After 30 days, **YOU** will receive a pro rata refund based on the greater of days in force related to the term of this **CONTRACT**, minus a \$50 cancellation fee. In the event **WE** do not pay **YOUR** cancellation refund within 45 days after the date **YOUR** notice of cancellation is received by **US**, as a penalty, ten percent (10%) of the cancellation refund due shall be added to **YOUR** cancellation refund for each month such refund remains outstanding. The right to cancel this **CONTRACT** is not transferable to any subsequent owner.
This **CONTRACT** cannot be cancelled by **US** except for **YOUR** non-payment of this **CONTRACT**, fraud, material misrepresentation or substantial breach of duty. The \$50 cancellation fee does not apply if **YOU** cancel this **CONTRACT** within the first 30 days after the **CONTRACT PURCHASE DATE** or if **WE** cancel this **CONTRACT**.
- **VERMONT:** **YOU** may return this **CONTRACT** within 30 days of the date of **OUR** mailing of this **CONTRACT** to **YOU**. In the event of cancellation within 30 days of the date of **OUR** mailing of this **CONTRACT** to **YOU**, if no claim is made under this **CONTRACT**, this **CONTRACT** shall be void and **WE** shall refund **YOU** the full purchase price of this **CONTRACT**. After 30 days from the date of **OUR** mailing of this **CONTRACT** to **YOU**, or if a claim has been authorized or paid, **YOU** shall receive a pro rata refund based on the days in force related to the term of this **CONTRACT**, minus a \$50 cancellation fee.

PLEASE CALL CUSTOMER SERVICE AT 1-855-775-6460 SHOULD YOU HAVE A CHANGE OF MAILING ADDRESS, E-MAIL ADDRESS OR TELEPHONE NUMBER.

NO PAYMENT FOR SERVICES WILL BE MADE WITHOUT PRIOR AUTHORIZATION FROM THE ADMINISTRATOR, SEE SECTION 9. HOW TO OBTAIN SERVICE.

CALL 1-855-775-6460 FOR CLAIMS AND CUSTOMER SERVICE.

ISSUING PROVIDER / ADMINISTRATOR: AUTOMOBILE PROTECTION CORPORATION - APCO • P.O. BOX 8058 • NORCROSS, GA 30091-8058