

A. MAINTENANCE AND RECORDS

To obtain the benefits provided by this Service Contract, You are required to provide maintenance to Covered Components at a Licensed Repair Facility in accordance with what is recommended by the manufacturer of Your Vehicle. Proper documentation and verifiable receipts, from the original purchase date of your vehicle, for all maintenance and repairs may be required in the event of a claim. Receipts must reflect proper Vehicle documentation (i.e. year, make, and model), complete Vehicle Identification Number, and the current mileage of the Vehicle. Handwritten receipts will not be accepted. Failure to provide proof of required maintenance may result in denial of coverage. The minimum requirement on oil and filter changes is every six (6) months or 5,000 miles, whichever comes first if the manufacturer has and indicator-based schedule, and You must follow the maintenance schedules in accordance with Your Vehicle's manufacturer recommendations. In addition, YOU must maintain all other covered components (transmission flushes, lubrication, software updates and reprogramming, timing belt/chain, filters, etc.) Severe maintenance schedule may need to be followed if conditions apply as outlined in the VEHICLE owner's manual.

B. WHAT IS COVERED

Only those items listed under the "Stated Coverage" and "Tire Coverage" heading in this section are covered, subject to the terms and conditions of this Contract, and in accordance with the coverage, options, and surcharges indicated on the first page of this Contract.

Exclusionary Coverage Examples

Examples of Covered Components are included below and are categorized by related vehicle systems. If a Covered Component Fails during the term of this Contract, the Administrator will pay for the repair or replacement of the Covered Component in accordance with the coverage and surcharges indicated on the first page of this Contract, subject to the terms and conditions herein.

ENGINE COMPONENTS: Cylinder Block and Cylinder Heads (only if damaged by internally lubricated parts); all internal Lubricated Parts of the Engine; Harmonic Balancer; Timing Gear; Timing Chain; Timing Belt and Water Pump. All internally lubricated parts of the Original Equipment Manufacturer (OEM) parts of the turbo/twin turbo/supercharger. The turbo/twin turbo/supercharger case is not covered.

TRANSMISSION COMPONENTS: Transmission Case (only if damaged by internally lubricated parts) and all internal Lubricated Parts of the Transmission; Torque Converter; Flywheel/Flex Plate and Vacuum Modulator.

TRANSFER CASE COMPONENTS: Transfer Case (only if damaged by internally lubricated parts) and all internal Lubricated Parts of the Transfer Case.

DRIVE AXLE COMPONENTS: Drive Axle Housing (only if damaged by internally lubricated parts) and all internal Lubricated Parts of the Drive Axle; Drive Shafts; Universal Joints; Constant Velocity Joints; Locking Hubs, 4X4 Actuator, Center Support/Carrier Bearings; Differential Cover, Electronic Shift Control Unit.

AC/HEATING COMPONENTS (OEM or DEALER INSTALLED ONLY): Condenser; Compressor; Compressor Clutch; Evaporator; Compressor Pulley, Accumulator Dryer; Expansion Valve; Condenser Fan; and Condenser Fan Motor, Idler Pulley, Temperature Control Programmer, Heater Core, Blower Motor, High/Low Cut Off Switch and Pressure Cycling Switch.

SUSPENSION COMPONENTS: Upper and Lower Control Arm Shafts, Bearings and Bushings; Wheel Bearings; Spindles; Ball Joints; King Pins and Bushings; Radius Arm and Bushings; Stabilizer Bar, Links, and Bushings; Torsion Bars; Hub Assembly; Coil Springs; Leaf Springs; and Suspension Level Control Compressor.

STEERING COMPONENTS: Steering Gear Box/Rack and all internal Lubricated Parts of the Steering Gear Box/Rack; Power Steering Pump; Pitman Arm; Idler Arm; Tie Rod Ends; Drag Link; Steering Column Shaft and Column Couplings.

COOLING COMPONENTS: Water Pump; Radiator; Cooling Fan; Cooling Fan Motor; Fan Clutch; and Coolant Recovery Tank.

FUEL SYSTEM COMPONENTS: Fuel Delivery Pump; Fuel Injection Pump; Fuel Injectors; Fuel Tank, Metal Fuel Lines; Fuel Pressure Regulator; Fuel Sending Unit; Fuel Gauge; Air Control Valve; Oxygen Sensors; MAF Sensor; Camshaft/Crankshaft Sensors; Electronic Fuel Injection Computer/Module.

BRAKE COMPONENTS: Master Cylinder, Power Brake Cylinder, Vacuum Assist Booster, Calipers, Wheel Cylinders, Compensating Valve; ABS Accumulator, Pump, Motor Reservoir; Wheel Speed Sensors; Hydraulic Lines And Fittings; and Parking Brake Actuator.

ELECTRICAL COMPONENTS: Alternator/Generator; Ignition Module; Ignition Switch; Headlight Switch; Turn Signal Switch; Horns; Distributor (does not include Cap and Rotor); Starter Motor; Starter Solenoid; Starter Drive; Horns; Windshield Wiper Motor; Windshield Washer Pump; Power Antenna Motor; Power Window Motors; Window Regulators; Power Door Lock Actuators; Power Trunk Release; and all Manually Operated Switches. Convertible Top Motor; and Driver Information Gauges/Indicators; Original Factory Installed Radio, Main Speaker System, and Single Compact Disk/Cassette Player (up to a maximum aggregate of \$300.00 or replacement cost per Contract term, unless You paid for the Luxury Electronics Package as indicated on the first page of this Contract).

SEALS AND GASKETS: If you selected and paid the Seals and Gaskets surcharge as indicated on the first page of this Contract and Your Vehicle has less than 125,000 miles at the time this Contract is sold, leaking seals and gaskets on any Covered Components listed above will be covered, subject to the terms and conditions herein. Minor loss of fluid or seepage is considered normal and is not considered a Mechanical Breakdown.

HYBRID COMPONENTS: Hybrid Transaxle, Electronic Transmission, Inverter, Generator(s), and Electronic Display Monitor.

Tire Coverage

Coverage afforded under this Service Contract applies ONLY to the D.O.T. approved and manufacturer- specified tires on Your Vehicle at the time of delivery from the manufacturer. In the event of a Covered Tire Repair, any D.O.T. approved or manufacturer-specified replacement will also be covered for the remainder of Your term. In the event of a Covered Tire Repair, the following stipulations apply:

1. Tire Repairs: The Administrator will reimburse You up to \$20 (per tire per single visit) of the Cost to repair Your tire.
2. Tire Replacement: The Administrator will reimburse You up to one hundred dollars (\$100.00) toward the Cost for each tire replacement per single visit, up to a maximum aggregate per Contract term of four hundred dollars (\$400.00). You must have more than 3/32" tread depth remaining to be eligible for reimbursement.

C. ADDITIONAL BENEFITS OF COVERAGE

All Coverage plans include the following benefits:

EMERGENCY ROADSIDE ASSISTANCE COVERAGE - YOU MUST CALL 877-877-3377

In the event Your Vehicle is disabled, We will dispatch a service Vehicle to Your location to assist You. In the event Your Vehicle is unable to continue under its own power, Your Vehicle may be towed to a location of Your choosing. You will receive twenty-five (25) miles of towing at no Cost. Any additional mileage will be Your responsibility and payment will be expected at the time of service is rendered. When calling for towing or road service, You must call 877-877-3377. You will be required to give the representative assisting You the following information: Your Member Number (which is Your contract number on the top right of Your contract). Coverage: You are entitled to one (1) service per seventy-two (72) hours. Services available to You at no Cost are: a tow up to twenty-five (25) miles, battery jumpstart, flat tire change, fuel delivery (You are responsible for the actual Cost of the delivered materials), locksmith.

Reimbursement: In the event Your Vehicle is disabled, and You contracted for any of the above covered services on Your own, You will be able to submit Your original receipted road service expenses for reimbursement consideration. Maximum for any covered services is strictly limited to one hundred dollars (\$100). You must send Your original receipted roadside bills along with a letter of explanation to; Auto Knight Motor Club, Inc., 10751 Deerwood Park Blvd., Ste 200, Jacksonville, FL 32256.

TRIP INTERRUPTION – In the event of covered Mechanical Breakdown which occurs more than one hundred (100) miles from Your home and results in a Repair Facility keeping the Vehicle overnight, We will reimburse You for receipted motel and restaurant expenses, up to ninety dollars (\$90.00) per day for a maximum of three (3) days. Total benefits shall not exceed two hundred seventy dollars (\$270.00) Per Occurrence. Prior authorization is not required for Trip Interruption benefits.

RENTAL: In the event of a Breakdown of a covered part, You will be reimbursed for actual expenses incurred for a rental Vehicle at the maximum daily rate of \$35.00 per day, for five (5) days, not to exceed \$175.00 per occurrence. After the first day of rental, each additional day of rental requires the Covered Repairs to exceed 4.0 labor hours per additional day as defined in the current year's manufacturers or nationally recognized labor time standards manual. In the event that the Vehicle is not drivable due to the covered Breakdown, We will cover one day of rental for every four (4) labor hours applicable to the covered repair. Under no circumstances will We provide rental Coverage for any repair hours that exceed the operation time for the covered repair as defined in a nationally recognized labor time standards manual (current year's edition). Rental time due to parts backorder or component

failure inspection may be considered at the discretion of the Administrator. Rental Coverage shall not continue beyond the day on which Covered Repairs are completed. The substitute Vehicle must be rented from a licensed and nationally recognized rental agency. To receive reimbursement, You must present the following items within 60 days of the repair completion date: a rental Agreement from a licensed and nationally recognized car rental company signed by You; proof of payment receipt; a copy of the repair order showing that the repair was covered by North American Auto Care; and any other documentation reasonably requested by the Administrator.

Reimbursement Instructions for Trip Interruption and Rental Car Reimbursement: You must submit Your receipts, repair orders, and any other documents for reimbursement, as described in the Trip Interruption and/or Rental provisions contained herein by submitting the documents to the following address:

North American Auto Care
ATTN: Claims
5900 S. Lake Forest Dr. Ste. 300, McKinney TX 75070

D. OPTIONAL COVERAGE

LUXURY ELECTRONICS PACKAGE: If You paid for the Luxury Electronics Package option as indicated on the first page of this Contract, the following OEM parts are covered: Radio/GPS/Navigation Components, Integrated Radio/GPS, Liquid Crystal Display (LCD) Screens, DVD Players, Rearview Back-up Camera and Sensors, Voice Activation Systems, Standalone Seat Heaters (not integrated in upholstery), Sunroof and Convertible Top Motors. Coverage is limited to either one replacement or one repair per component for the term of the Contract. The Luxury Electronics Package applies only to Failures of the "base unit" and does not cover any remote controls, handheld controls, wiring, game cartridges, headphones, DVDs, MP3 players, programming, or any other non-listed parts. Aftermarket components are specifically excluded from coverage. Additionally, purchasing this option will remove the limit of \$300 for repairs to the original factory installed radio, main speaker system, and single compact disk/cassette player, as listed in the "LIMITS OF LIABILITY" section. All other stipulations in the "LIMITS OF LIABILITY" section will still apply.

EMISSIONS PACKAGE: If You paid for the Emissions Package option as indicated on the first page of this Contract, the following parts will be covered: Air Fuel Ratio Sensor/Oxygen Sensor, Air Pump, Barometric Pressure Sensor, Canister Purge Solenoid, EVAP Purge Canister, EVAP Leak Detection Pump And Valve, EVAP Vent Valve, Deceleration Valve, EGR Valve, EGR Solenoid, EGR Check Valve, DPFE Sensor, EGR Controller, EGR Diverter Valve, EGR Relay, Purge Valve, EGR Position Sensor, EGR Lines, EGR EFE Thermal Vacuum Switch, EGR/EFE Valve, Engine Oil Fill Cap, Fuel Fill Cap, Fuel Fill Neck Restrictor, Fuel Tank Pressure Sensor, Fuel Tank Vent Valve, Fuel Temperature Sensor, Idle Air Control Valve, Intake Air Resonator, Intake Air Temperature Sensor, MAP Sensor, Mass Air Flow Sensor, PCV Sensor, Air Injection Control Valve, Air Injection Check Valve, Air Injection Pump, Air Injection Relay.

Commercial Use - When selected on the Application Page and paid for, We agree to provide coverage for any Vehicle licensed or used for business purposes, including delivery services, rideshare or a contractor. Excluded vehicles include taxis, emergency, police, limo, shuttles, rental, tow, and dump vehicles.

UBER / LYFT - When selected on the Application Page and paid for, We agree to provide coverage for any Vehicle licensed or used for rideshare services such as UBER & LYFT.

Lift Kit – (Mandatory as It Applies): If the Application Page shows that the Lift Kit option was selected, Coverage will be provided for Your Vehicle if it has oversized/undersized tires (not to exceed 8 inches greater than manufacturer's specifications), body lifts, and suspension lifts (maximum 8- inch combined lift) that are installed by an Authorized dealer facility at the time of the Vehicle sale. Coverage will be provided in accordance with the terms and provisions of this Vehicle Service Contract. The Odometer must be re-calibrated to register accurate readings in order for Your Vehicle to be eligible for this Coverage. Documentation will be required. The oversized/undersized tires, body lifts, suspension lifts, and any and all modifications, alterations, or additions are specifically excluded from Coverage.

E. LIMITS OF LIABILITY

Our limit of liability for original factory installed radio, main speaker system, and single compact disk/cassette player will not exceed an aggregate amount of \$300.00 per Contract term, unless You paid for the Luxury Electronics Package as indicated on the first page of this Contract. Our limit of liability for tire replacements will not exceed an aggregate amount of \$400.00 for the term of this Contract. For all other repairs or replacements, Our total liability under any circumstances, will not exceed \$10,500, or the J.D. Power "clean trade-in" value of the vehicle immediately prior to Breakdown, whichever is less. The total of all benefits paid or payable under this Contract will not exceed the price paid for the Vehicle (excluding tax, title and license fees) by the original purchaser

of this Service Contract. A copy of the Vehicle Bill of Sale may be requested for verification. Our liability for incidental and consequential damages including, but not limited to personal injury, physical damage, property damage, loss of Vehicle use, loss of time, inconvenience and commercial loss resulting from the operation, repair, maintenance, or use of this Vehicle is expressly excluded.

F. WHAT IS NOT COVERED

This Service Contract does not cover the items under the "Exclusionary Coverage" and "Tire" headings listed in this section, "WHAT IS NOT COVERED". There may also be specific exceptions related to any option(s) You selected, as described in the corresponding sections.

1. Any repair that has not received prior authorization from the Administrator. This exclusion does not apply to Emergency Repairs.
2. The repair or replacement of any motor vehicle component that was not properly operating in accordance with manufacturer's specifications at the time this Service Contract was sold (i.e. pre-existing conditions).
3. Any Vehicle with a branded title (e.g. salvage, junk, rebuilt, total loss, flood, fire, or gray market) or has been deemed a total loss by an insurance entity.
4. Any Vehicle that has been repurchased by or had its price renegotiated with the manufacturer. Any Vehicle that has had the manufacturer's cancelled; or any Vehicle that never came with a manufacturer's warranty.
5. The repair, modification, or replacement of any component that has not Failed, as defined by this Contract.
6. The repair, retrofit, or replacement of any component required for compliance by any local, state, or federal law or legislation.
7. The gradual reduction in component performance through normal or excessive usage. The repair or replacement of engine valves, valve guides, valve seals, and/or piston rings is not covered if the purpose of such repair(s) is simply to raise the compression of the engine, increase performance, or to reach acceptable oil consumption/burning.
8. If any alterations have been made to Your Vehicle or You are using or have used Your Vehicle in a manner not recommended by the manufacturer, including but not limited to, the failure of any custom or add-on part, all frame or suspension modifications, lift/lowering kits, (unless Lift Kit option has been selected and paid for), the use of oversized tires or any tire that is not recommended by the original manufacturer or it creates an odometer/speedometer variance of greater than 4%, trailer hitches. Also not covered are any emissions and/or exhaust systems modifications, engine modifications, transmission modifications, and/or drive axle modifications, which includes any performance modifications.
9. Any Mechanical Breakdown covered by an insurance entity or any component with a warranty or "repairer's guarantee" through a repair facility or when the responsibility for the repair is covered by an insurance policy, manufacturer and/or dealer customer assistance program, or any warranty from the manufacturer, such as extended drive train, major component or full coverage warranties, or a repairer's guarantee/warranty (regardless of manufacturer's or repairer's ability to pay for such repairs). Further, Coverage under this Contract is similarly limited in the event of a Breakdown if the manufacturer has announced its responsibility through any means, including public recalls and factory service bulletins. Additionally, if an insurance entity, the manufacturer, or Licensed Repair Facility notifies You that they will monetarily participate in a repair that has been authorized and paid by Us, then We will exercise Our right to recover the respective amount.
10. Any Vehicle with an odometer that has been tampered with, altered, disconnected, or not maintained in working order. You may be required to provide an odometer statement at the time of sale of this Service Contract. Any Mechanical Breakdown or Failure caused by (a) normal or excessive wear and tear; (b) Your failure to provide the proper maintenance to the failed part or parts; (c) overheating, regardless of the cause of overheating; (d) incorrect, contaminated, or inadequate amounts of coolant, lubricants, or fluids; (e) accidental loss or damage, impact, collision or upset, falling missiles or objects, rust, corrosion, fire, theft, larceny, explosion, lightning, earthquake, wind storm, hail, water, flood, freezing, malicious mischief, vandalism, riot, or civil commotion; or (f) DRIVER NEGLIGENCE OR MISUSE, INCLUDING THE OPERATION OF AN IMPAIRED VEHICLE.
11. Cosmetic damage or cosmetic related repairs (e.g. scratches, nicks, dents, or tears).
12. Body components or repairs related to the body of the Vehicle (e.g. bumpers, lenses, glass, paint, convertible or vinyl tops, sheet metal, outside ornamentation, frame or structural body parts, air or water leaks, wind noise, weather strips, squeaks or rattles, trim, upholstery, carpet, or mats).
13. Navigational systems, unless You selected and paid for the Luxury Electronics Package option at the time this Service Contract was sold, in which case only the factory-installed navigational system on Your Vehicle clutch system; (c) clean fuel and cooling systems, or remove sludge or carbon deposits; and (d) maintain or replace items not specifically covered under this Service Contract. These aforementioned services and replacements are required because of normal wear and usage—they are Your responsibility. Costs for these

services and parts are not covered by this Service Contract. If You purchased the Emissions Package, items listed under the "Emissions Package" in the Optional Coverage section will be covered.

14. Any expenses associated with shop supplies, materials charges (i.e. miscellaneous items not directly associated with a Covered Repair), hazardous waste charges, diagnosis time (where a Covered Mechanical Breakdown has not occurred), freight charges, or storage charges. Vehicles used for commercial towing, dump or refuse collection, hauling or towing loads weighing in excess of vehicle manufacturer's specifications, taxi, livery, shuttle, rental, construction, racing or competitive driving, emergency services, or Vehicles equipped with a snowplow.
15. UBER and LYFT Use Vehicles, unless the UBER/LYFT surcharge is selected and paid at the time this Contract is sold.
16. Commercial Use Vehicles, unless the Commercial Use surcharge is selected and paid at the time this Contract is sold.
17. Vehicles operated by more than one person or vehicles using multiple drivers over a period of time due to shiftwork.
18. The repair or replacement of the following: (a) batteries and battery cables, including batteries and battery cables for Hybrid vehicles; (b) exhaust system components and catalytic converters; (c) shock absorbers; (d) fasteners, nuts, bolts, clips, screws; (e) fuses and bulbs; (f) safety restraint systems (including air bags); (g) brake linings, rotors, and drums; (h) sealed beams and LED or HID lamps; headlamp and tail lamp assemblies; (i) wiper blades, hoses, molded rubber, and rubber-like items; (j) clutch disc and linings, clutch pressure plate, clutch throw-out bearings, pilot bearings; (k) bent shift forks, stretched timing chains; and (l) cellular phones.
19. Any losses resulting from delays, labor strikes, loss of time, inconvenience, or other causes beyond the control of the Administrator or Licensed Repair Facility.
20. The repair or replacement of any Covered Component that has been damaged by a non-Covered Component or from an improper repair.
21. The repair or replacement of any non-Covered Component damaged as a result of the Failure of a Covered Component.
22. Vehicles registered or needing repairs or replacements outside of the contiguous United States, Alaska, or Hawaii.
23. Convertible top assemblies; television/VCR/DVD players; game centers; cumulative repair or replacement costs during the term of this Contract; audio/video equipment and audio/video accessories; all touch screen and/or voice activated accessories, including related display screens and heads up displays on windshields; electronic transmitting/receiving devices; voice recognition systems; remote control consoles; security systems; and radar detection devices. If You purchased the Luxury Electronics Package, items listed under the "Luxury Electronics Package" in the Optional Coverage section will be covered.
24. Any component or part of a component that enables a Vehicle to be propelled by any source of power other than gasoline, diesel fuel, or E85 ethanol. In addition, components belonging solely to any of the following (unless otherwise stated in this document): Hybrid Vehicles, Plug-in Hybrid Vehicles, Electric Vehicles, Extended-Range Electric Vehicles, or Hydrogen-Powered Vehicles. The Hybrid Battery is not covered in any instance.
25. All emission components. If You selected and purchased the Emissions Package, items listed under this section will be covered.

Stipulations noted under the, "WHAT IS NOT COVERED" section, also apply to Your Vehicle's tires. In addition, the following tire- specific exclusions apply:

1. Destruction or damage to a tire due to off-road Vehicle use, construction site use, or an impact with an engineered obstruction in the highway or roadway (including, but not limited to curbs).
 2. Any repair or replacement due to dry-rot, cracking, or peeling of tread.
 3. Tires that prematurely fail because of overloading, improper loading, or improper inflation. Used, retread, or remanufactured tires.
 4. Tires that are not D.O.T. certified or that do not meet the specifications prescribed by the manufacturer of the Vehicle listed in this Service Contract.
 5. Any Tire Failure occurring when any portion of the tread depth on the failed tire is 3/32 of an inch or less.
 6. Tires transferred from another vehicle.
- G. WHAT TO DO IF YOUR VEHICLE SUSTAINS A MECHANICAL BREAKDOWN OR A TIRE FAILURE
1. Take immediate action to prevent further damage to Your Vehicle. Any damage resulting from continued operation of an impaired Vehicle will constitute failure to protect Your Vehicle and will not be covered under this Service Contract.

2. You may deliver Your Vehicle to the Licensed Repair Facility of Your choice. However, authorization must be obtained from the Administrator prior to any repair.
3. Present this Contract to the Licensed Repair Facility. The Administrator may also require You to provide the Licensed Repair Facility with proof of all relevant maintenance as expressed under "MAINTENANCE AND RECORDS".
4. Ensure that the Licensed Repair Facility contacts the Claims Department for instructions prior to any repairs. The Claims Department can be reached at 1-877-484-6222 from 8:00A.M. - 6:00 P.M. (CST) Monday - Friday. AUTHORIZATION MUST BE OBTAINED FROM THE ADMINISTRATOR BEFORE STARTING ANY TEARDOWN OR REPAIRS.
5. If Emergency Repairs are required, deliver Your Vehicle to a Licensed Repair Facility and have the necessary repairs performed at a reasonable and customary charge. On the next business day, report the repairs to the Administrator at 1-877-484-6222. The Administrator will determine the reimbursement eligibility in accordance with the terms and conditions of this Service Contract.
6. In all instances, if Your repair is a Covered Repair or Covered Tire Repair, then You are required to pay the Licensed Repair Facility the deductible amount reflected on the first page of this Contract. In addition, You are also required to pay for anything not authorized by the Administrator.
7. The amount authorized by the Administrator is the maximum amount that will be paid for any repairs covered under the terms of this Contract. Any additional amount must receive prior approval from the Administrator. Should a claim arise before this Contract is paid in full, the balance owed will be deducted from the claim payment.

H. WHAT THE ADMINISTRATOR WILL DO WHEN A CLAIM IS REPORTED

The Administrator will determine the extent of coverage, subject to the terms and conditions of this Contract. To that end, the Administrator will verify the Failure or Tire Failure with the Licensed Repair Facility, verify coverage, determine the Cost of the Covered Repair or Covered Tire Repair subject to the terms, conditions, and limitations of this Contract, and authorize the claim. The claim is not approved unless authorization numbers are given to the Licensed Repair Facility.

NOTE: (1) At the sole discretion of the Administrator, Failed parts or Failed Tires may be replaced with new parts or tires, remanufactured parts or tires, or used parts or tires of like kind and quality. (2) We reserve the right to inspect Your Vehicle to verify Failure(s) or Tire. In addition, if a dispute arises between the Licensed Repair Facility and Us, We reserve the right to relocate Your Vehicle to a Licensed Repair Facility of Our choice. In the event the Administrator determines that the repair in question is not a Covered Repair or a Covered Tire Repair, then You are responsible for any cost incurred.

I. STATE SALES TAX

The payment of sales tax on Covered Repairs or Covered Tire Repairs will be made in accordance with the regulations of the Taxing Authority in the state where Your Vehicle has been repaired.

J. DEFINITIONS

- ADMINISTRATOR: North American Auto Care, 5900 S. Lake Forest Dr., Ste. 300, McKinney Texas 75070 Ph. 1-877-484-6222.
- BUSINESS USE: Vehicles used primarily for profit, such as repair work, route work, service work, and delivery. Vehicles used for farm work or oil field work are included under this definition and are eligible for coverage if their primary use is transportation and not off-road work. Other examples include, but are not limited to floral delivery, cable TV repair, plumbing, vending machine services, catering, medical supply delivery, home repairs, and realty services.
- COST: The customary and reasonable charges for the parts and labor necessary to repair or replace Covered Components or Covered Tires. Cost will not exceed the manufacturer's suggested retail (list) price for parts and labor will be verified by the standard version of the following nationally recognized labor guide: Alldata. The labor rate must be authorized by the Vehicle manufacturer for franchised dealers and cannot exceed the average retail rate charged by similar repair facilities in the same area. All charges are subject to the limits of liability, the terms and conditions of this Service Contract, and the Administrator's approval.
- COVERED BREAKDOWN or COVERED MECHANICAL BREAKDOWN: A Breakdown that is covered by this Contract.
- COVERED PART(S) and COVERED COMPONENT(S): Any part of the Vehicle listed herein as a Covered Part/Component and not excluded from coverage by this Service Contract.
- COVERED REPAIR: A repair to a Covered Part/Component that is authorized by the Administrator.
- COVERED TIRE: A tire that conforms to Vehicle manufacturer's specifications and was D.O.T. approved at the time of sale, or any equivalent replacement tire on the Vehicle when it was delivered.

- **COVERED TIRE REPAIR:** A repair to a Covered Tire that is authorized by the Administrator as defined under Tire Failure or Failed Tire(s).
- **EMERGENCY REPAIRS:** Repairs made outside of Administrator's business hours, which, if not performed, would impair the future operation of Your Vehicle, or render Your Vehicle inoperable or unsafe to drive.
- **FINANCE COMPANY:** Any financial institution providing financing for the purchase of this Service Contract.
- **LICENSED REPAIR FACILITY:** Any automotive repair facility that has been licensed to perform automotive repairs by the state in which it operates.
- **LUBRICATED PART:** A part that requires lubrication to function correctly.
- **MECHANICAL BREAKDOWN, BREAKDOWN, FAILURE, FAILS, or FAILED:** The inability of any Covered Component(s) that has received proper maintenance, as prescribed by this Service Contract, to function in the manner for which it was designed. This inability must be the result of defective material or faulty workmanship, not due to the gradual reduction in component performance through normal or excessive usage. In addition, a Failed part must be outside the allowable tolerances prescribed by the manufacturer to be deemed a Failure. This is distinguished from Tire Failure, as defined in this section.
- **ROAD HAZARD:** Potholes or debris on the surface of a road (such as nails, glass, rocks, or tree limbs) which may cause damage to your Covered Tire.
- **SELLING COMPANY:** The entity identified on the first page of this Contract from whom You purchased this Service Contract.
- **SERVICE CONTRACT or CONTRACT:** This document in its entirety, which explains the coverage and limitations afforded to You.
- **TIRE FAILURE or FAILED TIRE(S):** The inability of any tire to function in the manner for which it was designed, either due to contact with a Road Hazard, a defect in materials, or faulty workmanship. This inability to function is not due to misuse or abuse, and specifically excludes normal and excessive wear and tear.
- **VEHICLE:** The Vehicle identified on the first page of this Contract.
- **WE, US, OUR:** North American Auto Care 5900 S. Lake Forest Dr. Ste. 300, McKinney Texas 75070 Ph. 1-877-484-6222.
- **YOU, YOUR, CONTRACT HOLDER, MY, and I:** The person(s) whose name is listed as the purchaser(s) of this Service Contract.

K. CANCELLATION AND RENEWAL

We agree to pay on behalf of the Selling Company, the unearned refund based on consideration received from the Selling Company. The Selling Company agrees to pay the unearned portion of the commission originated from the sale of this Service Contract. Neither the Selling Company's Administrator, claims service, nor the Selling Company's insurer can be held liable for return of the Selling Company's commission, or any part thereof as paid under this Service Contract. In the event the Purchase Price of Your Service Contract is being paid through a Payment Plan (or its equivalent) which is terminated for non-payment, the Term Months and Term Miles Limit of this Service Contract will be modified to reflect the portion of the Service Contract that you have paid for. The modified Term Months and Term Miles Limit of the Service Contract will be calculated on a pro-rata basis by adding the time and mileage that you have paid for to the Service Contract Sale Date and Vehicle Odometer Mileage on the Service Contract Sale Date as listed on the Declarations Page. You may contact the Administrator toll free at 877-484-6222 to obtain the modified Term Months and Term Miles Limits.

CANCELLATION BY THE FINANCE COMPANY: You hereby authorize the Finance Company to cancel this Contract on Your behalf in the event: (1) Your Vehicle is repossessed, (2) Your Vehicle is declared a total loss, or (3) You default in Your obligations to the Finance Company. In addition, You authorize the Finance Company to be listed as a joint payee and to receive any refund in the event this Contract is cancelled.

CANCELLATION BY THE ADMINISTRATOR: The Administrator may cancel this Contract for material misrepresentation or substantial breaches of contractual duties, conditions, or warranties, or for non-payment of the Service Contract price.

CANCELLATION BY THE CONTRACT HOLDER: You may cancel this Service Contract at any time by notifying the Selling Company or Administrator in writing. This notification must include this Service Contract. A notarized statement indicating the actual mileage (odometer reading) of Your Vehicle on the date of the cancellation request may also be required unless the vehicle is lost, stolen or destroyed.

CANCELLATION PROVISIONS: If this Contract is cancelled within the first thirty (30) days from the cancelled after thirty (30) days past the Contract sale date or after a claim has been filed, then You will receive a pro rata refund less any claims paid under this Contract. Pro rata refunds are determined by multiplying the amount You paid for this Service Contract by the lesser of the following: (a) the number of covered days remaining on the Service

Contract divided by the original number of covered days, or (b) the miles of remaining coverage under the Service Contract divided by the original number of covered miles. A cancellation fee of \$75 will be charged for all pro rata cancellations made by the Contract Holder. In all instances, if there is no Finance Company, the refundable amount will be paid to You. If there is a Finance Company, the refundable amount will be paid to the Finance Company.

NOTE: Transferred Service Contracts are not eligible for cancellation refunds. This Contract is non-renewable.

L. TRANSFER OF VEHICLE OWNERSHIP

If You sell Your Vehicle or if there is any change in the ownership of Your Vehicle, You may request to transfer the remaining coverage of this Contract to the new owner. This request must be submitted within fifteen (15) days of the change in Vehicle ownership. You must notify the Administrator of the transfer of ownership in writing and must include the following: a transfer fee of \$50, the name and address of the new owner, and the mileage of the Vehicle at the time of transfer. The Administrator has the discretion to approve or reject your request to transfer coverage. Copies of all maintenance records showing oil changes and manufacturer's required maintenance must be given to the new owner. The new owner must retain these records and the Vehicle will still be subject to the maintenance requirements as specified in this Contract and by the Vehicle manufacturer. No handwritten receipts will be accepted.

This Contract may not be transferred more than once, may not be assigned to another vehicle, and may not be transferred to a new or used vehicle dealer or anyone other than an individual purchasing Your Vehicle for personal use. If You sell Your Vehicle, or if there is any change in the ownership of Your Vehicle without notifying the Administrator as outlined in this section, this Contract will terminate.

INSURANCE STATEMENT

Our obligations to perform under this Contract are insured under an insurance policy issued by Lyndon Southern Insurance Company 10751 Deerwood Park Blvd., Ste. 200, Jacksonville, FL 32256, Tel: (800) 888-2738, except in California, Georgia, New York and Wisconsin.

In California, obligations under this Contract are insured under an insurance policy issued by the Response Indemnity Company of California, 10751 Deerwood Park Blvd., Ste. 200, Jacksonville, FL 32256, (800) 888-2738.

In Georgia, the Obligor is insured under an insurance policy issued by the Insurance Company of the South, 10751 Deerwood Park Blvd., Ste. 200, Jacksonville, FL 32256, Tel: (800) 888-2738.

In New York and Wisconsin, the Obligor is insured under an insurance policy issued by Blue Ridge Indemnity Company, 10751 Deerwood Park Blvd., Ste. 200, Jacksonville, FL 32256, Tel: (800) 888-2738.

In the event the Obligor fails to pay an authorized claim within sixty (60) days, or if the Obligor becomes insolvent or ceases to conduct business during the term of this Contract, you may submit your claim directly to the applicable insurer at the above address for consideration.

Privacy Policy: It is Our policy to respect the privacy of Our customers. For information on Our privacy practices, please review Our privacy policy at www.northamericanautocare.com.