

AGREEMENT TERMS AND CONDITIONS

DEFINITIONS

ADMINISTRATOR: LOTSOLUTIONS, INC., 10751 Deerwood Park Blvd., Ste. 200, Jacksonville, Florida 32256 (800)-552-2709 except in the state of Florida. In the state of Florida, Lyndon Southern Insurance Company, 10751 Deerwood Park Blvd., Ste. 200, Jacksonville, Florida 32256, (Florida License No. 03698) is providing administration.

AGREEMENT HOLDER, YOU, YOUR: The purchaser of this **Agreement** or the person to whom this **Agreement** was properly transferred.

AGREEMENT: This Vehicle Service Agreement which **You** have purchased from **Seller** to protect **Your Vehicle**.

BREAKDOWN/MECHANICAL BREAKDOWN: The failure of a **Covered Part** under normal service due to defects in material or workmanship. A **Covered Part** has failed when it can no longer perform the function for which it was designed solely because of its condition and not because of the action or inaction of any non-covered parts.

COMMERCIAL USE VEHICLE: A **Commercial Use Vehicle** is defined as a vehicle registered to a business and/or for business purposes. **Vehicles that are used in excess of manufacturer's G.V.W. Vehicles used for construction purposes, delivery purposes, commercial towing, commercial farm operation, tow trucks, any type of emergency vehicles, volunteer public service(s), motor pool vehicles, rental, taxi cabs, livery or for excessive hauling and pulling are excluded from coverage hereunder. (This does not include Rideshare e.g. Uber or Lyft.)**

COVERED PART: The eligible parts listed in the **Schedule of Coverages** section of this **Agreement**. The listed parts must be factory installed equipment on **Your Vehicle** or replacement parts meeting the manufacturer's specifications.

DEDUCTIBLE: The amount indicated on the **Schedule Page** that **You** must pay for the repair of a **Breakdown**. A **Deductible** does not apply to roadside assistance, substitute transportation, or trip interruption coverage. \$100 **DEDUCTIBLE WILL APPLY IF NO DEDUCTIBLE IS NOTED.**

DISAPPEARING DEDUCTIBLE: If this option is selected on the **Schedule Page**, **Your Deductible** is waived in its entirety if **You** return to the original **Seller** listed on **Your Agreement** for repair of a **Breakdown**.

ELECTRIC VEHICLE (EV): A **Vehicle** which uses one or more electric motors for propulsion. Also referred to as an Electric Drive **Vehicle**.

EV BATTERY: The **EV Battery** pack or individual **EV Battery** cell(s) installed in **Your Vehicle**. The **EV Battery** that is installed may vary based on the make and model of a vehicle. **An EV Battery is ONLY eligible for coverage under this Agreement if You elect the Optional EV Battery Surcharge and it meets the requirements herein.**

EV BATTERY BREAKDOWN: The permanent reduction in the amount of energy that an **EV Battery** can store, which directly impacts its ability to hold an adequate charge. According to the terms and conditions of this **Agreement**, **EV Battery Breakdown** has occurred once **Your Vehicle's EV Battery** fails to hold 70% of its original storage capacity. If **Your Vehicle** states a lower manufacturer's capacity allowance, the allowable degradation will be the lesser of the two capacity limits. **An EV Battery is ONLY eligible for coverage under this Agreement, if You elect the Optional EV Battery Surcharge**

Hybrid(s), Hybrid Vehicle(s), Hybrid Electric Vehicle(s) ("HEV"): A **Vehicle** that is equipped with and is propelled alternately by both an internal combustion engine and an electric motor.

INTERNAL LUBRICATED PARTS/COMPONENTS: Parts contained within a case, block, or housing that require proper qualities and quantities of oil or lubrication to function as designed.

MILEAGE LIMIT: The maximum number of miles indicated on the **Schedule Page** that this **Agreement** shall be in force.

OBLIGOR, WE, US, AND OUR: Auto Knight Motor Club, Inc., 10751 Deerwood Park Blvd., Ste. 200, Jacksonville, FL 32256 (888) 249-4158) who is the **Obligor** to this **Agreement** except in the state of Florida and Oklahoma. In the state of Florida and Oklahoma, the **Obligor** is Lyndon Southern Insurance Company, 10751 Deerwood Park Blvd., Ste. 200, Jacksonville, FL 32256, Tel: (800) 888-2738, (Florida License No. 03698, Oklahoma License No. 44194686).

OVERSIZED TIRES: Approved tires are those tires that do not exceed thirty-five inches (35") in diameter.

PAYMENT PLAN: The **Payment Plan Agreement** attached to this **Vehicle Service Agreement** that outlines the terms in which you have agreed to pay on a monthly basis.

PRE-EXISTING: A condition and/or failure that within all reasonable mechanical probability and mechanical fitness existed prior to the **Agreement** Purchase Date.

QUALIFIED LIFT OR DROP: **Vehicles** with lift kits not greater than six inches (6") or drops not lower than two inches (2").

RIDESHARE: A car service in which a person arranges a ride in a privately-owned vehicle (e.g. Uber, Lyft, or vehicles with a TLC license in New York City and New York, excluding Taxi or Yellow Cab).

REPAIR FACILITY: A **Repair Facility** licensed to perform mechanical repairs.

SCHEDULE PAGE: Page 1 of this **Agreement** where information regarding **You, Your Vehicle**, and coverage options is shown.

SELLER: The entity from whom **You** purchased this **Agreement**.

TERM: The maximum number of months indicated on the **Schedule Page** that this **Agreement** shall be in force.

VEHICLE: The **Vehicle** covered by the terms and conditions of this **Agreement** as listed on the **Schedule Page**.
WAITING PERIOD: This **Agreement** is subject to a thirty (30) day and one thousand (1,000) mile or ninety (90) days and 250 miles waiting period beginning on the **Agreement** Purchase Date. There is no coverage during the Waiting Period. Coverage begins upon the expiration of the Waiting Period. The Waiting Period expires when the time and mileage has elapsed.

SCHEDULE OF COVERAGES

BREAKDOWN

BREAKDOWN COVERAGE BEGINS ON THE **AGREEMENT** PURCHASE DATE LISTED ON THE **SCHEDULE PAGE**. **BREAKDOWN** COVERAGE ENDS AT 12:00 MIDNIGHT ON THE DAY THE **TERM** LISTED ON THE **SCHEDULE PAGE** EXPIRES OR WHEN THE **VEHICLE'S** ODOMETER MILEAGE EXCEEDS THE MILEAGE LIMIT LISTED ON THE **SCHEDULE PAGE**, WHICHEVER OCCURS SOONER.

At the sole discretion of the **Administrator**, **We** will repair, replace, or have repaired or replaced any **Covered Part** which experiences a **Breakdown**. In case of **Breakdown** You must follow the procedures in SUBSECTION, "FILING A CLAIM." At the sole discretion of the **Administrator**, **We** will reimburse **You** or **Your Repair Facility** for preauthorized expenses incurred, less the **Deductible** (if applicable) for the repair or replacement of a **Covered Part**. At the sole discretion of the **Administrator**, **We** will pay up to the manufacturer's suggested retail price for a part. **Replacement may be made with new, remanufactured or used parts, which are of a like kind and quality comparable with the original design specifications and wear tolerances of Your Vehicle.** **We** will pay the **Repair Facility's** published hourly labor rate multiplied by the appropriate operation time as published in a national labor rate time guide. At the sole discretion of the **Administrator**, **We** reserve the right to request **Your Vehicle** be moved to another **Repair Facility**.

ESSENTIAL COVERAGE

GASOLINE ENGINE – Pistons, piston rings, piston pins, crankshaft, main bearings, connecting rods, connecting rod bearings, camshaft, camshaft bearings, timing chain, timing chain gears, rocker arms, intake valves, exhaust valves, valve guides, oil pump, silent shaft, intake manifold; throttle valve cable. **Cases, housings, engine block, oil pan and cylinder heads are covered only if damaged by the failure of an Internal Lubricated Part Covered Part**

TRANSMISSION – All **Internal Lubricated Parts** within the transmission including torque converter, accumulators, adjusters, boost valve, center support chain, clips, control rings, counter shaft, detent valve, governor, governor gear, output shaft, parking gear, planetary gears carrier, pressure regulator valve, ring gears, roll pins, separator plate, servo rings, servo sleeves, shift forks, shift shafts, shift valves, shifter shaft, snap rings, sprags, springs, sprockets, stator shaft, sun gear shell, synchronizer hub, synchronizer key(s), synchronizer ring, synchronizer sleeves, synchronizer springs, synchronizer(s), front pump gears; front pump guide rings; front pump vanes; range. **Transmission cases, housings, and transmission oil pan are covered only if damaged by the failure of an Internal Lubricated Covered Part.** Electrical components no matter location are **Not Covered**. Friction parts such as clutches of any kind, coolers, metal or rubber lines or hoses are **NOT COVERED**.

TRANSFER CASE – All **Internal Lubricated Parts** within the transfer case including main shaft, output shafts, bearings, drive sprocket, synchronizers, planet carriers, shift forks, chain. **Transfer case is covered only if damaged by the failure of an Internal Lubricated Covered Part.**

FRONT WHEEL DRIVE/REAR WHEEL DRIVE SYSTEM – All **Internal Lubricated Parts** within the drive axle/transaxle assembly including differentials, ring gear, pinion gear, pinion bearings, axle bearings, axle races, axle flange, carrier bearing, center bearings, differential carrier, drive axle bearings, pins, retainers, shims, side gears, slip joint, spider gears. Pinion flange; U joints; axle shafts; CV joints; drive axle; half shafts; lock ring; lock nuts. **Drive axle housing is covered only if damaged by the failure of an Internal Lubricated Covered Part.**

- **Seals and gaskets are only covered if needed in conjunction with a covered repair.**

MANDATORY SURCHARGES

If Your **Vehicle's** Vehicle Identification Number (VIN) identified any of the below listed **Vehicle** Type/Mandatory Coverages on the **Schedule Page** and **You** paid the applicable surcharge:

A. TURBOCHARGER/SUPERCHARGER

We will provide coverage for **Vehicles** with (factory installed only) **Turbocharger/Supercharger** housing and all **Internal Lubricated Parts**.

B. ALL WHEEL DRIVE/4X4

All internal lubricated parts within the drive axle/transaxle assembly including differentials, ring gear, pinion gear, pinion bearings, axle bearings, axle races, axle flange, carrier bearing, center bearings, differential carrier, drive axle bearings, pins, retainers, shims, side gears, slip joint, spider gears. Pinion flange; U joints; axle shafts; CV

joints; drive axle; drive shaft; flex disc; half shafts; wheel bearings; yokes; lock ring; lock rings; Automatic locking hubs; manual locking hubs; hub bearings; four-wheel drive actuator motor; front axles; front drive shaft; four-wheel drive engagement switch. **Drive axle housing is only covered if damaged by the failure of an Internal Lubricated Part.**

C. DIESEL

1. **ENGINE** – All **Internal Lubricated Parts** within the engine including pistons, piston rings, piston pins, crankshaft, main bearings, thrust washer, connecting rods, connecting rod bearings, camshaft, camshaft sprocket, camshaft bearings, timing chain, timing chain gears, timing chain guides, timing chain tensioner, push rods, rocker arms, rocker arm shafts, balance shaft, hydraulic lifters, solid lifters, intake valves, exhaust valves, valve guides, valve springs, valve spring retainer, valve keepers, valve stem seals, oil pump, silent shaft. Harmonic balancer; intake manifold; exhaust manifold; vacuum pump; freeze plugs; EGR cooler; throttle valve cable; engine mounts; glow plugs. **Engine block, oil pan and cylinder heads are covered only if damaged by the failure of an Internal Lubricated Part.**
2. **FUEL SYSTEM** – (available only on **Essential Plus, Premium and Exclusive Coverage.**) Fuel tank; fuel sending unit; fuel pump; high pressure fuel pump; lift pump; accessory vacuum pump and injector pump; fuel injectors; fuel distributor; fuel pressure regulator; fuel/water separator; metal fuel lines; throttle body; idle air control solenoid; idle air control motor; warm up regulator.

D. SALVAGE OR BRANDED TITLE

We will provide coverage for Vehicles which have ever had a title indication of salvage, junk, branded or other designation indicating that the vehicle had been stolen, wrecked, destroyed, water damaged, or otherwise damaged to the extent that it was considered to be uneconomical to repair.

OPTIONAL SURCHARGES

If **You** selected any of the below listed **Vehicle** Type/Optional Coverages on the **Schedule Page** and paid the applicable surcharge:

A. QUALIFIED LIFT OR DROP/OVERSIZE TIRES

We will provide coverage if Your Vehicle is street legal in the state where **You** reside, covered component **Breakdowns** in **Vehicles** lifted between two inches (2") and six inches (6"), and vehicles lowered up to two inches (2"), and/or any tire size not specified by the manufacturer and does not exceed 35" will be covered, subject to the terms and conditions herein. **NOTE: All parts used to lift or lower the Vehicle are not covered in any instance.**

B. SNOWPLOW

We will provide coverage if Your Vehicle is street legal in the state where **You** reside, covered component **Breakdowns** in **Vehicles** outfitted with a snowplow will be covered, subject to the terms and conditions herein. **NOTE: All parts used with the snowplow are not covered in any instance.**

C. COMMERCIAL USE

We will provide coverage for those Vehicles defined as **Commercial Use Vehicles**. If the **Vehicle** is registered in the name of a business, the optional **Commercial Use** surcharge must be paid, regardless of whether or not the **Vehicle** is being used for commercial purposes.

D. HYBRID VEHICLES/EV BATTERY

Your Vehicle is a hybrid or plug-in electric hybrid, the propulsion battery is covered subject to the following:

1. **Limitations to Coverage:** **Your Vehicle's** propulsion battery pack has suffered a **Breakdown** only when it retains less than seventy percent (70%) of its original charge-holding capacity.
2. **Diagnostic Requirement:** In order to determine if there is a **Breakdown** of the propulsion battery pack, the **Administrator** may require **Your Vehicle** to undergo an extended charge capacity test. The extended charge capacity test is prescribed by the manufacturer of **Your Vehicle**. If the failure to the propulsion battery does not qualify as a **Breakdown** under the terms of this **Agreement**, **You** must pay for all diagnostic, teardown and repair charges.
3. **Repair or Replacement of Propulsion Battery Parts:** The propulsion battery pack may be repaired, replaced with rebuilt units, replaced with aftermarket units, or replaced with new units, at the sole discretion of the **Administrator**.
4. **Deductible:** Regardless of the **Deductible** for standard coverage under this **Agreement**, **You** will be required to pay a one thousand dollar (\$1,000.00) **Deductible** for **Hybrid/EV Battery** repair or replacement.
5. **HYBRID SYSTEM** – (available only on **Premium and Exclusive Coverage.**) IMA control unit for battery; IMA control unit for electric motor; junction board assembly; IMA motor stator assembly; IMA motor rotor assembly; PDU unit (pre-driver); PDU converter.

E. RIDE SHARE

We will provide coverage for those Vehicles in which a person arranges a ride in a privately-owned vehicle (e.g. Uber, Lyft, or vehicles with a TLC license in New York City and New York, excluding Taxi or Yellow Cab).

F. LUXURY ELECTRONICS (available only on Premium and Exclusive Coverage.)

We will provide coverage for (Factory installed only) DVD players, VHS players, and navigation equipment.

ADDITIONAL BENEFITS UNDER THIS AGREEMENT

A. SUBSTITUTE TRANSPORTATION (RENTAL)

If **Your Vehicle** becomes inoperative due to a **Breakdown**, that is covered by this **Agreement**, **We** will pay for car rental reimbursement up to fifty dollars (\$50.00) per day that the **Vehicle** is in the shop for repairs, not to exceed three hundred and fifty dollars (\$350.00). Car Rental is not provided for delays because of **Repair Facility** scheduling or for repairs not covered by this **Agreement**. Car Rental will be reimbursed only upon receipt of an invoice from a licensed car rental agency.

B. TRIP INTERRUPTION

In the event that the **Breakdown** of a **Covered Part** by this **Agreement** occurs more than one hundred (100) miles from **Your** home and results in a **Repair Facility** keeping **Your Vehicle** overnight, **We** will reimburse **You** up to seventy-five dollars (\$75.00) per day for a maximum of three (3) days for receipted lodging and restaurant expenses incurred between the date of the **Breakdown** and the date on which the repairs are completed. The total benefit per **Breakdown** occurrence shall not exceed two hundred and twenty-five dollars (\$225.00).

C. DIAGNOSTIC

We will pay for reasonable, necessary, and customary diagnostic charges incurred in conjunction with a **Breakdown**, not to exceed the labor time listed in nationally recognized parts and labor guides. **Administrator** reserves the right to approve or deny diagnostic charges at the sole discretion of the **Administrator**. **DIAGNOSTIC TIME WILL NOT BE PAID FOR THOSE CONDITIONS WHERE THE REPAIR IS READILY APPARENT TO THE NORMAL SENSES OF SIGHT, TOUCH, SMELL, AND/OR SOUND.**

ROADSIDE ASSISTANCE

Roadside Assistance is available twenty-four (24) hours a day/three hundred sixty-five (365) days a year anywhere in the United States (including Alaska and Hawaii) and Canada. **For Roadside Assistance, You must call 1-888-249-4157.** All of the Roadside Assistance benefits are provided by Auto Knight Motor Club, Inc., Administrative Office located at: 10751 Deerwood Park Blvd., Ste. 200, Jacksonville, FL 32256, (888) 249-4157.

- Towing Assistance – When towing is necessary, the **Vehicle** will be towed to the nearest qualified **Repair Facility** or to another location requested by the driver of the **Vehicle**.
- Flat Tire Assistance – Service consists of the removal of the **Vehicle's** flat tire and its replacement with the spare tire located with the **Vehicle**, or the servicer will drive **You** to the closest tire store for repair.
- Fuel, Oil, Fluid and Water Delivery Service – An emergency supply of fuel (3 gallons), oil, fluid, and water will be delivered if the **Vehicle** is in immediate need. **You** must pay for the fuel or other fluid when it is delivered.
- Lock-Out Assistance – If **Your** keys are locked inside the **Vehicle**, assistance will be provided to gain entry into the **Vehicle**.
- Battery Assistance – If battery failure occurs, a jump start will be provided to start **Your Vehicle**.

Your coverage begins on the **Vehicle** Purchase Date shown on the **Schedule Page** and terminates on the expiration of the **Coverage Term** of **Your Agreement** shown on the **Schedule Page**. **You** will only have to pay for any non-covered expenses or costs in excess of **Your** one hundred dollars (\$100.00) per occurrence maximum.

In the event **Your Vehicle** is disabled, a service vehicle will be dispatched to **Your** location to assist. **Important:** Please be with **Your Vehicle** when the service provider arrives, unless it is unsafe to remain with the **Vehicle**, as the service provider cannot service an unattended **Vehicle**. In the event that service is not obtainable through Auto Knight Motor Club, Inc., **You** will receive an authorization number to receive a refund of payments made according to **Your** plan benefit and coverage limits for services received independently. **You** must first contact Auto Knight Motor Club, Inc., for authorization to obtain independent services.

The following items are not included as part of the Roadside Assistance benefit:

- Coverage shall not be provided in the event of emergencies resulting from the use of intoxicants or narcotics, or the use of the **Vehicle** in the commission of a felony;
- Cost of parts, replacement keys, fluids, lubricants, fuel, material, additional labor relating to towing, or the cost of installation of products;
- Non-emergency towing or other non-emergency service;
- Non-emergency mounting or removing of snow tires or chains;
- Shoveling snow from around a **Vehicle**, tire repair, extrication or winching, motorcycles, trucks over

one-and-a-half-ton capacity

- **Antique vehicles** (meaning vehicles over twenty (20) years old or out of manufacture for ten (10) years or more), taxicabs, limousines, or other commercial vehicles. recreational vehicles (RVs), camping trailers, travel trailers, or any vehicles in tow;
- **Any and all taxes or fines; damage or disablement due to collision, fire, flood or vandalism;**
- **Towing from or repair work performed at a service station, garage or repair shop; towing by a non-licensed service provider or garage; vehicle storage charges; a second tow for the same disablement; Service on a Vehicle that is not in a safe condition to be towed or serviced or that may result in damage to the Vehicle if towed or serviced. Towing or service on roads not regularly maintained, such as sand beaches, open fields, forests, and areas designated as not passable due to construction, etc; towing at the direction of a law enforcement officer relating to traffic obstruction, impoundment, abandonment, illegal parking, or other violations of law;**
- **Repeated service calls for a Vehicle in need of routine maintenance or repair;**
- **Services received independently from Auto Knight Motor Club, Inc., without prior authorization from Auto Knight Motor Club, Inc. Only one (1) disablement for the same service type during any seven (7) day period will be accepted.**

THIS IS NOT A ROADSIDE ASSISTANCE REIMBURSEMENT SERVICE.

FILING A CLAIM

1. Take immediate action to prevent further damage. This **Agreement** will not cover damage caused by not securing a timely repair of the failed component.
2. If it is dangerous to operate **Your Vehicle**, or if operating **Your Vehicle** may cause further damage, **You** must have the **Vehicle** towed (refer to Roadside Assistance section).
3. Take **Your Vehicle** to any **Repair Facility**, or call 800-552-2709 for assistance.
4. The **Repair Facility** must call the **Administrator** for approval prior to repairing or cleaning any parts.
5. The **Repair Facility** must provide an estimate of parts and labor costs in order to obtain approval. No claim payments will be made if the **Administrator** has not issued a claim approval reference number prior to repairing, replacing, or cleaning any parts.
6. **You** must authorize any charge(s) necessary to determine cause of failure. This includes necessary diagnostic and tear down charges. If it is determined that the failure does not constitute a **Breakdown** under the terms of this **Agreement**, **You** must pay for all diagnostic, tear down, and repair charges.
7. **You** must cooperate in **Our** investigation of any **Breakdown**. **You** must allow **Us** to inspect **Your Vehicle** if **We** ask to do so. **We** have no obligation to inspect **Your Vehicle** or to certify its condition before or after covered repairs are completed.
8. **You** must, upon request, show **Us** and/or the **Repair Facility** all sales receipts, invoices, or work orders showing that the **Vehicle** has been properly serviced or maintained according to manufacturer's specifications and/or provide documentation to prove ownership of the **Vehicle**.
9. Within thirty (30) days of the repair, **You** or the **Repair Facility** must furnish **Administrator** with copies of the repair order and other requested receipts or documents. **You** must submit an explanation of the **Breakdown** and repairs including an itemized, dated repair order and paid receipt(s), including any paid receipt(s) for substitute transportation and, if applicable, emergency roadside assistance expenses. All receipts must be in **Your** name and must show the date(s), **Vehicle** description, and odometer reading at the time of the **Breakdown**, and **Your Agreement** number.

EXCLUSIONS - WHAT IS NOT COVERED

A. PARTS AND SERVICES NOT COVERED

This **Agreement** does NOT provide coverage for any of the following parts or services:

- (1) Interior maintenance, adjustment and wear items including buttons, carpet, water leaks, dash pad, door and window handles, knobs, rearview mirror (glass housing, and housing contents), and trim.
- (2) Exterior maintenance, adjustment and wear items including but not limited to glass, service adjustments for body parts, bright metal, bumpers, body panels, door handles, latches, hinges, moldings, outside ornamentation, convertible or vinyl tops, paint rust, sheet metal, side-view mirrors (glass housing, and housing contents), air and water leaks, weather-strip, wheel covers/ornaments, wind noise, and physical damage to alignment, bumper, or body parts.
- (3) Service adjustments/cleaning, a contaminated fuel system, air conditioning recharge, batteries, hybrid batteries (Unless the Hybrid Vehicles Surcharge is selected on the Schedule Page and paid for), battery cables, fuses, relays, bolts and fasteners, belts, brakes (drums, shoes, linings, disc rotors and pads), exhaust system (including catalytic converter), lights (bulbs, sealed beams, and

lenses), manual clutch, pressure plate throw out bearings, clutch master or slave cylinder, manual transmission clutch disc and lining, shock absorbers, spark plugs and wires, squeaks or other noises, tires, tune-ups, wheel balancing and alignment, wheel studs, wiper blades, shop supplies, friction materials, glass, hoses (except steering and air conditioning). Filters, lubricants, coolants, refrigerants, fluids, and taxes (where required by law) will be covered only if replacement is required in conjunction with a Breakdown.

- (4) A replacement part not supplied by the Vehicle manufacturer unless it is of a kind and quality compatible with the design specifications and wear tolerances of the vehicle manufacturer.
- (5) Cases, housing, engine block and cylinder heads are covered only if damaged by the failure of an Internal Lubricated Part.
- (6) If You have not selected "Exclusive Coverage" on the Schedule Page, the following factory installed components/systems are not covered: speaker system; rear entertainment system; hot-spot wi-fi module; bluetooth systems; collision avoidance system; blind spot monitoring system; park assist system; keyless access system (not key fob); remote start system; homelink/garage door control transmitter; electronic transmitting and receiving devices, dvd players; vhs players; telephones; radar detectors; gps equipment/system; and gaming system. All aftermarket components are excluded.
- (7) Safety restraint system; air bag; air bag control module; air bag sensors and switches; impact sensors.

B. VEHICLES NOT COVERED

This Agreement does NOT provide coverage for any of the following vehicles:

- (1) Vehicles not certified for sale within the United States, salvaged vehicles, unless the related surcharge is selected on the Schedule Page, vehicles that have been declared a total loss, and vehicles that have been sold for scrap.
- (2) Trucks or vans with a Gross Vehicle Weight (GVW) in excess of thirteen thousand and three hundred (13,300) lbs.
- (3) Vehicles used for construction purposes, delivery purposes, commercial towing, commercial farm operation, volunteer public service(s), snow plowing, rental, livery, taxi, motor pool vehicles, or any type of emergency vehicle.
- (4) Vehicles used for on or off-road racing or vehicles which are equipped or used for towing in excess of what is recommended by the manufacturer.
- (5) Vehicles with modifications or alterations, unless the related surcharge is selected on the Schedule Page, to the powertrain, exhaust system, and suspension that do not meet manufacturer's specifications or are not approved by the Vehicle manufacturer, including but not limited to the failure of any custom or add-on part, all frame or suspension modifications not recommended by manufacturer, lift kits greater than six inches (6"), drops lower than four inches (4"), tires that exceed thirty-five inches (35") in diameter, trailer hitches (unless factory installed). 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.

C. CONDITIONS NOT COVERED

This Agreement does NOT provide coverage under any of the following circumstances/conditions:

- (1) Any repair(s) and/or replacement(s) not authorized by Us prior to the commencement of any repair(s) or for loss, damage, or expense arising from or incurred in connection with repairs performed without receipt of prior authorization from Us.
- (2) Loss, damage, or expense resulting directly or indirectly from an intentional, dishonest, fraudulent, criminal, or illegal act committed by You, Your employee or agent, or occurring due to confiscation or repossession.
- (3) A Breakdown caused by accident, civil commotion or riot, nuclear contamination, collision (including roadbed collision) or upset, glass breakage, earthquake, explosion, volcanic eruption, falling objects, fire or smoke, flood, fluid contamination, freezing, fuel contamination, fuels containing more than ten percent (10%) ethanol, Biofuel, gas with lower octane rating than required by the manufacturer, use of motor oil, or any other type of lubricant that is not recommended by the manufacturer, hail, lightening, malicious mischief, oil contamination, rust or corrosion, theft or larceny, vandalism, water, water contamination, windstorm, and other external forces or events.
- (4) Breakdown of any part which the United States Environmental Protection Agency (EPA) has determined to be emission related, which is included on a current list published by the EPA of such parts.

- (5) Any loss, damage, or expense normally covered by a standard automobile insurance policy including personal or property liability coverages, comprehensive coverages, or uninsured motorist coverages.
- (6) The repair or replacement of a covered part that any manufacturer warranty or any other coverage or other reason the manufacturer, importer, distributor, seller, or repairer of the vehicle will repair or replace the part at its expense or at a reduced cost. Sole coverage for such repairs or replacements shall rest with the manufacturer or other coverage provider. This does not apply to notices that do not provide manufacturer or other coverage provider payment, such as tool or repair directives without coverage, or acknowledgement of a known or common failure that has no coverage, but rather is just a notification that potentially saves time in diagnosis and/or repair.
- (7) Breakdown of a Covered Part caused by a non-covered part.
- (8) Components or parts which have not failed or resulted in a Breakdown, but are replaced based on the manufacturer's or the Repair Facility's recommendation.
- (9) A Breakdown caused by negligence, misuse, improper servicing, or failure by You to perform manufacturer required/recommended maintenance services.
- (10) A Breakdown caused by the lack of proper and necessary amounts of coolants or lubricants, or resulting from carbon, contaminate(s) and contamination of fluids, environmental damage, foreign object(s), rust or corrosion, sludge, salt, or due to leaking fluids, fuels, coolants, or lubricants from non-covered parts. Any repair or replacement of any Covered Part if a Breakdown/Mechanical Breakdown has not occurred. Gradual reduction in operating performance is not covered unless it exceeds the published tolerances allowed by the manufacturer. Valves, valve guides, valve seals, and/or piston rings are not covered if the purpose of such is simply to raise the engine's compression, performance, or to reach acceptable oil consumption.
- (11) A Breakdown of any part if the odometer is inoperative or has been disconnected subsequent to Your purchase of the Vehicle.
- (12) Damage caused by Your failure to take reasonable precautions to prevent damage when an apparent problem exists (e.g., change in engine temperature condition, unusual noises, leaking fluids, shaking, unusual shifting, illuminated warning lights, etc.).
- (13) A Breakdown or repair occurring outside the United States, its territories and possessions, or Canada.
- (14) Any fees or expenses charged for the disposal, cleanup, neutralization, removal, treatment, or detoxification of environmentally unsafe materials.
- (15) Any Breakdown occurring before breakdown coverage takes effect.
- (16) If the information provided by You or the Repair Facility cannot be verified as accurate or is found to be deceptively inaccurate.
- (17) Incidental or consequential damages, except as expressly provided otherwise in this Agreement, including personal injury, physical damage, loss of use, loss of time, storage charges, inconvenience, and commercial loss.
- (18) Any PRE-EXISTING condition including any COVERED PART that was broken, worn beyond serviceable limits, or making noise at the time of purchase, or any component or system that was not functioning properly upon the first attempt to operate.
- (19) All COVERED PARTS not in good working order prior to the Vehicle Purchase Date.

YOUR RESPONSIBILITIES

(1) MAINTENANCE REQUIREMENTS

You must keep all fluids at proper levels and have **Your Vehicle** checked and serviced in accordance with the manufacturer's recommendations as outlined in the Owner's Manual provided by the manufacturer of **Your Vehicle**. NOTE: **Your Vehicle** Owner's Manual lists different servicing recommendations based on **Your** individual driving habits and climate conditions. You are required to follow the maintenance schedule that applies to **Your** conditions. Failure to follow the manufacturer's recommendations that apply to **Your** specific conditions may result in the denial of coverage.

(2) PROOF OF MAINTENANCE LOG

It is required that You retain "Proof" of maintenance for the service and/or repair work on **Your Vehicle**, regardless if work was performed by You or a **Repair Facility**. "Proof" means repair orders from a **Repair Facility** or a self-maintained log that has corresponding "purchase receipts" for all maintenance performed, including the current mileage at the time service was performed. The self-maintained log without corresponding "purchase receipts" is not acceptable "proof" of maintenance. Repair order must be readable and understandable, with customer complaint and repair diagnosis, parts, labor hours, vehicle identification number, date, vehicle mileage, **Your** name and signature, **Repair Facility** name, address and phone number, repair

totals, **Deductible** (if applicable), and method of payment to satisfy the repair order. "Proof" of maintenance and/or **Your** self-maintained log with corresponding receipts, may be requested by the **Administrator** for related repairs.

(3) EMERGENCY REPAIRS - (non-business hours only):

Emergency repairs are only those repairs, which, if not performed, would render **Your Vehicle** inoperable or unsafe to drive and impair its future operation. If emergency repairs covered by this **Agreement** are required outside the **Seller's** or **Administrator's** business hours, (hours of claims operations are Monday-Friday 8am-6pm EST, Excluding Holidays), **You** should deliver **Your Vehicle** to a **Repair Facility** and have the necessary repairs performed at a reasonable and customary charge. On the next business day, **You** should report the repairs to the **Administrator** for reimbursement, **You** will be required to provide repair order/invoice for review. (Utah residents see special state requirements and disclosures for additional clarifying language).

AGREEMENT GENERAL PROVISIONS

A. AGREEMENT GENERAL PROVISIONS

- (1) **You** agree to assist **Us** in enforcing **Your** rights against any manufacturer or **Repair Facility** that may have responsibility to **You** for the cost of repairs covered under this **Agreement**.
- (2) **We** may require **You** to assign **Your** rights of recovery against others in the event that **We** pay for any claim made under this **Agreement**. **We** will not pay for any claim hereunder if **You** impair these rights of recovery. **You** may not waive **Your** right(s) to recover from others.
- (3) **Administrator** reserves the right to request a Power of Attorney from **You** allowing **Administrator** to speak to the manufacturer, **Us**, or any other vehicle service contract provider.
- (4) If more than one service agreement/contract, warranty, or insurance policy can be applied to a claim, coverage under this **Agreement** shall be excess over all other such coverage(s), whether collectible or not. However, when **You** are required to pay a **Deductible** for a **Breakdown** covered under another service agreement/contract, warranty, or insurance policy, this **Agreement** will reimburse **You** for such **Deductible** if the **Breakdown** would have been covered under this **Agreement**. The maximum benefit per each covered **Breakdown Deductible** reimbursement shall be one hundred dollars (\$100.00).

B. LIMITS OF COVERAGE LIABILITY

For any one repair visit, all benefits paid or payable shall not exceed the J. D. Power N.A.D.A. official used car guide or the actual cash value of **Your Vehicle** at the instant prior to the covered repair failure. The aggregate total of all benefits paid or payable during the Term of this **Agreement** shall not exceed the price **You** paid for **Your Vehicle**. If the J. D. Power N.A.D.A. Official Used Car guide vehicle valuation is unavailable, not widely recognized, or not commonly used in the geographic area, the **Administrator** may use another market retail valuation method. *For Salvage/Branded Title Vehicles, if the applicable surcharge has been paid, the Vehicle's value will be determined based on the NADA Rough Trade-In value at time of repair or 60% of NADA Clean Retail – whichever is less.*

EV BATTERY LIMITS OF COVERAGE LIABILITY

If **You** elected the Optional EV Battery Surcharge and an EV Battery Breakdown occurs, **We** agree to pay for or reimburse **You** for one EV Battery replacement for up to a maximum of ten thousand dollars (\$10,000.00), for the Term of this **Agreement**. **You** will be required to pay a one thousand dollars (\$1,000.00) Deductible for the EV Battery replacement. Some **Repair Facilities** may NOT accept direct payment from **Us**. If this issue arises, **You** will be required to pay for Covered Repair(s) up front, but will be entitled to reimbursement consideration in accordance with all of the limits, terms, conditions, and exclusions herein.

C. TRANSFER

This **Agreement** applies only to **You** and the **Vehicle** listed on the **Schedule Page**. Only **You** can transfer this **Agreement**. This **Agreement** cannot be transferred to or from an motor vehicle dealer. **We** will allow a transfer of this **Agreement** only if each of the following conditions are met:

- (1) **You** have requested a transfer request form from **Administrator** within fifteen (15) days of the change of ownership of the **Vehicle**.
- (2) Within thirty (30) days of change of ownership **You** provide **Administrator** with the following:
 - (a) Copies of sales receipts, invoices, or work orders showing the date, mileage, and service(s) performed to evidence that all of the manufacturer's maintenance requirements have been met.
 - (b) Documented certification of the **Vehicle's** odometer reading at the time of ownership transfer.
 - (c) If applicable, copies of all documents sent to the manufacturer to effect transfer of **Your** factory warranty. Any remaining manufacturer's warranty must also be transferred at the same time as **Vehicle** ownership transfer.
 - (d) A transfer fee of fifty dollars (\$50.00). Only a check or a money order will be accepted.
 - (e) The completed transfer request form with all required signatures.

- (3) If the transferee does not receive a confirmation of transfer within forty-five (45) days after change of ownership, the transferee must notify **Administrator**.

D. PAYMENT PLAN PROVISIONS

In the event the purchase price of **Your Agreement** is being paid for through a payment plan (or its equivalent) which is terminated for non-payment, the **Term** and **Mileage Limit** of this **Agreement** will be modified to reflect the portion of the **Agreement** that **You** have paid for. The modified **Term** and **Mileage Limit** of the **Agreement** will be calculated on a pro-rata basis by adding the time and mileage that **You** have used from the **Agreement** Purchase Date and **Vehicle** odometer mileage on the **Agreement** Purchase Date as listed on the **Schedule Page**. **You** may contact the **Administrator** at (844) 241-5518 to obtain the modified **Term** and **Mileage Limits**.

(1) FINANCIAL AGREEMENTS

If this **Agreement** was financed (purchased on a payment plan) by a funding party, the funding party shall be entitled to any refund(s) resulting from cancellation of this **Agreement** for any reason including repossession of **Your Vehicle**, or total loss of **Your Vehicle**. Failure to make monthly payments in a timely manner may result in cancellation of this **Agreement** and no refund will be due and no claims will be approved.

(2) RENEWABLE COVERAGE

You may purchase a new **Agreement** from the **Seller** **You** originally purchased this **Agreement** from by contacting the **Seller** thirty (30) days prior to the expiration of the original **Agreement** indicated on the **Schedule Page**. The price of a new agreement will be based on the age, mileage, and eligibility of the **Vehicle** and coverage selected. If the **Seller** is out of business or is no longer selling **Our** product, **You** may contact the **Administrator** who will direct **You** to a **Seller** in **Your** area.

E. CANCELLATION

- (1) The **Agreement Holder** may cancel this **Agreement** by contacting the **Seller** or **Administrator**.
- (2) If the **Vehicle** and this **Agreement** have been financed, the lienholder may cancel this **Agreement** for non-payment, or if the **Vehicle** has been declared a total loss or has been repossessed. The rights under this **Agreement** are transferred to the lienholder and the lienholder is also entitled to any refund calculated in accordance with the **Agreement Holder's** cancellation rights.
- (3) The **Agreement Holder** may cancel this **Agreement** within thirty (30) days of the **Agreement** Purchase Date and receive a full refund of the total **Agreement** Purchase Price. The **Agreement Holder** may cancel this **Agreement** after thirty (30) days and receive a pro-rata refund of the total **Agreement** Purchase Price based on the greater of the days in force or the miles driven compared to the total **Agreement** **Term**, less the applicable cancellation fee in the amount of seventy-five dollars (\$75.00) and any claims paid. The **Term** of this **Agreement** for cancellation purposes will be based on the date of purchase of the **Vehicle** and the **Vehicle** mileage on such date.
- (4) In the event the **Agreement** Purchase Price is being paid for through a payment plan (or its equivalent) any outstanding balance held by payment plan provider would be deducted from the refund amount due to the **Agreement Holder**.
- (5) All refunds will be issued through the **Administrator**.
- (6) If a refund is owed, the refund will be paid or credited within thirty (30) days from the date the **Obligor** or **Seller** receive notice of cancellation from the **Agreement Holder**.

Obligor reserves the right to cancel this **Agreement** upon the occurrence of any of the following:

- Failure by the **Agreement Holder** to pay an amount when due.
- Conviction of the **Agreement Holder** of a crime, which results in an increase in the service required under this **Agreement**.
- Discovery of fraud or material misrepresentation by the **Agreement Holder** in obtaining this **Agreement** or in presenting a claim for service here under.
- Discovery of an act or omission by the **Agreement Holder**, or a violation by the **Agreement Holder** of any condition of this **Agreement**, which occurred after the **Agreement** Purchase Date and which substantially and materially increases the service required under this **Agreement**, including but not limited to failure of the odometer of the **Vehicle** or if for any reason it does not record the actual mileage of the **Vehicle** after the **Agreement** Purchase Date and the actual mileage of the **Vehicle** cannot be established to a reasonable degree of certainty, and if the **Vehicle** is used for **Commercial Use**.
- A material change in the nature or extent of the required service or repair which occurs after the **Agreement** Purchase Date and which causes the required service or repair to be substantially and materially increased beyond that contemplated at the time this **Agreement** was issued or sold.
- No cancellation of this **Agreement** by the **Obligor** shall become effective until fifteen (15) days after the notice of cancellation is mailed to the **Agreement Holder**. The **Obligor** will not charge a cancellation fee if

this **Agreement** is cancelled by the **Obligor**.

- If the **Obligor** cancels this **Agreement** within thirty (30) days of the **Agreement** Purchase Date, a full refund of the total **Agreement** Purchase Price will be issued. If the **Obligor** cancels this **Agreement** after thirty (30) days, a pro-rata refund of the total **Agreement** Purchase Price based on the greater of the days in force or the miles driven compared to the total **Agreement Term** will be issued.
- If the **Obligor** cancels this **Agreement** and a refund is owed, the refund will be paid or credited within thirty (30) days from the effective date of the cancellation.

F. FOR ASSISTANCE

IN THE EVENT OF A **BREAKDOWN**, CANCELLATION, TRANSFER, OR FOR ANY OTHER QUESTIONS OR CONCERNS, CALL THE **ADMINISTRATOR**. FOR ROADSIDE ASSISTANCE, CALL THE SERVICE PROVIDER.

G. OBLIGATIONS

Obligations under this **Agreement** 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 Georgia and New York.

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

In New York, obligations under this **Agreement** are 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 **Agreement**, **You** may file a direct claim with the insurer as designated above. To do so, please call the following number for instructions: (800) 888-2738.

H. LIMITED APPLICABILITY OF THE FEDERAL MAGNUSON-MOSS WARRANTY ACT

You agree and acknowledge that **You** have paid an additional fee for this **Agreement** that is separate and apart from the purchase price **You** paid for the **Vehicle**. Because of that separately stated consideration, **You** agree and acknowledge that this **Agreement** is not part of the basis of the bargain for **Your** purchase of the **Vehicle**. **You** further agree and acknowledge that **We**, the **Administrator/Obligor** under this **Agreement**, are not the supplier of the **Vehicle**. Consequently, this **Agreement** is not a "written warranty" under the federal Magnuson-Moss Warranty Act. As a result, this **Agreement** is not subject to the provisions of the Magnuson-Moss Warranty Act that apply only to a "written warranty."

I. LIMITATION OF LIABILITY

IN NO EVENT WILL **WE** BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL LOSS OR DAMAGE UNDER THIS **AGREEMENT** INCLUDING, BUT NOT LIMITED TO, LIABILITY FOR INJURY, LOSS OF LIFE, PROPERTY DAMAGE, LOSS OF USE, LOSS OF TIME, INCONVENIENCE, OR COMMERCIAL LOSS, TO THE EXTENT PERMITTED BY LAW, **WE** DISCLAIM ANY WARRANTY THAT REPAIRS OR PERFORMANCE WILL BE OF ANY PARTICULAR STANDARD OR QUALITY.

J. DISPUTE RESOLUTION/ARBITRATION AGREEMENT AND CLASS ACTION WAIVER

PLEASE READ THIS DISPUTE RESOLUTION/ARBITRATION AGREEMENT AND CLASS ACTION WAIVER, INCLUDING THE OPT-OUT PROVISION, CAREFULLY TO UNDERSTAND YOUR RIGHTS. IT REQUIRES THAT CLAIMS (AS DEFINED BELOW) BE RESOLVED SOLELY THROUGH BINDING ARBITRATION ON AN INDIVIDUAL BASIS, RATHER THAN BY A JURY OR IN A CLASS ACTION.

Arbitration is a method of resolving any Claim without filing a lawsuit. In this Arbitration Agreement and Class Action Waiver (collectively including all of this section of this **Agreement**), **You**, **We**, and the **Administrator/Obligor** (the "Parties") are agreeing to submit any and all Claims to binding arbitration on an individual basis for resolution. This Arbitration Agreement and Class Action Waiver sets forth the terms and conditions of Our Agreement to binding arbitration. The Parties agree that any and all claims, disputes and controversies related in any way to this **Agreement**, including but not limited to claims related to the underlying transaction giving rise to this **Agreement**, or claims related to the sale, financing or fulfillment of this **Agreement** (collectively, "Claims"), shall be resolved by final and binding arbitration. "Claims" shall be given the broadest meaning possible and includes, without limitation, Claims arising under this Agreement, tort, statute, regulation, rule, ordinance or other rule of law or equity, and Claims against any of **Our** or the **Administrator's** owners, shareholders, members, affiliates, subsidiaries, divisions, directors, officers, employees, representatives, agents, successors, or assigns. In arbitration, Claims are resolved by an arbitrator and not by a judge or jury. **THE PARTIES, INCLUDING YOU, WAIVE ANY RIGHT TO HAVE CLAIMS DECIDED BY A JUDGE OR JURY.** In addition, except as expressly stated in the Class Action Waiver or otherwise expressly stated herein, the arbitrator shall have exclusive authority to decide all issues related to the enforcement, applicability, scope, validity, and interpretation of this Arbitration Agreement, including but not limited to any unconscionability

challenge or any other challenge that the Arbitration Agreement is void, voidable or otherwise invalid. Notwithstanding this Agreement to arbitrate, each of the Parties retains the right to seek remedies in small claims court to resolve any Claim, on an individual basis, within the jurisdiction of small claims court. **You** acknowledge **You** understanding that all Parties hereunder are waiving their rights to go to court, except for small claims court, to resolve any Claims arising under or related to this **Agreement**.

The Parties agree and acknowledge that the transaction evidenced by this **Agreement** affects interstate commerce. The Parties further agree that all issues relating to this Arbitration Agreement and Class Action Waiver, including its enforcement, scope, validity, interpretation, and implementation, will be determined pursuant to federal substantive law and the substantive and procedural provisions of the Federal Arbitration Act ("Act"), 9 U.S.C. §§ 1-16. If federal substantive law holds that state law should apply to any issue relating to this Arbitration Agreement and Class Action Waiver, then the law of the state where **You** purchased the **Agreement** shall apply, without regards to conflicts of law.

CLASS ACTION WAIVER. All Claims must be brought solely in an individual capacity, and not as a plaintiff or class member in any purported class action, collective action, representative action, mass action, private attorney general action or action on behalf of the general public, or similar proceeding (any such action is referred to herein as a "Class Action"). **NO CLAIM WILL BE ARBITRATED ON A CLASS ACTION BASIS.** The Parties, including **You**, expressly waive any right or ability to bring, assert, maintain, or participate as a class member in any Class Action in court, arbitration, or any other forum, and the right for anyone to do so on **Your** behalf. The arbitrator may not consolidate more than one person or entity's claims, and may not otherwise preside over any Class Action. The arbitrator shall not have the authority to combine or aggregate multiple persons' or entities' Claims or discovery, to conduct a Class Action or to make an award to any person or entity not a party to the arbitration. Notwithstanding anything to the contrary, the Parties agree that the enforcement, applicability, scope, validity, and/or interpretation of this Class Action Waiver shall be decided by a court of competent jurisdiction and not by an arbitrator. If this Class Action Waiver is ruled unenforceable or is interpreted to not prevent a Class Action, then the Arbitration Agreement shall be null and void, and any Claims shall proceed in a court of law and not in arbitration. The Parties agree that if an arbitrator renders a decision regarding the enforcement, applicability, scope, validity, and/or interpretation of this Class Action Waiver, or determines that a Class Action may proceed in arbitration, then: (1) the arbitrator has exceeded his powers, pursuant to §10(a)(4) of the FAA, by taking such action; (2) either party may seek immediate review of that decision by a court of competent jurisdiction; and (3) a court of competent jurisdiction shall apply a "de novo" standard of review of that decision if such standard of review is allowed by the common law or statutes of that state. The Parties, including **You**, agree that if for any reason a Claim proceeds to Court, rather than arbitration, (1) the Claim will proceed solely on an individual, non-class, non-representative basis, and (2) no Party may be a class representative or class member or otherwise participate in any Class Action.

The arbitration shall be administered by the American Arbitration Association ("AAA"). The arbitration shall be conducted pursuant to the AAA Consumer Arbitration Rules (the "Code"). Information on AAA and a copy of the Code may be found at the following URL: American Arbitration Association, www.adr.org. The arbitration will be governed by federal substantive law and the substantive and procedural provisions of the Federal Arbitration Act ("Act"), 9 U.S.C. §§ 1-16. If federal substantive law holds that state law should apply to any issue relating to the arbitration, then the law of the state where **You** purchased the **Agreement** shall apply, without regards to conflicts of law. The arbitration will occur before a single, neutral arbitrator selected in accordance with the Code in effect at the time the arbitration is commenced. If **Your** total damage claims (not including attorney's fees) do not exceed \$25,000, then all Claims shall be resolved by the Code's Procedures for the Resolution of Disputes through Document Submission, except that a Party may ask for a hearing or the arbitrator may decide that a hearing is necessary. If a hearing is held, **You** have a right to attend the arbitration hearing in person, and **You** may choose to have any arbitration hearing held in the county in which **You** live, the closest AAA location to **Your** residence, or via telephone. In the event that the specified arbitration forum is unavailable, the Parties may agree on a substitute arbitration forum. If the Parties cannot agree, a court of competent jurisdiction may appoint a substitute arbitration forum. For information about how to initiate arbitration with the AAA, the Parties may refer to the AAA Code and forms at www.adr.org. If **You** initiate arbitration with AAA, **You** must pay the AAA filing fee in an amount no greater than the fee **You** would have to pay if **You** filed a complaint in federal court. **We** will pay any remaining Costs of arbitration required by the Code ("Arbitration Costs"); however, if the arbitrator determines that any of **Your** claims are frivolous, **You** shall bear all of the Arbitration Costs. If **We** initiate arbitration against **You**, **We** will pay the AAA filing fee and the Arbitration Costs. Each party will pay his/her/its own attorney's fees, as well as costs relating to proof and witnesses, regardless of who prevails, unless

applicable law and/or the Code gives a party the right to recover any of those fees from the other party. 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. 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 of law or equity rather than in arbitration.

If any portion of this Arbitration Agreement is deemed invalid or unenforceable, all the remaining portions of this Arbitration Agreement shall nevertheless remain valid and enforceable, provided, however, that if any portion of the Class Action Waiver is deemed invalid or unenforceable, then this Arbitration Agreement shall be invalidated and unenforceable in its entirety. In the event of a conflict or inconsistency between this Arbitration Agreement and Class Action Waiver and the other provisions of this Agreement or any other Agreement, this Arbitration Agreement and Class Action Waiver governs.

OPT-OUT PROVISION. YOU SHALL HAVE THE RIGHT TO OPT OUT OF THIS ARBITRATION AGREEMENT AND CLASS ACTION WAIVER BY PROVIDING WRITTEN NOTICE OF YOUR INTENTION TO DO SO TO US WITHIN THIRTY (30) DAYS OF THE PURCHASE OF THIS AGREEMENT THE DATE OF PURCHASE BEING INDICATED ON YOUR AGREEMENT. To opt out, You must send written notice to either: (1) 10751 Deerwood Park Blvd., Suite 200, Jacksonville, FL 32256, Attn: Legal or (2) legal@fortegra.com, with the subject line, "Arbitration/Class Action Waiver Opt Out." You must include in Your opt out notice: (a) Your name and address; (b) the date You purchased Your Agreement; and (c) the Seller. If You properly and timely opt out, then all Claims will be resolved in court rather than arbitration.

K. 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.fortegra.com.