

THE ADMINISTRATOR MUST BE CONTACTED PRIOR TO PERFORMING ANY REPAIR UNDER THIS AGREEMENT. THE ADMINISTRATOR WILL NOT BE RESPONSIBLE FOR ANY REPAIRS THAT ARE NOT PRE-AUTHORIZED. SEE THE "AGREEMENT HOLDER RESPONSIBILITIES SECTION" FOR INSTRUCTIONS TO BE FOLLOWED IN THE EVENT OF A COVERED BREAKDOWN.

MAINTENANCE REQUIREMENTS: You must have Your Vehicle checked and serviced in accordance with the Manufacturer's (MFR) recommendations as outlined in the Owner's Manual provided by the **Manufacturer** or according to the terms in the **Agreement Holder Responsibilities** section, Maintenance, whichever is less.

I. DEFINITIONS

1. **Administrator:** Headstart Warranty Group LLC., 14114 North Dallas Pkwy., Ste. 600, Dallas, Texas 75254, (888) 964-1899, is the **Administrator** in all states except:
 - o Florida, where Lyndon Southern Insurance Company is providing administration, 10751 Deerwood Park Blvd., Ste. 200, Jacksonville FL 32256, Tel: (800) 888-2738.
2. **Agreement:** This **Agreement**, which **You** have purchased for the **Vehicle** described on the **Schedule Page**.
3. **Agreement Holder, You, Your:** The **Agreement Holder** shown on the **Schedule Page** or the person to whom the **Agreement** was properly transferred.
4. **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 of inaction of any noncovered part.
5. **Commercial Use: (unless the surcharge is selected on the Schedule Page and the surcharge is paid)** A commercial vehicle registered to a business and/or for business purposes. **Vehicles that are in excess of manufacturer's G.V.W. or exceed manufacturer's recommendation use are not eligible. Taxi cabs, tow trucks, snowplows emergency vehicles, and police vehicles are ineligible.**
6. **Claim:** A demand by **You** for benefits under this **Agreement**. A visit/claim may have more than one Covered Repair.
7. **Coverage:** The protection **You** purchased, as shown on the **Schedule Page**. **Part/component repairs that are covered by other warranty(ies) or insurance are excluded from Your Coverage for the term of said warranty(ies).**
8. **Covered Part(s):** The usual and fair charges to repair or replace a **Covered Part**. The maximum **We** will pay for a **Covered Part** will not exceed the manufacturer's suggested retail list price. The mechanical and electrical parts and components unless specifically excluded under **Section IV. COVERED VEHICLE PARTS**, as contained in this **Agreement** which are original parts on **Your Vehicle** at the time of its purchase by **You** or like replacement parts meeting the manufacturer's specifications.
9. **Deductible:** The amount **You** are required to pay, as shown on the **Schedule Page**, toward the total cost for the repair or replacement of **Covered Part(s)** per visit. The **Deductible** is reduced to \$0 if **You** return to a participating **RepairPal Repair Facility** by visiting <https://repairpal.com/headstart>. Once a part is repaired or replaced under the terms of this **Agreement**, there will be no **Deductible** for future repairs to that part.
10. **Failure:** The inability of an original or like replacement part covered by this **Agreement** to function in normal service.
11. **Labor Rate:** Refers to the rate for authorized repairs, which will be the posted rate of the **Repair Facility** that **You** selected up to industry average for the area location of where the **Repair Facility** is located. If the **Repair Facility's Labor Rate** is not posted the **Administrator** reserves the right to approve a **Labor Rate** based on the average **Labor Rate** for area similar local repair facilities. **Administrator** also reserves the right to adjust the approved **Labor Rate** if the **Repair Facility's Labor Rate** is deemed to be excessive by the **Administrator** when compared to local average labor rates for similar facilities.
12. **Obligor (We, Us, Our):** Headstart Warranty Group LLC., 14114 North Dallas Pkwy., Ste. 600, Dallas, Texas 75254 (888) 964-1899, is the Obligor in all states except:
 - o Florida, the **Obligor** is Lyndon Southern Insurance Company 10751 Deerwood Park Blvd., Ste. 200, Jacksonville, FL 32256, Tel: (800) 888-2738, (Florida License No. 03698);
 - o Oklahoma, the **Obligor** is Lyndon Southern Insurance Company 10751 Deerwood Park Blvd., Ste. 200, Jacksonville, FL 32256, Tel: (800) 888-2738, (Oklahoma License No. 44194686);
 - o Washington, the **Obligor** is Auto Knight Motor Club, Inc., 10751 Deerwood Park Blvd., Ste. 200, Jacksonville, FL 32256, Tel: (800) 888-2738.
13. **Pre-Existing Condition:** A condition and/or failure that within all reasonable mechanical probability and mechanical fitness existed prior **Agreement** Purchase Date.
14. **Reasonable Cost:** The diagnostic/tear down and repair costs are based on Motors, AllData or Mitchell/Pro Demand labor guides or the lesser of the posted labor rate.
15. **Repair Facility:** A licensed **Repair Facility** (licensed as a retail merchant to perform mechanical repairs)

authorized by the **Administrator** to perform repair services under this **Agreement**.

16. **Schedule of Coverages:** A part to this **Agreement** that outlines the coverage of the **Plan** selected by **You** as shown on the **Schedule Page** of this **Agreement** and lists the **Covered Parts**.
17. **Schedule Page:** The numbered document executed by **You** which must be attached to this **Agreement**. It lists information regarding the **Vehicle** to be covered, **Agreement** Terms and Conditions, and other vital information.
18. **Seller:** The seller from whom **You** purchased this **Agreement** as shown on the **Schedule Page**.
19. **Term:** The **Term** ends on the **Agreement** Expiration Date (**Term**) or **Agreement** Expiration Odometer (**Miles**) listed on the **Schedule Page**.
20. **Vehicle:** The **Vehicle** described on the **Schedule Page** that is covered under this **Agreement**.
21. **Waiting Period:** Thirty (30) days AND one thousand (1,000) miles from the **Agreement** Purchase Date. An additional thirty (30) days and one thousand (1,000) miles will be added to **Your Vehicle** plan's scheduled time/mileage expiration. Therefore the **Waiting Period** will not reduce the actual time/mileage during which **You** have **Coverage**. **Coverage** will commence the day following the **Waiting Period**. Claims incurred during or prior to the **Waiting Period** are not covered.
22. **Wear and Tear:** The gradual reduction of operating performance. Coverage will be extended to all covered parts and components that suffered a **Breakdown** as a result of **Wear** and/or **Tear** unless otherwise listed under the **Exclusions** section of this **Agreement**.

II. SCHEDULE OF COVERAGE

BREAKDOWN COVERAGE

We will pay or reimburse **You** for **Reasonable Costs** to repair or replace any **Breakdown** of all mechanical or electrical parts and associated labor costs, except those listed under **Section IV. EXCLUSIONS - WHAT IS NOT COVERED** less any **Deductible(s)**, if applicable, in accordance with **Section III. COVERAGE PROVISIONS** contained in this **Agreement**. Reimbursement amounts for replacements parts or components may be based on new, non-OEM, remanufactured, or used parts at Our sole discretion.

Some Licensed 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.

The operation of this **Agreement** will be concurrent in certain cases with any applicable Factory, Manufacturer's, or Seller's Warranty or particular provisions thereof. **You** are required to pursue those warranties before proceeding with this **Agreement**. We will pay **Reasonable Costs** for the diagnostics in conjunction with a covered **Breakdown**. We reserve the right to request **Vehicle** to be relocated to another **Repair Facility** at its sole discretion.

OPTIONAL COVERAGE

Maintenance Plan: The following coverage is provided if the Maintenance Plan option is selected on the **Schedule Page** and paid for. **You** will receive these benefits beginning sixty (60) days after the **Agreement** Purchase Date. This program expires fourteen (14) months from the **Agreement** Purchase Date.

- A. **OIL CHANGES:** Oil changes up to 6 quarts (maximum two (2) oil changes during the **Term** of the **Agreement** at \$80.00 for each service. This benefit includes oil and filter.
- B. **BRAKES PADS/SHOES:** \$150.00 towards the replacement of one pair of shoes/pads on a conventional passenger vehicle. (A labor charge may apply).
- C. **BATTERY:** Replacement if Battery is bad during **Term** of the **Agreement** for new vehicles or \$135.00 credit towards one (1) battery of **Your** choice (installation charge may apply).
- D. **COOLING SYSTEM MAINTENANCE & LUBE:** Drain/refill, pressure check, inspect hoses, belts, clamps, & lube chassis. We will pay for (1) service during the **Term** of the **Agreement** up to \$50.00.
- E. **WIPER BLADES:** One (1) service during the **Term** of the **Agreement** up to \$30.00. **Required Factory Maintenance Mileage Interval Inspections are not covered under this Agreement.**

For reimbursement for the Maintenance Benefits, please save all receipts and mail all **Your** receipts to the **Administrator** at 14114 N. Dallas Pkwy., Ste. 108 Dallas, TX 75254 or to Claims@Headstartwarrantygroup.com. Receipts must be legible and verifiable. Handwritten receipts will not be accepted.

III. COVERAGE PROVISIONS

AGREEMENT PERIOD

Coverage under this **Agreement** begins upon the expiration of the **Waiting Period** and will expire according to the time and/or mileage of the term selected whichever occurs first, as of 12:01 a.m. on the **Agreement** Expiration Date (**Term**) or **Agreement** Expiration Odometer (**Miles**) shown on the **Schedule Page**. We may cancel this **Agreement** within thirty (30) days from **Our** receipt if underwriting criteria are not met. **Replacement will be made with parts of like kind and quality and compatible with the Covered Vehicle's specification.** All parts replaced will be covered under the terms

and conditions hereof for the remaining term and/or mileage of this **Agreement** as shown above.

DEDUCTIBLE

The amount **You** are required to pay, as shown on the **Schedule Page**, toward the total cost for the repair or replacement of **Covered Part(s)** per visit/claim made. The **Deductible** is reduced to \$0 if **You** return to a participating RepairPal **Repair Facility**. Once a part is repaired or replaced under the terms of this **Agreement**, there will be no **Deductible** for future repairs to that part.

LIMIT(S) OF LIABILITY/COVERAGE OF ALL REPLACEMENT PARTS

1. **Per Repair Visit** – Our liability for any one (1) repair visit shall in no event exceed the Actual Cash Value (“ACV”) of Your Vehicle immediately prior to the Breakdown. ACV means the J.D. Power/N.A.D.A. published retail value of Your Vehicle on the date of loss, taking age, condition, and mileage into consideration.
2. **Aggregate** – The total of all benefits paid or payable while this Agreement is in force shall not exceed the total of all benefits paid or payable under this Agreement and limits of liability thereunder shall not exceed twelve thousand five hundred dollars (\$12,500.00).

Replacement of parts and in particular certain automotive components, such as engines, transmissions, differential assemblies, and other components, may be by the use of other than new parts. Any such parts will be covered under the terms and conditions for the remaining term and/or mileage of this Agreement.

COVERED VEHICLE PARTS

BASIC COVERAGE

Gasoline/Diesel Engine: All internal lubricated parts including: pistons, piston rings and pins, crankshaft and main bearings, connecting rods and rod bearings, camshaft and bearings, pushrods, rocker arms and followers, timing belt/chain and gears, valves, valve springs, seats and guides, lifters, oil pump, manifolds, flywheel, ring gear, flex plate, core plugs, harmonic balancer and bolt, valve covers, timing cover, oil pan, vacuum pump, engine mounts. Also covered are turbocharger/supercharger housing, all internal parts, and the waste gate. **The engine block and cylinder head are covered only if damaged by an internal lubricated part.**

Rotary Engine: All parts listed above for gas/diesel engine plus rotors, rotor seals eccentric shaft and bearings. **The rotor chamber is covered if damaged by an internal lubricated part.**

Transmission: All internal lubricated parts in the transmission case including bands, clutch packs, gears, pumps, shafts, shift forks, shift rails, synchronizers, and solenoids. The torque converter, bell housing, vacuum modulator, transmission mounts, and transmission pan. **The transmission case is covered only if it is damaged by an internal lubricated part.**

Transfer Case: All Internally lubricated parts contained within the Transfer Case. **The Transfer Case is also covered if damage is the result of the failure of an Internal Part of the Transfer Case.**

Drive Axle: 2WD / 4WD / ALL-WHEEL: All internal lubricated parts in the drive axle, axle shafts, differential cover, universal joints and yokes, constant velocity and double offset joints, wheel bearings, drive shaft, drive shaft center bearing, locking hub mechanism. **The drive axle housing is covered only if damaged by an internal lubricated part.**

Seals and gaskets: Should seals and gaskets be required in conjunction with the repair of a **Covered Part**, coverage will be extended to include seals and gaskets on said **Covered Part**. Up to 150,000 miles, cylinder head gasket(s) and intake manifold gaskets are the only gaskets covered as a gasket failure ALONE of the listed parts that are covered will be covered by this Agreement. Head gaskets on Diesel Engines are not covered.

VALUE (INCLUDES BASIC COVERAGE)

Air Conditioning: Expansion valve, pressure cutoff switches, orifice tube and dryer, Condenser, Compressor, Evaporator, Lines and Fittings, Internal assembly including pistons, rods, valves, bearings and shafts, clutch and pulley. **NOTE: O.E.M. refrigerants are to be used if replacement is required. If Breakdown is due to a Covered Part, and fluid conversion is necessary, the Agreement will cover the conversion parts and labor only. For hoses, O-rings seals, refrigerants and other non-covered components the Agreement Holder is responsible.**

Steering: Power steering fluid cooler, steering column coupling, power steering pump, steering main and intermediate shafts, power cylinder assembly, Pitman arm, idler arm, tie rods, drag link, power steering cooler, power steering control valve and cylinder, steering box or rack.

Brakes: Master cylinder, power assist boosters and valves, wheel cylinders and calipers, combination valve, backing plates, power brakes cylinder, vacuum assist booster pump, springs, clips and retainer, self-adjusters, rear activators, parking brake linkage and cables.

Fuel System: Fuel pump, fuel injectors, diesel fuel injection pump, diesel injectors, diesel vacuum pump.

Cooling System: Water pump. **Radiator and heater core only if leaking.**

Base Electrical: Alternator, starter motor and solenoid, distributor, ignition coil, ignition module.

COMPLETE (INCLUDES BASIC AND VALUE COVERAGE)

Suspension: Upper and lower control arms, control arm shafts and bushings, upper and lower ball joints, front wheel drive hub and bearing assembly, steering knuckles, stabilizer shaft and bushings, kingpins and bushings, strut bar and bushings, spindles and spindle supports, and wheel bearings.

High Tech Electrical: Cruise control servo/transducer, factory compass, factory thermometer, headlight switch, horn, ignition lock cylinder, ignition switch, power antenna, power lock actuators, windshield wiper motor, windshield wiper module, windshield washer pump, power window motors and power window regulator. Electronic speedometer display and module, engine control module, power sun/moon roof motor, power convertible top electric motor, crank sensor, knock sensor, oil temp sensor, camshaft positioning sensor, mass air flow sensor, BAP sensor MAP sensor, upstream oxygen sensors, downstream oxygen sensor, heated oxygen sensors, throttle positioning sensor engine coolant temperature sensor, intake air temperature sensor, neutral or park position sensor, brake fluid pressure sensor, PFE sensor, pressure sensors.

Anti-Lock Brakes: Booster and pump, master cylinder, control processor and solenoids.

OPTIONAL SURCHARGES

Coverage only applies if the appropriate surcharge is selected on the Schedule Page and the surcharge is paid.

1. **Commercial Use:** A commercial vehicle registered to a business and/or for business purposes. **Vehicles that are in excess of manufacturer's G.V.W. or exceed manufacturer's recommendation use are not eligible. Taxi cabs, tow trucks, snowplows (unless the surcharge is selected on the Schedule and the surcharge is paid), emergency vehicles, livery and police vehicles are ineligible.**
2. **4 Wheel Drive / All-Wheel Drive:** Four-wheel drive, also called 4x4 or 4WD, refers to a two-axle vehicle drivetrain capable of providing torque to all its wheels simultaneously. It may be full-time or on-demand and is typically linked via a transfer case providing an additional output drive shaft and, in many instances, additional gear ranges. **All-Wheel Drive:** a transmission system that always operates in four-wheel drive and does not alternate with two-wheel drive.
3. **Lift Kits up to 6"/Tires up to 10% above Factory Size Eligible:** A **Vehicle** with a lift kit installed up to six (6") inches and/or with tires up to ten percent (10%) inches above the factory size as recognized on the door jam placard.
4. **Turbo/Supercharger Component:** A turbocharger is made up of two main sections: the turbine and the compressor. The turbine consists of the turbine wheel (1) and the turbine housing (2). It is the job of the turbine housing to guide the exhaust gas (3) into the turbine wheel.
5. **Diesel Engine:** any internal-combustion engine in which air is compressed to a sufficiently high temperature to ignite diesel fuel injected into the cylinder, where combustion and expansion actuate a piston. It converts the chemical energy stored in the fuel into mechanical energy.
6. **Rideshare -** A privately owned vehicle that is driven for free, or for a fee, especially using an app or website.
7. **Salvage Title -** Any vehicle that has been titled as Salvage Title due to damage beyond fair market value and/or deemed a total loss by an insurance company.
8. **Hybrid Vehicle -** IMA control unit of battery electronics, IMA control unit for Motor Electronic, cable assembly (motor PDU), Junction board assembly, IMA motor stator assembly, IMA motor rotor assembly, PDU unit (pre-driver), PDU converter (AC-DC).

IV. EXCLUSIONS - WHAT IS NOT COVERED

THIS AGREEMENT DOES NOT PROVIDE COVERAGE FOR ANY OF THE FOLLOWING PARTS OR CONDITIONS:

- 1) **12 VOLT BATTERY, BATTERY CABLES, SHOCK ABSORBERS; MANUAL AND HYDRAULIC CLUTCH COMPONENTS, SUCH AS BUT NOT LIMITED TO: MANUAL CLUTCH PEDAL, FRICTION CLUTCH DISC, PRESSURE PLATE AND THROW OUT BEARING; MANUAL AND HYDRAULIC LINKAGES, SAFETY RESTRAINT SYSTEMS (INCLUDING AIR BAG SYSTEMS), THROTTLE BODY, GLASS; NORMAL MAINTENANCE (UNLESS THE OPTIONAL MAINTENANCE COVERAGE IS SELECTED ON THE SCHEDULE PAGE AND PAID); ITEMS SUCH AS BUT NOT LIMITED TO TUNE UPS, SPARK PLUGS, GLOW PLUGS, FLUID EXCHANGES/FLUSHES, ALL FILTERS, ANY COMPONENT THAT ITS ONLY PURPOSE IS FOR ILLUMINATION, SUCH AS BUT NOT LIMITED TO: LENS DEGRADATION, LEDs, LENSES, SEALED BEAMS AND LIGHT BULBS; FUSES, CIRCUIT BREAKERS, ALL BELTS, HOSES, LINES AND TUBES, BRAKE ROTORS AND DRUMS, SHOCKS AND STRUTS, EXHAUST SYSTEMS (INCLUDING CATALYTIC**

CONVERTERS), FLUIDS, UNLESS REQUIRED IN CONJUNCTION WITH A COVERED REPAIR LIMITED TO FACTORY FILL SPECIFICATION, WINDSHIELD WIPER ARMS, WIPER BLADES, WEATHER STRIPS, TRIM, MOLDINGS, WEATHER STRIPPING, RUST/CORROSION, BRIGHT METAL, CHROME, UPHOLSTERY AND CARPET, CONVERTIBLE TOP MATERIAL, ZIPPERS, HARDWARE (SUCH AS NUTS, BOLTS, SCREWS, FASTENERS OR LOOSENING OF FASTENERS, UNLESS REPLACEMENT IS REQUIRED IN CONNECTION WITH A BREAKDOWN), FREEZE PLUGS, DASH PAD, SQUEAKS, RATTLES, WATER LEAKS, WIND NOISE, PAINT, OUTSIDE ORNAMENTATION, MANUAL INSIDE AND OUTSIDE DOOR HANDLES, DOOR HINGES, DOOR CHECKS, MIRRORS, MIRROR HOUSINGS, WHEELS, TIRES, WHEEL COVERS, TIRE PRESSURE SENSOR, WHEEL BALANCING, WHEEL ALIGNMENTS (UNLESS REQUIRED WITH A COVERED REPAIR), HUBCAPS, BUMPERS, ADJUSTMENTS, PROGRAMMING, SOFTWARE UPDATES, BODY SHEET METAL AND PANELS, BODY PARTS, FRAME, BRACKETS AND STRUCTURAL BODY PARTS, VINYL, SEALS AND GASKETS UNLESS IN CONJUNCTION WITH A COVERED REPAIR, SHOP SUPPLIES, ENVIRONMENTAL WASTE CHARGES, CREDIT CARD FEES .

- 2) ANY LOSS OR EXPENSE THAT IS THE DIRECT RESULT OF A MECHANICAL OR STRUCTURAL DEFECT FOR WHICH THE MANUFACTURER HAS PUBLICLY ANNOUNCED ITS RESPONSIBILITY BY ANY MEANS OR BY A RECALL FOR THE PURPOSE OF CORRECTING SUCH DEFECT, EXCEPT THAT WE WILL REIMBURSE YOU THE DIFFERENCE BETWEEN ANY DEDUCTIBLE CHARGED BY THE MANUFACTURER AND THE DEDUCTIBLE CONTAINED HEREIN IF APPLICABLE. THE PROVISIONS FOR CAR RENTAL AND TOWING SHALL APPLY DURING THE PERIOD OF THE MANUFACTURERS RECALL SO LONG AS THE BREAKDOWN OR FAILURE IS COVERED BY THIS AGREEMENT.
- 3) CONSEQUENTIAL COVERAGE FOR NON-COVERED PARTS AND/OR IF A NON-COVERED PART CAUSES DAMAGE TO A COVERED PART.
- 4) FOR BREAKDOWNS, IF THE VEHICLE'S MILEAGE IS UNVERIFIABLE OR IF THE ODOMETER IS BROKEN, HAS BEEN ALTERED AND/OR CEASED TO OPERATE, DISCONNECTED AND MISREPRESENTS YOUR VEHICLE'S ACTUAL MILEAGE.
- 5) FOR DAMAGE AND/OR BREAKDOWN RESULTING FROM COLLISION, IMPACT, ROAD HAZARD, FALLING OBJECTS, THEFT, ATTEMPTED THEFT, FIRE, FLUID CONTAMINATION, WATER INGESTION, WATER INTRUSION, LARCENY, EXPLOSION, MALICIOUS MISCHIEF, VANDALISM, RIOT OR CIVIL COMMOTION, ACTS OF GOD, RUST OR CORROSION, ELECTROLYSIS, SALT, SALT WATER, FLOOD, LIGHTNING, EARTHQUAKE, WINDSTORM, VOLCANIC ERUPTION, HAIL, ENVIRONMENTAL DAMAGE, CHEMICALS, FUELS, COOLANTS, OR LUBRICANTS FREEZING OR ACTS OF NATURE AND EVENTS BEYOND OUR CONTROL.
- 6) MISUSE OR ABUSE, LACK OF MANUFACTURER'S REQUIRED MAINTENANCE: IF YOU FAIL TO PERFORM PROPER MAINTENANCE. BREAKDOWN CAUSED BY SLUDGE, VARNISH, CARBON, BLOCKAGE AND/OR THE FAILURE TO MAINTAIN PROPER LEVELS OF LUBRICANTS, AND/OR COOLANTS, MODIFICATION(S), ALTERATION, TAMPERING, DISCONNECTION, IMPROPER FLUID TYPES, ADJUSTMENTS OR REPAIRS, MISDIAGNOSIS, LOST OR MISSING PARTS, CLOGGING, OVERHEAT, WARPING, FAILURE TO PROTECT, CONTINUED OPERATION WHEN A KNOWN ISSUE OCCURS, INSTALLATION OF PARTS NOT OF LIKE QUALITY AND EQUIVALENT DESIGN AS SUPPLIED BY THE MANUFACTURER, ADD ON PARTS OR MODIFICATIONS TO EXISTING SYSTEMS OR COMPONENTS.
- 7) FOR ANY REPAIR OR REPLACEMENT OF ANY COVERED PART IF A BREAKDOWN HAS NOT OCCURRED OR IF THE WEAR ON THAT PART HAS NOT EXCEEDED THE PUBLISHED FIELD TOLERANCES ALLOWED BY THE MANUFACTURER BUT WHICH A REPAIR FACILITY OR MANUFACTURER RECOMMENDS OR REQUIRES BE REPAIRED IN CONNECTION WITH A COVERED BREAKDOWN.
- 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 DAMAGE RESULTING FROM: THE FAILURE OF ANY CUSTOM OR ADD-ON PART, ALL FRAME OR SUSPENSION MODIFICATIONS INSTALLED BY THE MANUFACTURER, LIFT KITS OVER 6", OVERSIZED/UNDERSIZED TIRES (RECOGNIZED ON DOOR JAM PLACARD) EXCEEDING 10%, TRAILER HITCHES, ENGINE MODIFICATIONS, TRANSMISSION MODIFICATIONS, AND/OR DRIVE AXLE MODIFICATIONS, EMISSIONS AND/OR EXHAUST SYSTEMS MODIFICATIONS. COMPLETE EXHAUST SYSTEM INCLUDING EXHAUST MANIFOLD(S), CATALYTIC CONVERTER, PCV SYSTEM, EGR SYSTEM COMPONENTS, DEF SYSTEM COMPONENTS, EMISSIONS SYSTEM COMPONENTS.
- 9) ANTI-THEFT SYSTEMS, GPS SYSTEMS AND AUDIO SYSTEMS NOT ORIGINALLY INSTALLED BY THE MANUFACTURER.
- 10) IF YOUR VEHICLE IS USED FOR TOWING OR HAULING A TRAILER OR ANOTHER VEHICLE OR OBJECT UNLESS YOUR VEHICLE IS EQUIPPED WITH FACTORY INSTALLED OR FACTORY AUTHORIZED TOW PACKAGE AND THE ITEMS TOWED OR HAULED DID NOT EXCEED THE MANUFACTURER'S RATED

CAPACITY, RACING OR COMPETITIVE DRIVING, OFF ROAD USAGE OR IS USED FOR FARMING PURPOSES INCLUDING BUT NOT LIMITED TO: RENTAL, TAXI, LIMOUSINE, ROAD REPAIR OPERATIONS, CONSTRUCTION, JOB SITE ACTIVITIES, POLICE OR EMERGENCY SERVICE, OR COMMERCIAL SNOW REMOVAL, (UNLESS THE COMMERCIAL SURCHARGE IS SELECTED AND PAID FOR). VEHICLES USED FOR DELIVERY, SERVICE, ROUTE OR REPAIR.

- 11) IF YOU ARE RENTING THE COVERED VEHICLE.
- 12) ANY REPAIRS PERFORMED TO THE COVERED VEHICLE NOT SPECIFICALLY AUTHORIZED BY US VIA AN AUTHORIZATION NUMBER ARE NOT COVERED.
- 13) ANY CLAIM PAPERS RECEIVED AFTER SIXTY (60) DAYS FROM THE AUTHORIZATION DATE WILL RESULT IN A CLAIM DENIAL.
- 14) PARTS NOT SPECIFICALLY LISTED AS COVERED UNDER THIS AGREEMENT ARE NOT COVERED UNDER THIS AGREEMENT OR UNAVAILABLE PARTS.
- 15) ANY FAILURE, CLAIM OR CONDITION THAT EXISTED PRIOR TO THE PURCHASE OF THIS AGREEMENT OR ANY BREAKDOWN DURING ANY APPLICABLE WAITING PERIOD DESCRIBED UNDER 'WAITING PERIOD'.
- 16) ANY ECONOMIC LOSS, INCLUDING LOSS OF TIME, INCONVENIENCE, LODGING, FOOD, STORAGE OR OTHER INCIDENTAL OR CONSEQUENTIAL LOSS OR DAMAGE THAT MAY RESULT FROM A FAILURE.
- 17) SALES TAX UNLESS IF REQUIRED BY LAW.
- 18) FOR ANY BREAKDOWN, IF THE REPAIR INFORMATION PROVIDED BY YOU OR THE LICENSED REPAIR FACILITY IS NOT TRUE.
- 19) ANY ADDITIONAL FEES INCLUDING BUT NOT LIMITED TO; DISPOSAL FEES, FREIGHT, SHIPPING, CORE CHARGES, STORAGE FEES AND CREDIT CARD FEES.
- 20) COSTS ASSOCIATED WITH TEARDOWNS, DIAGNOSTICS, DISASSEMBLY, OR ASSEMBLY EXCEPT IN CONJUNCTION WITH AN AUTHORIZED REPAIR.
- 21) FLUID SEEPAGE, SEEPAGE IS CONSIDERED A NORMAL CONDITION BY THE MANUFACTURER.
- 22) ANY COVERED PART IF A BREAKDOWN HAS NOT OCCURRED OR IF THE WEAR ON THAT PART HAS NOT EXCEEDED THE TOLERANCES ALLOWED BY THE MANUFACTURER BUT WHICH A REPAIR FACILITY OR MANUFACTURER RECOMMENDS OR REQUIRES BE REPAIRED IN CONNECTION WITH A COVERED BREAKDOWN.
- 23) LOSS OF COMPRESSION, OIL CONSUMPTION. PISTONS, PISTON RINGS, INTAKE OR EXHAUST VALVES WHICH HAVE NOT SUSTAINED A MECHANICAL BREAKDOWN BUT HAVE PRESENCE OF CARBON DEPOSITS OR OTHER MATERIALS. GRINDING AND/OR REFACING OF THE VALVES OR SEATS, CLEANING AND/OR REPLACEMENT OF THE PISTONS, PISTON RINGS, VALVES TO RESTORE ENGINE COMPRESSION OR REDUCE OIL CONSUMPTION.
- 24) ANY REPAIRS PERFORMED TO THE VEHICLE NOT SPECIFICALLY AUTHORIZED BY US VIA AN AUTHORIZATION NUMBER ARE NOT COVERED.
- 25) ANY CLAIM PAPERS RECEIVED AFTER SIXTY (60) DAYS FROM THE AUTHORIZATION DATE WILL RESULT IN A CLAIM DENIAL.
- 26) SALVAGE TITLE, UNLESS SURCHARGE IS SELECTED ON THE SCHEDULE PAGE AND PAID.
- 27) DIESEL ENGINE VEHICLE, UNLESS SURCHARGE IS SELECTED ON THE SCHEDULE PAGE AND PAID.
- 28) RIDESHARE, UNLESS SURCHARGE IS SELECTED ON THE SCHEDULE PAGE AND PAID.
- 29) 4 WHEEL DRIVE/ALL WHEEL DRIVE VEHICLE, UNLESS SURCHARGE IS SELECTED ON THE SCHEDULE PAGE AND PAID.
- 30) TURBO/SUPERCHARGER COMPONENT, UNLESS SURCHARGE IS SELECTED ON THE SCHEDULE PAGE AND PAID.
- 31) HYBRID VEHICLE, UNLESS SURCHARGE IS SELECTED ON THE SCHEDULE PAGE AND PAID.
- 32) FOR BREAKDOWNS THAT OCCUR TO YOUR VEHICLE OUTSIDE THE UNITED STATES OF AMERICA, U.S. TERRITORIES OR CANADA.
- 33) **PRE-EXISTING CONDITIONS.**

RENTAL / TOWING

RENTAL CAR/SUBSTITUTE TRANSPORTATION

In the event of a **Covered Breakdown**, when **Your Vehicle** has a repair time that exceeds 8.0 hours, in accordance with the Manufacturers labor guide, **We** will reimburse up to thirty dollars (\$30.00) per day for six (6) days not to exceed one-hundred eighty dollars (\$180.00) per occurrence from a licensed rental car facility. The above is not payable if the **Agreement Holder** has other substitute transportation **Coverage** available. This **Coverage** also applies while the covered **Vehicle** is under the Manufacturer's Warranty. This **Coverage** is not subject to a **Deductible**.

TOWING

We will furnish You or reimburse You for Your actual incurred towing cost up to a maximum one hundred dollars (\$100.00 per occurrence), if the tow was necessary because of a covered Breakdown of a part covered under this Agreement. The above is not payable if the Agreement Holder has other towing coverage available, unless the towing charge exceeds the other coverage. This coverage applies while the Vehicle is under the Manufacturer's Warranty and the Breakdown would have been covered by this Agreement. This coverage is not subject to a Deductible.

V. EMERGENCY ROADSIDE ASSISTANCE SERVICE FOR EMERGENCY ROADSIDE ASSISTANCE COVERAGE, YOU MUST CALL (888) 904-2281

The following are covered emergencies, subject to the one hundred dollars (\$100.00) per occurrence limit: 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 & Hawaii and Canada). The following non-accident related services are available up to a maximum benefit of three (3) services per year and a maximum of one hundred (\$100.00) dollars per service.

- A. **TOWING ASSISTANCE** - When towing is necessary, the Vehicle will be towed to the Repair Facility or Seller at no expense to You if within twenty-five (25) miles of the disablement site. If the disablement site is further than twenty-five (25) miles from the Repair Facility, the Vehicle will be towed to the nearest qualified Repair Facility or any location specified by You.
- B. **BATTERY SERVICE** - If a battery failure occurs, assistance will be provided to start the Vehicle.
- C. **FLAT TIRE ASSISTANCE** - Service consists of the removal of the flat tire and its replacement with the spare tire located with the Vehicle.
- D. **FUEL, OIL, FLUID AND WATER DELIVERY SERVICE** – An emergency supply of fuel (3 gallons), oil, fluid and water will be delivered if Your Vehicle is in immediate need. You must pay for the fuel or other fluid when it is delivered.
- E. **LOCK-OUT ASSISTANCE** - Assistance will be provided in unlocking Vehicle if the keys are lost or locked inside the Vehicle.

ROADSIDE ASSISTANCE:

Your coverage begins on the Agreement Purchase Date shown on the Schedule Page and terminates on the expiration of the 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.

All of the Roadside Assistance benefits please contact, (888) 904-2281 and a service vehicle will be dispatched to Your assistance. 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, You will receive an authorization number to receive a refund of payments made according to Your program benefit and coverage limits for services received independently. You must first contact (888) 904-2281, 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 the Vehicle, tire repair, extrication or winching, motorcycles, trucks over one-and-a-half-ton capacity, antique vehicles (meaning vehicles over 20 years old or out of manufacture for 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 other than a 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 regulatory maintained, such as sand beaches, open fields, forests, and areas designated as not passable due to construction, etc. Towing in 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 without contacting (888) 904-2281 for prior authorization. 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.

VI. AGREEMENT HOLDER RESPONSIBILITIES

MAINTENANCE REQUIREMENTS AND SERVICE HISTORY

- You are required to follow the maintenance guideline as recommended by the manufacturer.

INSTRUCTIONS TO BE FOLLOWED IN THE EVENT OF A BREAKDOWN

- **When You have a Breakdown:**
 - a. Be sure the Vehicle is protected from further damage. 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 by this Agreement.
 - b. Take Your Vehicle to the nearest Repair Facility immediately for Diagnosis.
 - c. Tell the Repair Facility to visit the claims website www.headstartwarrantygroup.com for 24/7 claims submission and instruction.
 - d. For further assistance, contact the Administrator 888-964-1899, www.headstartwarrantygroup.com
 - e. Furnish the authorized Repair Facility with receipts evidencing the continuation of service requirements.
 - f. **Prior to proceeding with repairs, ensure that the Repair Facility contacts the Administrator and obtains authorization to proceed with the repair. IMPORTANT: AGREEMENT HOLDER ASSUMES ALL LIABILITY FOR PAYMENT OF REPAIRS THAT ARE NOT AUTHORIZED TO THE REPAIR FACILITY.**
 - g. The Administrator reserves the right to inspect the Vehicle before the performance of repair or replacement.
 - h. Pay the applicable deductible (if any) and all charges for service not covered by this Agreement. NOTE: You are responsible for authorizing inspection or teardown of Your Vehicle by the Repair Facility to determine the cause of Failure. If the Failure is not covered under this Agreement, You will be responsible for these costs.

NOTE: Your Owner's Manual may list different servicing recommendations based on Your individual driving habits and climate conditions. You are required to follow the normal or severe 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.

It is required that You retain "Proof" of maintenance for the service and/or repair work performed on Your Vehicle, regardless if work was performed by You or a Repair Facility. "Proof" means repair orders from a Repair Facility and/or a self-maintained maintenance log that has corresponding "purchase receipts" for oil and filter, coolant, and brake system flush, etc. A self-maintained log without corresponding "purchase receipts" is not acceptable "Proof" of maintenance.

FILING A CLAIM

If Your Vehicle requires Road Service or Lockout Service, You must contact the Road Service processing center for prior approval and assistance at (888) 904-2281 (24 hours a day, 7 days a week).

If Your Vehicle incurs a Breakdown, You must take the following steps to file a claim:

1. Prevent Further Damage - Take immediate action to prevent further damage. Do not continue to operate Your Vehicle. This Agreement will not cover the damage caused by not securing a prompt repair of the failed component.
2. Take Your Vehicle to or contact a Repair Facility - If Your Vehicle breaks down, take Your Vehicle to or contact any Repair Facility. If You need assistance in locating a Repair Facility, please contact the Administrator.
3. Obtain Authorization from the Administrator - Prior to any repair being made, instruct the service advisor at the Repair Facility to contact the Administrator to obtain an authorization for the claim. Any claim for repairs without prior authorization will not be covered.
The Administrator can be contacted Monday through Friday, 8:00 a.m. to 6:00 p.m. Central Standard Time at (888) 964-1899 or by fax at 800-811-2660. Please have Your last eight (8) of Vehicle Identification Number available. For 24/7 claim assistance, You can email Us at claims@headstartwarrantygroup.com or visit Our website, headstartwarrantygroup.com, File a Claim tab.
The amount authorized by the Administrator is the maximum amount that will be paid for repairs covered under the terms of this Agreement. Any additional amount must receive prior approval.
EMERGENCY REPAIRS (Non-Business Hours Only) - After the Repair Facility has diagnosed the problem, please have Your Agreement number available and call the emergency number: (888-964-1899) or email claims@headstartwarrantygroup.com for authorization.
4. Authorize Tear-Down and/or Inspection - In some cases, You may need to authorize the Repair Facility to inspect and/or tear down Your Vehicle in order to determine the cause and cost of the repair. The Repair Facility must save all parts, fluids, and filters, and must not clean any parts without Administrator authorization. You will be responsible for these charges if the failure is not covered under this Agreement. We reserve the right to require an inspection of Your Vehicle prior to any repair being made.
5. Review Coverage - After the Administrator has been contacted and provides authorization, review with the

Repair Facility what will be covered by this Agreement.

6. **Pay Any Applicable Deductible** - We will reimburse the Repair Facility or You for the cost of the work performed on Your Vehicle that is covered by this Agreement and previously authorized, less any Deductible. Once authorization is obtained, and the repair is completed, all repair orders and documentation must be submitted to the Administrator within thirty (30) days to be eligible for payment.
7. **Proof of Service and/or Repair** - To obtain payment for a covered repair You, or the Repair Facility must submit a legible copy or original repair order to the Administrator. Repair orders 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. In addition (if applicable), all related invoices (i.e., towing, rental, sublets, etc.) must accompany the repair order for consideration of claim reimbursement. All receipts must be legible and verifiable. Handwritten receipts will not be accepted.

VII. GENERAL PROVISIONS

TRANSFER OF AGREEMENT

This Agreement applies only to the Agreement Holder and the described Vehicle listed on the Schedule Page. To transfer this Agreement, email adminsupport@heardstartwarranty.com to request a Transfer Form. This Agreement applies only to the Agreement Holder and the described Vehicle listed on the Schedule Page. This Agreement, however, may be assigned or transferred at the request of the Agreement Holder to any new owner of the described Vehicle while the Agreement is still in force by written notification and payment to the Administrator of a fifty-dollar (\$50.00) transfer fee, and providing proof of continuation of the service requirements. Transfer to the new owner must be completed within thirty (30) days of purchase. If any portion of the manufacturer's warranty is in effect at time of transfer, the transfer of the Agreement will be valid only if the manufacturer's warranty is also properly transferred. Completed forms or materials evidencing the properly executed transfer of any manufacturer's warranty coverage in effect on a Vehicle must be received from the Agreement Holder in addition to a copy of the bill of sale which lists the current mileage by the Administrator before this Agreement will be transferred.

CANCELLATION

- A. **You** may cancel this Agreement for any reason by contacting the **Seller** or **Administrator**.
- B. 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 lien holder is also entitled to any refund. If the lienholder cancels this **Agreement** within thirty (30) days of the **Agreement** Purchase Date a full refund of the total **Agreement** Purchase Price, less any claim(s) paid will be provided. If the lienholder cancels this **Agreement** at any other time, a pro-rata refund of the total **Agreement** Purchase Price based on the unused days remaining, less claim(s) paid and less the applicable cancellation fee in the amount of seventy-five dollars (\$75.00).
- C. **You** may cancel this **Agreement** within thirty (30) days of the **Agreement** Purchase Date, and receive a full refund of the total **Agreement** Purchase Price, less any claims paid. If **You** cancel this **Agreement** after thirty (30) days, **You** will receive a pro-rata refund of the total **Agreement** Purchase Price, based on the great of the days in force or miles driven, less a cancellation fee of seventy-five dollars (\$75.00). The **Term** of this **Agreement** for cancellation purposes will be based on the **Vehicle** Purchase Date and the **Vehicle** mileage on such date. Refunds will be payable to **You** or the lienholder, if applicable.
In the event of **Your** cancellation of this **Agreement**, any refund owed will be paid or credited no more than thirty (30) days from the date the **Obligor** or **Seller** receives notice of the request to cancel or sooner if required by state law.
- D. 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 **You**.
- E. All refunds will be issued through the **Seller** from whom the **Agreement** was purchased.
- F. **Administrator** reserves the right to cancel this **Agreement** upon the occurrence of any of the following:
 - Failure by **You** 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 **Administrator** shall become effective until fifteen (15) days after the notice of cancellation is mailed to **You**. The **Administrator** will not charge a cancellation fee if this **Agreement** is cancelled by the **Administrator**.

If the **Administrator** 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 **Administrator** 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.

In the event of **Our** cancellation of this **Agreement**, any refund owed will be paid or credited no more than thirty (30) days from the date of **Our** cancellation or sooner if required by state law.

RIGHT OF REMOVAL

In the event of any dispute between **Us** and the licensed **Repair Facility**, **We** shall have the right, with **Your** permission, to remove the **Vehicle** to a licensed **Repair Facility** of **Our** choice and at **Our** expense.

PAYMENT PLAN OR FINANCIAL AGREEMENT

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** of this **Agreement** will be modified to reflect the portion of the **Agreement** for which **You** have paid and was received by the Payment Plan provider (or its equivalent). The modified **Term** of the **Agreement** will be calculated on a pro-rata basis by adding the time and mileage from the **Agreement** Purchase Date and **Vehicle** odometer mileage on the **Agreement** Purchase Date as listed on the **Schedule Page**. **You** may contact 888-964-1899 to obtain the modified **Term**.

In the event the purchase of this **Agreement** was financed by a funding party through a Payment Plan (or its equivalent), 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.

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 separability 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, the **Administrator** or **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".

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.

INSURANCE STATEMENT

Our obligations to perform 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, New York and Wisconsin.

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 the Blue Ridge Indemnity Company, 10751 Deerwood Park Blvd., Ste. 200, Jacksonville, FL 32256, Tel: (800) 888-2738.

IF THE OBLIGOR FAILS TO PROVIDE SERVICE OR PAY A CLAIM WITHIN SIXTY (60) DAYS AFTER YOU PROVIDE PROOF OF LOSS COVERED BY THIS AGREEMENT, OR IF THE OBLIGOR BECOMES INSOLVENT OR CEASES

TO CONDUCT BUSINESS DURING THE TERM OF THIS AGREEMENT, YOU MAY SUBMIT YOUR CLAIM DIRECTLY TO THE APPLICABLE INSURER AT THE ABOVE ADDRESS FOR CONSIDERATION.

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** (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 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 Your understanding that all Parties hereunder are waiving their rights to go to court, except for small claims court, to resolve any Claims arising under 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) Headstart Warranty Group LLC, 14114 North Dallas Pkwy., Ste. 600, Dallas, Texas 75254. 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.

PRIVACY

It is **Our** policy to respect the privacy of **Our** customers. For information on **Our** privacy practices, please review **Our** privacy policy at www.headstartwarrantygroup.com.