

# CONGRATULATIONS!

We would like to thank You for choosing Our Service Contract.

## **Repair Service – United States and Canada**

If You need repair service, refer to the section entitled “If Your Vehicle Incurs A Breakdown.”

You may visit any licensed repair facility in the United States or Canada. If Your Vehicle is still under the manufacturer’s warranty, return Your Vehicle to a manufacturer’s authorized dealer.

### **NOTE:**

**THE REGISTRATION PAGE AND THIS SERVICE CONTRACT CONSTITUTE THE ENTIRE CONTRACT BETWEEN YOU AND THE PROVIDER AND NO OTHER DOCUMENTS ARE LEGAL AND BINDING UNLESS PROVIDED TO YOU BY THE ADMINISTRATOR OR PROVIDER**

**Review Your Registration Page.** The Registration Page contains basic information regarding Your Service Contract.

**Check Your Deductible - Please check the box labeled Deductible on Your Registration Page. The number shown identifies the minimum portion of the covered repair You will be required to pay if You have a claim. If this box was left blank, immediately contact the Seller from whom You purchased this Service Contract.**

## DEFINITIONS

**This Service Contract is an agreement between You and Us. We, Us, Our and Provider** refers to Royal Administration Services, Inc., 51 Mill Street, Building F, Hanover, MA 02339, 800-871-0467. The Provider is the party responsible to You for the benefits under this Service Contract, except as noted in the State Requirement section located at the end of this Service Contract. **You, Your and Contract Holder** refers to You, the purchaser of this Service Contract and the owner of the Vehicle described in the Registration Page of this Service Contract.

**ADMINISTRATOR:** Refers to Royal Administration Services, Inc. The Administrator is responsible for administering this Service Contract. All inquiries should be directed to the Administrator. Toll-free assistance is available at 1-800-871-0467.

**BREAKDOWN, MECHANICAL BREAKDOWN, MECHANICAL FAILURE:** Refers to a failure due to defects in materials and/or workmanship of a Covered Part to perform the function for which it was designed by its manufacturer. A Breakdown does not include failure due to sludging or gelling conditions, normal wear and tear, loss not specially listed as covered, and any failure listed in What Is Not Covered. Further, a Breakdown does not include any failures to Your Vehicle if the manufacturer has announced its responsibility through any means including public recalls and factory service bulletins or TSBs.

**COMMERCIAL USE:** Vehicle is used primarily for profit, such as repair work, route work, service work, and delivery. **Vehicles** used for farm work, and snow removal are included under this definition if their primary use is transportation and not off road work. Other examples include, but are not limited to, floral delivery, cable TV repair, plumbing, vending machine services, catering, medical supply delivery, home repairs, livery or transportation services and realty services.

**COVERAGE:** The Coverage afforded You for Your Vehicle is determined by the Plan Name and Expiration Type shown on the Registration Page, which is more fully described in the section entitled "Plan Coverage."

**COVERED PART or COVERED PARTS:** Refers to the parts or components listed under the section entitled "Plan Coverage."

**DEDUCTIBLE:** The minimum portion of the covered repair which You will have to pay if You have a claim. The amount of Your Deductible is shown on Your Registration Page. This amount is applied per claim, and to each claim. In addition, if the repairs are made at the dealership where You purchased this Service Contract (if applicable), up to one hundred dollars (\$100.00) of the Deductible will be waived, per claim and for each claim for repairs.

**EXPIRATION TYPE:** This Service Contract is subject to a Plan Period and Expiration Type. The Plan Period is the number of months and number of miles for which You are afforded coverage under this Service Contract. The Expiration Type determines when the number of months or miles is reached. Please refer to the section entitled "Expiration Type" on Your Registration Page for more information.

**FULL FACTORY WARRANTY, FACTORY WARRANTY:** Refers to the full Manufacturer's Warranty provided to You by the manufacturer at no additional cost, and covers repairs to Your Vehicle to correct any defect in material or workmanship. This Service Contract is not a Factory Warranty.

**LABOR:** Total labor time for a covered repair will be determined by a current nationally published labor manual. The labor rate for authorized repairs will be based on the posted labor rate of the licensed repair facility that You selected. 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 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.

**OEM:** Original Equipment Manufacturer.

**PLAN PERIOD:** This Service Contract is subject to a Plan Period and Expiration Type. The Plan Period is the number of months and number of miles for which You are afforded coverage under this Service Contract. The Expiration Type determines when the number of months or miles is reached. Please refer to the section entitled "Expiration Type" on Your Registration Page for more information.

**SELLER:** Refers to the party who sold You this Service Contract. Please see the box labeled "Seller Name" on the Registration Page for Your Seller's contact information.

**SERVICE CONTRACT:** This Service Contract is issued to You and covers Your vehicle described on the Registration Page of this Service Contract.

**SERVICE CONTRACT NUMBER:** Please see the box labeled "Service Contract Number" on the Registration Page. Please refer to this number in any written or verbal communication, such as requesting information or filing a claim.

**BEFORE STARTING ANY TEARDOWN OR REPAIRS, YOU MUST CALL CLAIMS AT 1-800-871-0467 FOR AUTHORIZATION AND INSTRUCTIONS**

**VEHICLE, YOUR VEHICLE:** Refers to the vehicle described on the Registration Page of Your Service Contract and owned by You.

**WEAR AND TEAR:** Refers to the gradual reduction in component performance through normal operation and use.

### **PLAN COVERAGE**

**PLAN-SPECIFIC COVERAGES** (only those components specifically listed are covered, and coverage for components in multiple component groups only applies for the component groups in which the part is specifically listed).

#### **STANDARD COVERAGE**

Component groups 1-3 are covered.

**1. ENGINE:**

All internal components of the engine that require lubrication for operation are covered. The engine block, cylinder heads, timing chain cover and oil pan are covered only if damaged by the failure of an internally lubricated engine component.

**2. TRANSMISSION:**

The following components are covered: Torque converter, vacuum modulator, accumulator, and the electronic shift control unit. In addition, all internal components of the transmission that require lubrication for operation are covered. The transmission case and pan are covered only if damaged by the failure of an internally lubricated transmission component.

**3. TRANSFER CASE:**

All internal components of the transfer case that require lubrication for operation are covered.

#### **COMPREHENSIVE COVERAGE**

Component groups 1-10 are covered.

**4. DRIVE AXLE (FRONT AND REAR):**

The following components are covered: Locking hubs, drive shafts, center support bearings, universal joints, and the CV joints (except when damaged as a result of a torn or missing CV boot). In addition, all internally lubricated components contained within the drive axle housing are covered. The drive axle housing and differential cover are covered only if damaged by the failure of an internally lubricated drive axle component.

**5. TURBO/SUPERCHARGER:**

All internally lubricated parts of the turbocharger or supercharger are covered, provided the mandatory surcharge has been paid. Coverage applies to factory installed units only.

**6. COOLING SYSTEM:**

The following components are covered: Thermostat, water pump, engine-cooling fan motor, engine-cooling fan, and the engine-cooling fan clutch.

**7. AIR CONDITIONING SYSTEM:**

The following components are covered: Compressor, condenser, evaporator, expansion valve, blower motor, accumulator/receiver-dryer and the orifice tube.

**8. FUEL SYSTEM:**

The following components are covered: Fuel pump, fuel injectors and metal fuel lines.

**9. ELECTRICAL:**

The following components are covered: Alternator, voltage regulator, starter motor, starter solenoid, ignition switch, front and rear wiper motors and switches, washer pump and switch, headlamp switch, turn signal switch, rear defroster switch, blower speed switch, power window motors, regulators and switches, and the power door lock actuators and switches.

**10. SEALS & GASKETS:**

Seals and Gaskets are covered only for those parts listed in component groups 1-9, provided that they are required in conjunction with the repair of a Covered Part or an otherwise approved repair, or if you selected the Optional Coverage for Seals and Gaskets on the Registration Page and paid the appropriate surcharge.

**Note:** Seepage of seals and gaskets is considered normal wear and tear and is not covered under this Service Contract.

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## OPTIONAL COVERAGES (Surcharge applies):

1. **Seals and Gaskets:** Seals and gaskets will be covered only if the Seals and Gaskets option is selected at the time of purchase and the appropriate surcharge paid. **Note:** Seepage of seals and gaskets is considered wear and tear and is not covered under this Service Contract. The maximum benefit allowed is \$1000 during the term of Your Service Contract.
2. **Technology Group:** The following Manufacturer-Installed components will be covered only if the Technology Group option is selected at the time of purchase and the appropriate surcharge is paid: DVD Players; Radio; CD Players; Video and Gaming Systems; Navigation Systems, Back-up Camera, Parking Sensors. Coverage does not include any removable components such as Remote Controls, DVD or CDs. The maximum benefit allowed is \$2500 during the term of Your Service Contract.
3. **Oil Changes:** You are eligible for reimbursement for the following only if the Oil Change option is selected at the time of purchase and the appropriate surcharge is paid: one (1) Oil Change up to \$40 per year during the term of Your Service Contract. Paid in full receipts for all oil changes must be provided to the Administrator with your request for reimbursement. All oil changes must be performed during the term of this Contract. Reimbursement will be provided for the lesser of the following: either (a) the MSRP cost of five (5) quarts of convention oil, one (1) OEM replacement oil filter, and a maximum of .2 hours of labor at the maintaining facility's charged customer-pay labor rate, or (b) the maintaining facility's menu price for a convention oil change.
4. **Brake Pads/Shoes:** You are eligible for the replacement of Brake Pads or Shoes only if the Brake Pads/Shoes option is selected at the time of purchase and the appropriate surcharge is paid. The maximum benefit allowed is \$100 during the term of Your Service Contract.
5. **Wiper Blades:** You are eligible for reimbursement for the following only if the Wiper Blades option is selected at the time of purchase and the appropriate surcharge is paid: two (2) services up to \$20 each for the replacement of Wiper Blades during the term of Your Service Contract. The maximum reimbursement available for this benefit is \$40 during the term of Your Service Contract.
6. **Battery & Lights:** You are eligible for reimbursement for the following only if the Battery & Lights option is selected at the time of purchase and the appropriate surcharge is paid: (1) the cost of an Alignment and replacement of Exterior Lamps & Bulbs with a maximum reimbursement of \$200 during the term of Your Service Contract, or (2) a one-time benefit of \$50 for Battery Replacement. The maximum reimbursement available for these benefits is \$250 during the term of Your Service Contract.

## MANDATORY SURCHARGES: The following surcharges must be selected and paid for at the time of purchase. Failure to do so will result in cancellation by Us of this Service Contract.

1. **4 Wheel/All-Wheel Drive Coverage:** If Your Vehicle is equipped with 4 Wheel/All-Wheel Drive, the following components are covered: 4 Wheel Drive Actuator and Locking Hubs.
2. **Diesel:** If You have a diesel Vehicle, an additional mandatory surcharge is applied.
3. **1 Ton Vehicle:** If You have a vehicle with a one-ton gross vehicle weight capability, (GVW) an additional mandatory surcharge is applied.
4. **Towing Package:** If Your Vehicle is equipped with a Manufacturer Installed Fifth Wheel or Gooseneck Hitch Tow package modification and Manufacturers towing specification are followed, an additional mandatory surcharge is applied. No coverage is provided for components that were utilized to facilitate the vehicle's modification, including but not limited to the Hitch and its components. Proof of installation will be required.
5. **Turbocharger/Supercharger (factory installed only):** all internal components contained within the Turbocharger/Supercharger Housing, Turbo Boost Valve, Turbo Waste Gate Actuator, Bearing, Bushing, and all other internal components, and Seals and Gaskets, Supply Line.
6. **Lift Kit:** If Your Vehicle is equipped with a Lift Kit modification, an additional mandatory surcharge is applied. No coverage is provided for components that were utilized to facilitate the vehicle's modification, including but not limited to the Lift Kit and its components. Oversize wheels and tires are included within the guidelines of Lift Kit Coverage. The modification to the height and width of wheels and tires is limited to a maximum of 6 inches, inclusive of any modifications to the wheels or tires, or both. Vehicles with Lift Kits that exceed 6 inches are not eligible for coverage and will be excluded from coverage. The 6 inch modification is measured from the manufacturer's vehicle specifications (as listed in nationally published repair manuals); inclusive of any and all modifications of the vehicle's body and suspension. The vehicle must be equipped with the lift kit modification at the time of vehicle purchase to be eligible for coverage, and if the installation date of the Lift Kit cannot be verified, the Administrator may deny any claim. No coverage is available for suspension reductions or undersized wheels or tires. Any damage resulting from suspension reductions or undersized wheels or tires is excluded from coverage. Coverage is supplemental to the manufacturer's coverage, and will not apply to any failure for which the manufacturer has denied coverage due to the installation of the Lift Kit.

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7. **Rideshare Coverage:** A ridesharing vehicle is defined as any vehicle, not commercially registered, used for the purpose of transportation of others regardless of whether You receive any compensation for that use.
8. **Hybrid Vehicle:** Electric Motor, Power Controller, Inverter Assembly, Generator, Drive Motor Temperature Sensor/Switch, Battery Cooling Fan Relay/Module, Damper, Electric Water pump, Electric Air Conditioning Compressor and Battery Cooling Fan, Water Assembly Valve. A mandatory surcharge is applied if Your Vehicle is a hybrid model.

### **IF YOUR VEHICLE INCURS A BREAKDOWN**

1. If Your Vehicle incurs a Breakdown, You must take the following steps in order to file a claim:
  - A. Determine if Your Vehicle requires Roadside Assistance. If Your Vehicle requires Roadside Assistance, refer to the section entitled "Plan Coverage," and specifically the sub-section entitled "Additional Benefits."
  - B. Prevent Further Damage - Take immediate action to prevent further damage. This Service Contract will not cover the damage caused by not securing a timely repair when a Breakdown has occurred. The operator is responsible for observing Vehicle warning lights and gauges, and taking appropriate action immediately upon notification. Failure to do so may result in the denial of coverage.
  - C. Take Your Vehicle to a licensed repair facility of Your choice.
  - D. Provide the repair facility representative with a copy of Your Service Contract and/or Your Service Contract Number, if possible.
  - E. The repair facility representative must obtain a Claim Authorization Number from the Administrator prior to any repair being initiated or any damaged parts being removed or discarded.
  - F. Save all components, including fluids and filters that need to be inspected. **We** may require covered components to be retained for **Our** inspection or disposal.

### **REPAIRS WITHOUT PRIOR AUTHORIZATION WILL NOT BE COVERED OR REIMBURSED.**

If prior authorization cannot be obtained during the Administrator's normal business hours and the cost of repair is \$350 or less, the Administrator may waive the pre-authorization requirement at the Administrator's sole discretion. The Administrator must still be contacted the first business day following the repair. Such unauthorized repair claims will be reviewed subject to Administrator's adjudication process.

2. The repair facility **must** do the following **prior** to initiating any repairs:
  - A. Obtain Your authorization to diagnose the cause of Breakdown and cost of the repair. It is Your responsibility to ensure the cause of the Breakdown is properly diagnosed. It is Your responsibility to pay for the cost of diagnosis.

In addition, the Administrator will determine if an inspection and/or tear-down is necessary to confirm the cause of the Breakdown and if it is covered under the terms of this Service Contract. The Administrator will also determine the extent of the tear-down that is necessary. "Necessary" shall be deemed to be the point where the damage is visible or determinable. You are responsible for authorizing the repair facility to complete the tear-down. The reasonable cost of the authorized tear-down will only be paid by the Administrator if the claim is approved.

- B. Call the Administrator to verify Your coverage and to obtain a Claim Authorization Number. For Claims/Customer Service contact 1-800-871-0467.
  - C. Review the Administrator's determination of the claim with You to explain what will be covered by the Service Contract and what portions of the repairs, if any, will not be covered.
3. When You pick up Your Vehicle, You **must**:
  - A. Review the work performed with the repair facility representative.
  - B. Pay the Deductible amount shown in the Registration Page.
  - C. Pay for any charges not covered by this Service Contract.
  - D. Pay for the cost of covered components or repairs above the amount approved by Administrator.

### **PAYMENT OR REIMBURSEMENT OF CLAIMS**

When the damage and repair falls within the scope of this Service Contract and authorization to proceed with the repair is obtained from the Administrator and the repair work is completed, payment will be provided in one of the following two methods, so long as the request for payment is submitted to the Administrator within 180 days of the date that the Claim

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was approved. **No requests for payment will be honored if received more than 180 days after that Claim was approved.**

- **PAYMENT OPTION:** The Administrator will pay the repair facility for the approved amount of the Claim, less the Deductible, if any. The Administrator will arrange for such payment by check or nationally recognized credit card.
- **REIMBURSEMENT OPTION:** You may request reimbursement from the Administrator, by submitting the paid invoice to the address below. The following information must be included with Your paid invoice and is generally supplied to You by the repair facility You selected. The invoice must contain the following information:
  1. Itemized listing of approved replacement part names, numbers and prices.
  2. Description of approved labor and charges necessary to correct the mechanical failure.
  3. Vehicle mileage, Year Make and Model, complete Vehicle Identification Number.
  4. Date of repair.

### **TERMS AND CONDITIONS**

This Service Contract provides coverages recorded for the time and mileage stated on the Registration Page, whichever occurs first. Please refer to the sections of the Registration Page entitled "Expiration Type" and "Plan Period" to determine Your period of coverage.

#### **CONTRACT HOLDER'S RESPONSIBILITIES:**

##### **1. CLAIM REIMBURSEMENT**

Obtain approval PRIOR to having work performed that may be covered by this Service Contract. If You believe the failure may be covered by this Service Contract, call the Administrator at 1-800-871-0467, or instruct the repair facility performing the work to call to register the claim BEFORE ANY WORK IS PERFORMED.

See the section entitled "If Your Vehicle Incurs A Breakdown" for additional information.

##### **2. VEHICLE MAINTENANCE AND MAINTENANCE REQUIREMENTS**

You must properly maintain Your Vehicle and KEEP THE RECEIPTS.

This Service Contract is only valid if Your Vehicle has been maintained in accordance with the manufacturer's specifications. Keep copies of all receipts (oil changes, lubrication, etc.). Proof of maintenance may be required when You file a claim.

##### **Maintenance Requirements:**

- a. You must have Your Vehicle checked and serviced in accordance with the manufacturer's recommendations and by a licensed service facility, as outlined in the Owner's Manual for Your Vehicle.

**NOTE: Your Vehicle's Owner's Manual lists different servicing recommendations based on individual driving habits and climate conditions. You are required to follow the maintenance schedule that applies to Your specific conditions. Failure to follow the manufacturer's recommendations that apply to Your specific conditions may result in a denial of Coverage under this Service Contract.**

- b. It is required that You retain "Proof" of maintenance for the service and/or repair work performed on Your Vehicle, including maintenance performed prior to the purchase of this Service Contract while the Vehicle was owned by You. "Proof" means repair orders from a licensed repair facility. Pertinent information must be included that identifies the Vehicle and the repairs performed, in particular the Vehicle Identification Number (VIN), date of service or repair work, mileage, parts and labor.

#### **ADMINISTRATOR'S RESPONSIBILITIES:**

##### **1. BREAKDOWN OF COVERED PARTS**

We will pay or reimburse You for the reasonable costs to repair or replace any Breakdown of a part listed in the Plan Coverage Section, as determined by the Administrator using standard and common industry practices. **COVERED PARTS MAY BE REPLACED, DEPENDING ON AVAILABILITY AND AT ADMINISTRATOR'S DISCRETION, WITH LIKE KIND AND QUALITY (LKQ), USED, REBUILT, REMANUFACTURED OR NEW PARTS.**

If you dispute our determination of coverage, you must notify us in writing of such dispute, and your reasons for the dispute, within sixty (60) days of Our final determination. Failure to notify us within this time period

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will be deemed a waiver of any such dispute. Any actions or claims arising from this Service Contract or actions taken by Us under the terms and conditions of this Service Contract shall be filed in Duval County, Florida.

## GENERAL PROVISIONS:

### 1. YOUR HELP AND COOPERATION

If We ask, You agree to help Us enforce Your rights against any manufacturer or repair facility who may be responsible to You for the cost of repairs covered by this Service Contract. You must provide written authorization to Us to communicate with any party other than You. We shall not pay for any approved claims if You fail to comply with this section in any way.

### 2. SUBROGATION AND OUR RIGHT TO RECOVER PAYMENT

If We pay for coverage under this Service Contract, We may require You to assign Us Your rights of recovery against others. We will not pay for a Breakdown if You impair these rights to recovery. Your rights to recover from others may not be waived. You shall do whatever is necessary to enable Us to enforce these rights. We shall recover only the excess after You are fully compensated for Your loss.

### 3. OTHER COVERAGE

**In the event a repair is subject to any additional third-party Service Contracts or warranties, those Service Contracts or warranties shall supersede any and all obligations under this Service Contract.**

### 4. DEDUCTIBLE

**In the event of a Breakdown covered by this Service Contract, You may be required to pay a Deductible.** No Deductible payment is required with respect to 24 Hour Roadside Assistance and Rental Benefit, if they are provided by this Service Contract. The Deductible amount will be applied on a per repair visit basis. Should a covered Breakdown take more than one visit to repair, only one Deductible will apply for that Breakdown.

### 5. COVERAGE

The Coverage afforded You for Your Vehicle is determined by the Plan Name and Expiration Type shown on the Registration Page, which is more fully described in the section entitled "Plan Coverage."

### 6. LIMITS OF LIABILITY

OUR liability for **any one authorized repair** shall in no event exceed fifteen thousand dollars (\$15,000.00).

OUR liability for **all authorized repairs combined during the term of this Service Contract** shall in no event exceed fifteen thousand dollars (\$15,000.00).

In the event that the amount of **any one authorized repair or the combined total amount of all authorized repairs** meets or exceeds Our liability, Your Service Contract will be deemed expired and no further coverage will be afforded to You, regardless of the remaining time or mileage of Your Service Contract's Plan Period. No refund shall be due to You upon expiration of the Service Contract.

### 7. SERVICE CONTRACT VALIDATION PERIOD

This Service Contract may be subject to a Validation Period of time and mileage from the Service Contract Purchase Date (SCPD), as shown on the Registration Page. The length of the Validation Period, if applicable, is listed on the Registration Page of this Contract. There is no coverage during the Validation Period. Coverage will commence upon the expiration of the Validation Period. If the Validation Period applies, the additional time and mileage contained in the Validation Period will be added to the plan's duration.

### 8. EXPIRATION TYPE: ADD-ON

The plan expires by time or mileage, whichever occurs first.

- a. Time: The plan expiration is measured from the Service Contract Purchase Date, subject to the Validation Period, if applicable.
- b. Mileage: The plan expiration is measured from the odometer mileage of the Vehicle on the Service Contract Purchase Date, subject to the Validation Period, if applicable.

### 9. MANUFACTURER'S WARRANTY DISCLOSURE

If the term of this Service Contract overlaps with the term of Your Manufacturer's Warranty, look first to Your Manufacturer's warranty for coverage. This Service Contract excludes coverage for any loss covered by Your Manufacturer's Warranty, but may nevertheless provide benefits in addition to those provided by Your Manufacturer's Warranty.

## 10. COVERAGE DISPUTES

In the event you dispute all or part of Our determination regarding coverage under this Service Contract, You must notify Us of that dispute within sixty (60) days of Your receipt of Our determination.

### **WHAT IS NOT COVERED**

1. ANY REPAIR OR REPLACEMENT MADE WITHOUT PRIOR AUTHORIZATION FROM THE ADMINISTRATOR TO THE REPAIR FACILITY.
2. Any parts not listed, or any parts specifically excluded.
3. Fluids, filters and lubricants, except when required in connection with the repair or replacement of a Covered Part.
4. All electric-powered or hybrid-specific parts, unless the Hybrid/Electric Vehicle Surcharge was paid at the time You purchased the Service Contract.
5. Any Breakdown caused by: collision; fire; theft; vandalism; riot; explosion; lightning; earthquake; overheating; freezing; rust or corrosion; windstorm; hail; water; flood; normal wear and tear; a sludging or gelling condition; carbon build-up or contamination; contamination of fluids or fuels; and misuse, abuse, negligence, and/or failure to protect Your Vehicle from further damage when a Breakdown has occurred.
6. Any physical damage, regardless of damaged components and/or cause of damage. Water or air leaks, and any damage caused by water or air leaks.
7. Valve Grinding, Burnt Valves, Core Charges, or Wheel Balancing.
8. Any Breakdown caused by the use of Your Vehicle for: racing or any other forms of competitive driving; plowing snow; towing in excess of the weight for which Your Vehicle is rated; or any other purpose not recommended by the manufacturer.
9. Scheduled maintenance, and any Breakdown caused by a lack of required or recommended maintenance, or a failure to maintain proper levels of lubricants and/or coolants.
10. Any Breakdown caused by engine detonation or pre-ignition.
11. Any Breakdown caused by sludge, a sludging condition, carbon, or carbon build-up.
12. Any Breakdown if, while owned by You, the Vehicle's odometer: (i) has been tampered with; (ii) has been disconnected; or (iii) is broken and was not immediately repaired, regardless if the Breakdown is related to the odometer.
13. Repair or replacement of components to improve operating performance. The repair of valves and/or bearings if a Mechanical Breakdown has not occurred and the purpose of such repair is simply to raise the engine's compression. A component or part which has not failed or resulted in a Breakdown, but which a repair facility recommends or requires be repaired or replaced, even if such repair or replacement is for preventative purposes.
14. Any Breakdown or condition that: already existed when You purchased Your Service Contract; occurred before You purchased Your Service Contract; or occurs during the Validation Period.
15. Repair or replacement of any covered part if a Breakdown has not occurred. This includes "preventative maintenance" or "preventative repairs".
16. Any repair or replacement of a covered component after recommended or required service, if such scheduled service was not in fact performed.
17. Any repair or replacement of a covered component when the Breakdown is caused by the Breakdown of a non-covered component, and any repair or replacement of a non-covered component when the Breakdown is caused by the Breakdown of a covered component. This Service Contract does not cover consequential damages, regardless of the cause.
18. Breakdowns caused by any alterations which have been made to Your Vehicle and are not factory-installed. Breakdowns caused by: frame or suspension modifications; oversized/undersized tires or wheels; lift kits (unless the appropriate surcharge has been paid); trailer hitches; or any other modifications to any of Your Vehicle's systems.

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19. Prior repairs which are the subject of any third party warranty or any prior repairs where there is demonstrable negligence or failure in workmanship; repairs for which the responsibility is covered by any warranty of the manufacturer such as extended drive train coverage, or a repairer's guarantee or warranty (regardless of whether or not the manufacturer or repair facility is doing business as an ongoing enterprise), or repairs for which the responsibility is covered by the repairer's guarantee or warranty (regardless of whether or not the repair facility is doing business as an ongoing enterprise). Further, coverage under this Service Contract is similarly limited in the event of a Breakdown if the manufacturer has announced its responsibility through any means including public recalls, technical service bulletins, or factory service bulletins.
20. Liability for damage to property, or for injury or death arising out of the operation, maintenance or use of Your Vehicle whether or not related to the part covered.
21. Any Breakdown caused by contamination of fluids, fuels, fuels containing more than 10% ethanol, coolants, lubricants, rust or corrosion.
22. Shop supply charges; EPA Disposal Fees; special-order parts; shipping costs; parts locator research fees; storage fees; filter, lubricants, coolants, fluids and refrigerants except when replacement is required in conjunction with the repair or replacement of a Covered Part.
23. Repairs to seized or damaged engines due to continued operation without sufficient lubricants or coolant, regardless of cause. You are responsible for making certain that the oil and temperature warning lights/gauges are functioning properly. You must pull off the road immediately and discontinue vehicle operation when any of Your Vehicle's lights/gauges indicate inadequate protection or performance or if overheating occurs.
24. Any failure occurring outside of the United States or Canada.

#### **INELIGIBLE VEHICLES**

1. Any vehicle with True Mileage Unknown (TMU). TMU is defined as any of the following: (i) the inability to determine Your vehicle's actual mileage at the time of a claim for repair; (ii) the inability to determine Your Vehicle's actual mileage at the time of purchase of this Service Contract; (iii) the vehicle's title has been branded as TMU (or a similar designation), not actual mileage, or its equivalent by a state regulatory agency or department.
2. Any vehicle that has flood damage or has a title branded as FLOOD by a state regulatory agency or department.
3. Trucks over 1 ton classification, taxis, buses, and government-owned vehicles (including municipalities).
4. Vehicles used for racing competition, time trials or rallies.
5. Vehicles modified from manufacturer's specifications. This shall not apply to vehicles equipped with a manufacturer-installed or approved lift kit, provided that the Lift Kit Surcharge is selected on the Registration Page and the corresponding surcharge is paid.
6. Vehicles not purchased through a licensed authorized agent.
7. Grey Market Vehicles.
8. Vehicles with a fifth wheel hitch, gooseneck trailer hitch or bumper hitches are covered if installed by the manufacturer and the Towing Package Surcharge was applied and paid. No coverage is available in the event the hitch and trailers are not used in accordance with Manufacturers specifications regarding weight capacity.
9. Vehicles with a snow plow attachment.
10. Vehicles purchased by a minor.
11. Commercial vehicles. Commercial vehicles shall include: vehicles not registered commercially but used for any commercial purposes; vehicles titled or registered to a company; and vehicles registered and used for any commercial purposes as defined in the Definitions section of this Service Contract. This exclusion does not apply to ridesharing vehicles if the Rideshare Coverage Surcharge was applied and paid as required by the Mandatory Surcharges section of this Service Contract.

## **TRANSFER AND CANCELLATION**

### **TRANSFER OF SERVICE CONTRACT:**

#### **You have the right to transfer or assign this Service Contract.**

This Service Contract may be transferred by the Vehicle Owner shown on the Registration Page upon the sale of the Vehicle to another private party.

**The Service Contract transfer must be made at the time of the Vehicle transfer. You must request the transfer in writing, and the Administrator must receive it within fifteen (15) days of the transfer. A fee of forty dollars (\$40.00) must accompany the request to transfer, along with the following information:**

- 1. Name of New Owner,**
- 2. Address & Telephone Number,**
- 3. Copy of Title showing transfer.**

**This Service Contract must be given to the new owner at the time the Service Contract Transfer is completed. Transfer of Service Contract does not include transfer of the 24 Hour Roadside Assistance Program.**

If this Service Contract is transferred, the transferee will not be entitled to a refund for any cancellation after the transfer occurs, unless transferee provides proof of payment for this Service Contract. The payment must be in addition to the payment for the purchase of the Vehicle.

### **CANCELLATION OF YOUR SERVICE CONTRACT:**

- 1. You may cancel this Service Contract at any time.**
- 2. To cancel this Service Contract, either return to the Seller to complete and sign the cancellation form, or mail written notice to the Seller of Your election to cancel this Service Contract. A notarized odometer statement indicating the odometer reading at the date of the request will be required.**
- 3. Cancellation requests received:**
  - a. Within the first thirty (30) days will receive a full refund, less any approved claim amounts.**
  - b. After the first thirty (30) days will receive a pro-rated refund based upon term or mileage, whichever is greater. The refund will be based on the unearned amount paid for this Service Contract, less any approved claim amounts. A fifty dollar (\$50.00) cancellation fee will apply.**

**All cancellation requests will be effective as of the date received. In addition, all cancellation requests must have an effective date which is no later than forty-five (45) days from the date of receipt.**

If Your Vehicle is repossessed, stolen, or totaled, this limitation of time may be waived at the Administrator's sole discretion. The Administrator may request supporting documentation from the primary insurance company or police reports indicating dates and mileage at the time of incident.

- 4. We may cancel at any time if:**
  - a. Your Vehicle is deemed a total loss, is an unrecovered theft, or is repossessed.**
  - b. Your Vehicle's odometer is disconnected or altered, or Your Vehicle is determined to be TMU.**
  - c. Your Vehicle is used in a manner not covered by the Service Contract.**
  - d. Your Vehicle is or has been modified.**
  - e. Your Vehicle is an Ineligible Vehicle.**
  - f. The charge for the Service Contract is not paid to Us.**
  - g. The charge for a Mandatory Surcharge is not paid to Us.**
  - h. Your Vehicle is covered by multiple Service Contracts.**
  - i. You made material misrepresentation, or provided false, incomplete or misleading information in obtaining this Service Contract or in the submission of a claim.**
  - j. Your Vehicle does not have a valid manufacturer Vehicle Identification Number (VIN).**
  - k. The Vehicle's title is branded as salvage, junk, rebuilt, totaled or damaged by flood after You purchased the Service Contract.**
  - l. The Seller was not authorized by Us to sell the Service Contract.**
  - m. There is a substantial change in the usage of the vehicle, e.g. Commercial Use or Towing package installed, which was not present at the time of the purchase of the Service Contract. Cancellation will be effective as of the date We are made aware of such change in usage, regardless of when the change in usage occurred.**

If We cancel, the cancellation will be effective as of the date We determine the reason for cancellation. You will receive a pro-rata refund of the unearned amount paid for this Service Contract, less any approved claim amounts. Notice of such cancellation will be delivered to You by first class mail. The notice will state the cancellation effective date and reason.

**BEFORE STARTING ANY TEARDOWN OR REPAIRS, YOU MUST CALL CLAIMS AT 1-800-871-0467 FOR AUTHORIZATION AND INSTRUCTIONS**

- If the Service Contract Purchase Price, or any part of the Service Contract Purchase Price, is financed, the lienholder shown on the Registration Page may cancel this Service Contract for a default under the terms of the retail installment agreement between You and the lienholder. The lienholder may have a security interest in the Service Contract refund. If a security interest exists, the refund will be paid to the lienholder. You should refer to Your retail installment agreement regarding any applicable refunds.

### **REFUND**

All refunds will be calculated based on the provisions provided in the section entitled "Transfer and Cancellation." The Administrator agrees to pay the Provider's respective percentage of the refund, based on the amount of the consideration the Provider received. The Seller agrees to pay its respective percentage of the refund based on the amount of the consideration the Seller received.

In the event a refund is due upon the cancellation of this Service Contract, the Administrator shall remit to the Seller the Provider's respective percentage of the refund due. Seller shall then remit to You the full refund amount due, which shall include both the Provider's and the Seller's respective percentage of the refund due. In no event will We or the Administrator be liable for the Seller's portion of any refund due to You, including if the Seller has ceased operations.

The Registration Page and this Service Contract constitute the entire agreement between You and the Provider and no other documents are legal and binding unless provided to You by the Administrator or Provider.

If a lending institution or the Seller has financed the purchase of this Service Contract, the refund check will be made payable to the lending institution or the Seller.

#### **Royal Administration Services, Inc.**

51 Mill Street, Building F Hanover, MA 02339  
Phone: 1-800-871-0467 • Fax: 1-781-261-2522

**Florida Certificate of Authority #60109**

#### **ADDITIONAL BENEFITS (Included at no cost):**

**24 Hour Roadside Assistance:** Your Vehicle will be covered for up to ten (10) occurrences over the term of Your Service Contract. Towing benefits are provided for up to a maximum of one hundred dollars (\$100.00) per occurrence. Lock out service, fuel and fluid delivery services (**excluding the cost of the fuel or fluids**), or battery boost/jump services are provided for up to a maximum of fifty dollars (\$50.00) per occurrence. Battery boost/jump services are not available for electric or hybrid vehicles. The 24 Hour Roadside Assistance benefits are provided through Quest Software, Inc. d/b/a Quest Towing Services, Inc. and Quest Claims Services, 106 West Tolles Drive, St. Johns, MI 48879, 1-855-513-5184. **If Your Vehicle requires Roadside Assistance, You must contact Quest Towing Services for prior approval and assistance, otherwise no coverage for the service will be provided.**

**Please Note: The Emergency Roadside Assistance benefit is not intended to provide reimbursement of services secured through a provider other than the Road Service Processing Center.**

You will be provided with Your Roadside Assistance number in the welcome letter You receive. **Transfer of this Service Contract does not include transfer of the 24-Hour Roadside Assistance Program.**

**Rental Benefit: This benefit is provided to you by** Quest Software, Inc. d/b/a Quest Towing Services, Inc. and Quest Claims Services, 106 West Tolles Drive, St. Johns, MI 48879, 1-855-513-5184. Rental reimbursement will only be approved for an authorized repair, beginning on the claim submission date. Reimbursement for a rental vehicle is provided for a maximum of forty dollars (\$40.00) per day, up to a maximum of five (5) days. Any authorized repair which requires the Vehicle to be left at a repair facility will qualify for one (1) day of rental reimbursement. Parts delays will qualify for up to three (3) days of reimbursement. Delays for inspection required by the Administrator qualify for up to one (1) day of rental reimbursement. Rental car agreement charges will only be reimbursed to You for charges incurred from a licensed rental agency. Rental reimbursement will not apply to charges for rideshare programs (such as Uber or Lyft) or other alternative transportation options. You must provide the paid rental receipt to the Administrator to be reimbursed for the charges. In no case will reimbursement exceed the actual cost included on the rental receipts, and no reimbursement will be provided to You until the authorized repairs are complete and paid.

#### **Dispute Resolution/Arbitration Contract and Class Action Waiver:**

**PLEASE READ THIS DISPUTE RESOLUTION/ARBITRATION CONTRACT 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.**

**BEFORE STARTING ANY TEARDOWN OR REPAIRS, YOU MUST CALL CLAIMS AT 1-800-871-0467 FOR AUTHORIZATION AND INSTRUCTIONS**

Arbitration is a method of resolving any Claim without filing a lawsuit. In this Arbitration Contract and Class Action Waiver (collectively including all of this section of this **Contract**), **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 Contract and Class Action Waiver sets forth the terms and conditions of our Contract to binding arbitration. The Parties agree that any and all claims, disputes and controversies arising under or related in any way to this **Contract**, including but not limited to claims related to the underlying transaction giving rise to this **Contract**, claims related to the sale or fulfillment of this **Contract**, and claims against any third-party (including the Selling Retailer and/or any of its owners, shareholders, members, affiliates, subsidiaries, divisions, directors, officers, employees, representatives, successors, and assigns) arising under or related in any way to this **Contract** or the underlying transaction or the sale or fulfillment of this **Contract** (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 Contract, 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, successors, or assigns. "Claims" does not include a claim for public injunctive relief brought under any California statute enacted for a public reason, provided that **You** are a California resident or purchased **Your Contract** in California. 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 Contract, including but not limited to any unconscionability challenge or any other challenge that the Arbitration Contract is void, voidable or otherwise invalid. Notwithstanding this Contract 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 in any way to this **Contract**.

The Parties agree and acknowledge that the transaction evidenced by this **Contract** affects interstate commerce. The Parties further agree that all issues relating to this Arbitration Contract 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 Contract and Class Action Waiver, then the law of the state where **You** purchased the **Contract** 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 Contract 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 number and URL: American Arbitration Association, (800) 778-7879, [www.adr.org](http://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 **Contract** shall apply, without regards to conflicts of law. The arbitration

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will occur before a single, neutral arbitrator selected in accordance with the Code in effect at the time the arbitration is commenced. If **You** 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](http://www.adr.org) or call (800) 778-7879. 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 Contract is deemed invalid or unenforceable, all the remaining portions of this Arbitration Contract 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 Contract shall be invalidated and unenforceable in its entirety. In the event of a conflict or inconsistency between this Arbitration Contract and Class Action Waiver and the other provisions of this **Contract** or any other Contract, this Arbitration Contract and Class Action Waiver governs.

**OPT-OUT PROVISION. YOU SHALL HAVE THE RIGHT TO OPT OUT OF THIS ARBITRATION CONTRACT 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 CONTRACT (THE DATE OF PURCHASE BEING INDICATED ON YOUR SALES ORDER AND RECEIPT FROM THE SELLING RETAILER).** To opt out, **You** must send written notice to:

American Bankers Insurance Company of Florida P.O. Box 21647, St. Petersburg, FL 33742. **You** must include in **Your** opt out notice: (a) **Your** name and address; (b) the date **You** purchased **Your Contract**; and (c) the **Seller**. If **You** properly and timely opt out, then all Claims will be resolved in court rather than in arbitration.

#### **LIMITED APPLICABILITY OF THE FEDERAL MAGNUSON MOSS WARRANTY ACT**

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

#### **INSURANCE STATEMENT:**

**NOTICE:** This Service Contract is not a contract of insurance. Unless otherwise regulated under state law, the contents under this Service Contract should be interpreted and understood within the meaning of a "service contract" in Public Law #93-637. Our obligations under this Service Contract are backed by a service contract reimbursement insurance policy issued by American Bankers Insurance Company of Florida (11222 Quail Roost Drive, Miami, FL 33157). If **We** fail to perform or make payment under the terms of this Service Contract within sixty (60) days after **You** request performance or payment, **You** may apply directly to American Bankers Insurance Company of Florida. Please call 1-866-306-6694 for instructions.

In California, if any promise made in the Contract has been denied or has not been honored within sixty (60) days after **Your** request, **You** may contact the California Department of Insurance at (800) 927-4357 or access the department's Internet Web site ([www.insurance.ca.gov](http://www.insurance.ca.gov)).