

**CONTRACT #:**

AAAV

**PURCHASER INFORMATION**

Name:

Address:

City, State, ZIP:

Telephone:

**SELLING COMPANY & FINANCE COMPANY INFORMATION**

Selling Company Name:

Seller Code:

Address:

Telephone:

Finance Company Name:

Finance Company Address:

**VEHICLE INFORMATION**

Vehicle Identification Number (VIN):

Year, Make, and Model:

Vehicle Purchase Price:

Class:

**SERVICE CONTRACT INFORMATION**

Coverage:

Plan Months:

Contract Sale Date:

Expiration Date:

Sale Odometer:

Expiration Odometer:

Service Contract Price:

Plan Code:

Deductible:

Surcharges:

Plan Miles:

Options:

**ADMINISTRATOR OBLIGOR**

**BLACK DIAMOND ADMINISTRATIVE COMPANY, LLC, 2 EAGLE CENTER SUITE 1, O'FALLON, IL 62269, 1-866-643-7950.** The **Administrator Obligor's** performance under this **Contract** is insured by an insurance policy issued by Dealers Assurance Company, P.O. Box 21185, Upper Arlington, OH 43221, 1-800-282-8913. If a **Covered Repair** is not paid within sixty (60) days after proof of loss has been filed, **You** may file a claim with Dealers Assurance Company at the address listed above.

**AGREEMENT PERIOD**

Terms for coverage are measured from the **Contract** sale date and the **Vehicle** odometer mileage reading at the time of sale. This **Service Contract** has a waiting period of one month and 1,000 miles. During this waiting period, only the benefits listed under "ROADSIDE ASSISTANCE" will apply. Any other claim filed during this waiting period will not be covered. This one month and 1,000 miles will be added to the end of the term listed above. This **Contract** begins on the **Contract** sale date and expires on the mileage or expiration date listed above, whichever occurs first.

**OTHER IMPORTANT INFORMATION**

THIS **CONTRACT** IS NOT AN **INSURANCE POLICY**; IT IS A **SERVICE CONTRACT** BETWEEN **YOU** AND THE **ADMINISTRATOR OBLIGOR**. ANY CHANGE TO THE PREPRINTED TERMS AND CONDITIONS OF THIS **CONTRACT** IS INVALID AND OF NO FORCE OR EFFECT. IF ANY INFORMATION ON THIS **CONTRACT** IS IN ERROR, CONTACT THE **SELLING COMPANY** OR **ADMINISTRATOR** IMMEDIATELY. PURCHASE OF THIS **CONTRACT** IS NOT REQUIRED IN ORDER TO PURCHASE A VEHICLE OR TO OBTAIN VEHICLE FINANCING.

**PRIOR AUTHORIZATION MUST BE OBTAINED BEFORE STARTING ANY TEARDOWN OR REPAIRS.**

PLEASE CALL 1-844-526-0415 FOR AUTHORIZATION AND INSTRUCTIONS.

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## DEFINITIONS

- **Authorized Repair Facility:** Any automotive repair facility that has been licensed to perform automotive repairs by the state in which it operates.
- **Administrator, Obligor, Our, Us and We:** Black Diamond Administrative Company, LLC. 2 Eagle Center Suite 1, O'Fallon, IL 62269, 1-866-643-7950.
- **Business Use:** Vehicles used primarily for profit, such as repair work, route work, service work, and delivery.
- **Contract Holder, Purchaser, You, or Your:** The person(s) whose name is listed as the purchaser(s) of this **Service Contract**.
- **Cost:** The customary and reasonable charges for the parts and labor necessary to repair or replace **Covered Components**. **Cost** will not exceed either the manufacturer's suggested retail (list) price for parts or the labor allowances derived from industry-recognized flat-rate manuals. The labor rate must be authorized by the **Vehicle** manufacturer for franchised dealers and cannot exceed the average retail rate charged by similar repair facilities in the same area. All charges are subject to the limits of liability, the terms and conditions of this **Service Contract**, and the **Administrator's** approval.
- **Covered Part(s) and Covered Component(s):** Any part of the **Vehicle** listed herein as a **Covered Part/Component** and not excluded from coverage by this **Service Contract**.
- **Covered Breakdown or Covered Mechanical Breakdown:** A **Breakdown** that is covered by this **Contract**.
- **Covered Repair:** A repair to a **Covered Part/Component** that is authorized by the **Administrator**.
- **Covered Vehicle or Vehicle:** The **Vehicle** identified on the first page of this **Contract**.
- **Deductible:** The amount **You** must pay, per repair visit, in the event of a **Covered Breakdown** resulting in a **Covered Repair**.
- **Emergency Repairs:** Repairs made outside of **Administrator's** business hours, which, if not performed, would impair the future operation of **Your Vehicle**, or render **Your Vehicle** inoperable or unsafe to drive.

- **Finance Company:** Any financial institution providing financing for the purchase of this **Service Contract**.
- **Lubricated Part:** A part that requires lubrication to function correctly.
- **Manufacturer's Warranty:** The original basic or powertrain factory warranty provided with the **Vehicle** by its manufacturer.
- **Mechanical Breakdown, Breakdown, Fails, Failure, or Failed:** The inability of any **Covered Component(s)** that has received proper maintenance, as prescribed by this **Service Contract**, to function in the manner for which it was designed, unless otherwise specified in this **Contract**. This inability must be the result of defective material or faulty workmanship, not due to **Wear and Tear**. In addition, a **Failed** part must be outside the allowable tolerances prescribed by the manufacturer to be deemed a **Failure**.
- **Selling Company:** The entity identified on the first page of this **Contract** from whom **You** purchased this **Service Contract**.
- **Service Contract or Contract:** This document in its entirety, which explains the coverage and limitations afforded to **You**.
- **Wear and Tear:** The gradual reduction in component performance through normal or excessive usage.

## YOUR OBLIGATIONS

1. To obtain the benefits provided by this **Service Contract**, **You** are required to provide maintenance to **Covered Components** at an **Authorized Repair Facility**. **Vehicles** with less than 150,000 miles must change the engine oil and oil filter at the manufacturer's recommended interval. **Vehicles** with over 150,000 miles must ensure that the engine oil and oil filter be changed every four (4) months or four thousand (4,000) miles, whichever occurs first (within a window of 1 month or 1,500 miles). Transmission service (including fluid, flushes, and filter change) for **Vehicles** six (6) years old or older must be performed every 12 months or 12,000 miles. Transmissions in **Vehicles** that are less than six (6) years old should be serviced in accordance with the manufacturer requirements. Non-serviceable transmissions are excluded from this requirement. Proper documentation and verifiable receipts for all maintenance and repairs may be required in the event of a claim. Receipts must reflect proper **Vehicle** documentation (i.e. year, make, and model), complete **Vehicle** Identification Number, and the mileage of the **Vehicle** at the time of maintenance or repair. Handwritten receipts will not be accepted. Failure to provide proof of required maintenance may result in denial of coverage.

2. The **Contract Holder** and the **Authorized Repair Facility** are required to obtain an authorization number prior to beginning any repairs that would be covered by this **Contract**.
3. The **Contract Holder** is responsible for paying a **Deductible** for each visit to the **Authorized Repair Facility**. The **Deductible** is specified on the first page of this **Contract**.

## OUR OBLIGATIONS

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

NOTE: (1) At the sole discretion of the **Administrator**, a **Covered Part** may be replaced with new parts or used parts of like kind and quality.

(2) **We** reserve the right to inspect **Your Vehicle** to verify **Failure(s)**. In addition, if a dispute arises between the **Authorized Repair Facility** and **Us**, **We** reserve the right to relocate **Your Vehicle** to an **Authorized Repair Facility** of **Our** choice. In the event the **Administrator** determines that a repair in question is not a **Covered Repair** then **You** are responsible for any cost incurred.

In the event of a **Covered Breakdown** of a part where the repair or replacement is provided for under a manufacturer's warranty or special policy program, payment will be provided for the required manufacturer's deductible, less the **Deductible** specified on the first page of this **Contract**.

## LIMIT OF LIABILITY

Repairs covered by this **Contract**, per occurrence, are limited to \$3000 for engine components, \$2000 for transmission components, and \$1500 for transfer case components.

**Our** liability for incidental and consequential damages including, but not limited to personal injury, physical damage, property damage, loss of **Vehicle** use, loss of time, inconvenience and commercial loss resulting from the operation, repair, maintenance, or use of this **Vehicle** is expressly excluded.

## WHAT IS COVERED IN THIS CONTRACT

Only those items listed in this section, "WHAT IS COVERED IN THIS CONTRACT," are covered, subject to the terms and conditions of this **Contract**, and in accordance with the coverage, surcharges, and options indicated on the first page of this **Contract**.

- 1. Engine:** All internal **Lubricated Parts** of the engine, including Pistons, Piston Rings, Piston Pins, Crankshaft and Main Bearings, Connecting Rods and Rod Bearings, Camshaft And Camshaft Bearings, Timing Chain and Timing Gears, Intake And Exhaust Valves, Valve Springs, Oil Pump, Push Rods, Rocker Arms, Hydraulic Lifters, Rocker Arm Shafts and Water Pump. The Engine Block and Cylinder Heads are also covered if the above-listed parts caused a mechanical failure.
- 2. Transmission:** Internal **Lubricated Parts** of Manual or Automatic Transmissions, including the Torque Converter Case (if damaged by the Failure of an internal **Lubricated Part**), Oil Pump, Drums, Planetary Gear Sets, Sun Gear and Shell, Shaft(s), Bearings, Shift Rail, Forks, and Synchronizers.
- 3. Transfer Case (or All-Wheel Drive Mechanism):** Up to \$1500 towards the repair or replacement of the internal **Lubricated Parts** of the Transfer Case (or All-Wheel Drive Mechanism). The Transfer Case Housing (or Housing for the All-Wheel Drive Mechanism) is only eligible for coverage when damaged by an internal **Lubricated Part**. The 4WD/AWD surcharge is required for coverage on the Transfer Case (or All-Wheel Drive Mechanism).

### **SURCHARGES**

**Diesel:** If **Your Vehicle** is equipped with a diesel engine, this surcharge must be paid and listed on the first page of this **Contract** for **Your Vehicle** to be eligible for coverage. If this surcharge was paid, the following diesel vehicle components will be eligible for coverage under this **Contract** for mechanical failures only: Fuel Pump (Electrical or Mechanical), Pressure Regulator, Metering Valve and Fuel Injector.

**Turbo/Supercharger:** If **Your Vehicle** is equipped with either a turbocharger or a supercharger, this surcharge must be paid and listed on the first page of this **Contract** for **Your Vehicle** to be eligible for coverage and to receive coverage for the internal **Lubricated Parts** of the turbocharger or supercharger.

**4WD/AWD:** If **Your Vehicle** is equipped with 4WD or AWD, this surcharge must be paid and listed on the first page of this **Contract** for **Your Vehicle** to be eligible for coverage and to receive coverage for the transfer case (or all-wheel drive mechanism).

### **OPTIONS**

**Conversion Van Coverage:** If **You** paid for this option, the following components are covered, subject to the terms and conditions of this **Contract** (all parts listed must be installed by the original **Vehicle** manufacturer or a Licensed Van Conversion Company):

**Electronic:** Compact Disc Player, Cassette Player, Speakers, Video Cassette Player/Recorder, Auxiliary Light Switches, and Captain Chair Motor and Switch.

**Rear Air Conditioner:** Expansion Valve, Evaporator, Capacitors, Relays, Blower Motor and Switch. Seals and Gaskets will be covered only if required in conjunction with a **Covered Repair**.

## EXCLUSIONS – NOT COVERED IN CONTRACT

In accordance with the coverage indicated on the front page of this **Service Contract**, any part not specifically listed in the “WHAT IS COVERED IN THIS CONTRACT” section is not covered. There may also be specific exceptions related to any surcharge or option, as reflected on the first page of this **Contract** and as described in the corresponding sections. In addition, this **Service Contract** does not cover:

1. **Any repair that has not received prior authorization from the Administrator. This exclusion does not apply to Emergency Repairs.**
2. **The repair or replacement of any motor vehicle component that was not properly operating in accordance with manufacturer’s specifications at the time this Service Contract was sold (i.e. pre-existing conditions).**
3. **Any Vehicle with a branded title (e.g. salvage, junk, rebuilt, total loss, flood, fire, or gray market).**
4. **Any Vehicle that has been repurchased by or had its price renegotiated with the manufacturer. Any Vehicle that has had the manufacturer’s warranty revoked, voided, or cancelled; or any Vehicle that never came with a manufacturer’s warranty.**
5. **The repair, modification, or replacement of any component that has not Failed, as defined by this Contract.**
6. **The repair, retrofit, or replacement of any component required for compliance by any local, state, or federal law or legislation.**
7. **Wear and Tear.**
8. **The repair or replacement of engine valves, valve guides, valve seals, and/or piston rings is not covered if the purpose of such repair(s) is simply to raise the compression of the engine, increase performance, or to reach acceptable oil consumption.**
9. **Damage due to the alteration, modification, or use of Your Vehicle in a manner not recommended by the manufacturer, including the use of “non-stock” or modified parts.**
10. **Any Mechanical Breakdown covered by an insurance entity, the manufacturer’s warranty or recall; or any component with a warranty or “repairer’s guarantee” through a repair facility. Additionally, if an insurance entity, the manufacturer, or Authorized Repair Facility notifies You that they will monetarily participate in a repair that has been authorized and paid by Us, then We will exercise Our right to recover the respective amount.**
11. **Any Vehicle with an odometer that has been tampered with, altered, disconnected, or not maintained in working order. You may be required to provide an odometer statement at the time of sale of this Service Contract.**
12. **Any Mechanical Breakdown or Failure caused by (a) Wear and Tear; (b) Your failure to provide the proper maintenance to the failed part or parts; (c) overheating, regardless of the cause of overheating; (d) incorrect, contaminated, or inadequate amounts of coolant, lubricants, or fluids; (e) accidental loss or damage, impact, collision or upset, falling missiles or objects, rust, corrosion, fire, theft, larceny, explosion, lightning, earthquake, wind storm, hail, water, flood, freezing, malicious**

- mischievous, vandalism, riot, or civil commotion; (f) DRIVER NEGLIGENCE OR MISUSE, INCLUDING THE OPERATION OF AN IMPAIRED VEHICLE; or (g) nuts, bolts, and fasteners.**
13. **Cosmetic damage or cosmetic related repairs (e.g. scratches, nicks, dents, or tears).**
  14. **Body components or repairs related to the body of the Vehicle (e.g. bumpers, lenses, glass, paint, convertible or vinyl tops, sheet metal, outside ornamentation, frame or structural body parts, air or water leaks, wind noise, weather strips, squeaks or rattles, trim, upholstery, carpet, or mats).**
  15. **The following, unless required in conjunction with a Covered Repair: upgrades, adjustments, alignments, oil, fluids, greases, lubricants, or refrigerant.**
  16. **Maintenance services and parts described in the manufacturer's maintenance schedule for Your Vehicle. NOTE: During the term of this Service Contract, it may become necessary to (a) replace spark/glow plugs and wires, emission control valves, timing belts, drive belts, distributor caps and rotors, and filters; (b) adjust belts, ignition, transmission bands, or clutch system; (c) clean fuel and cooling systems, or remove sludge or carbon deposits; and (d) maintain or replace items not specifically covered under this Service Contract. These aforementioned services and replacements are Your responsibility. Costs for these services and parts are not covered by this Service Contract.**
  17. **Any expenses associated with shop supplies, materials charges (i.e. miscellaneous items not directly associated with a Covered Repair), hazardous waste charges, diagnosis time (where a Covered Mechanical Breakdown has not occurred), freight charges, or storage charges.**
  18. **Vehicles used for hauling or towing loads weighing in excess of Vehicle manufacturer's specifications, racing or competitive driving, emergency services, or Vehicles equipped with a snow plow.**
  19. **Business Use Vehicles.**
  20. **Vehicles operated by more than one person or Vehicles using multiple drivers over a period of time due to shift work.**
  21. **The repair or replacement of the following: (a) batteries and battery cables, including batteries and battery cables for Hybrid Vehicles; (b) exhaust system components and catalytic converters; (c) shock absorbers; (d) fasteners, nuts, bolts, clips, screws; (e) fuses and bulbs; (f) safety restraint systems (including air bags); (g) brake linings, rotors, and drums; (h) sealed beams and LED or HID headlamp assemblies; (i) wiper blades, hoses, molded rubber, and rubber-like items; (j) clutch disc and linings, clutch pressure plate, clutch throw-out bearings, pilot bearings; (k) bent shift forks, stretched timing chains; and (l) cellular phones.**
  22. **Any losses resulting from delays, labor strikes, loss of time, inconvenience, or other causes beyond the control of the Administrator or Authorized Repair Facility.**

23. **The repair or replacement of any Covered Component that has been damaged by a non-Covered Component or from an improper repair.**
24. **The repair or replacement of any non-Covered Component damaged as a result of the Failure of a Covered Component.**
25. **Vehicles registered or needing repairs or replacements outside of the contiguous United States, Alaska, or Hawaii.**
26. **Convertible top assemblies; television/VCR/DVD players; game centers; audio/video equipment and audio/video accessories; all touch screen and/or voice activated accessories, including related display screens and heads up displays on windshields; electronic transmitting/receiving devices; voice recognition systems; navigational systems; remote control consoles; security systems; and radar detection devices.**
27. **Any component or part of a component that enables a Vehicle to be propelled by any source of power other than gasoline, diesel fuel, or E85 ethanol. In addition, components belonging solely to any of the following (unless otherwise stated in this document): Hybrid Vehicles, Plug-in Hybrid Vehicles, Electric Vehicles, Extended-Range Electric Vehicles, or Hydrogen-Powered Vehicles. The Hybrid Battery is not covered in any instance.**
28. **Replacement of components due to damaged threads. For example, cylinder head replacement due to spark plug thread damage or oil pan replacement due to drain plug thread damage.**
29. **Seals or gaskets, unless required in conjunction with a Covered Repair.**

## ADDITIONAL BENEFITS

**1-888-754-0371**

### **ROADSIDE ASSISTANCE**

**1-888-754-0371**

For the term of this **Contract**, the listed sign and drive benefits are available 24 hours a day / 365 days a year. **You** will incur no expense for these benefits up to the listed program limit. The following non-accident related services are available for up to ten (10) occurrences over the term of **Your Contract**, each with a maximum benefit of \$50.00 per incident:

- Jump Starts
- Flat Tire Changes (Using **Your** inflated spare)
- Vehicle Fluid Delivery (cost of **Vehicle** fluids extra)
- Lockout Assistance (key cutting/replacement extra)
- Concierge Services (courtesy help and emergency phone call support)
- Towing benefits up to a maximum of \$100.00 per occurrence

Services not available in areas where state providers are exclusively utilized. Benefits are limited to "cash call with reimbursement" service only for the first forty five (45) days of coverage.



### **SUBSTITUTE TRANSPORTATION:**

Should **Your Covered Vehicle** become inoperable due to a **Covered Breakdown**, upon authorization, payment will be provided to reimburse **You** for actual expenses incurred when renting a vehicle from a licensed car rental agency. Benefits will be allowed only for reasonable time necessary to complete the repair with a maximum benefit of five (5) calendar days. Maximum daily rental allowance is thirty dollars (\$30.00) per day, not to exceed one hundred fifty dollars (\$150.00) per visit. If the repair cannot be completed in five (5) calendar days due to a lack of part availability, an additional five (5) days may be allowed at thirty dollars (\$30.00) per day with a maximum additional benefit of one hundred fifty dollars (\$150.00), **PROVIDED ADDITIONAL AUTHORIZATION IS OBTAINED FROM THE ADMINISTRATOR.**

### **LODGING REIMBURSEMENT:**

**We** will reimburse the **Contract Holder** for motel and restaurant expenses up to \$50 per day for a maximum of three (3) days in the event of a **Covered Breakdown**, which occurs more than one hundred (100) miles from **Your** home and results in an **Authorized Repair Facility** keeping the **Covered Vehicle** overnight. The maximum benefit per occurrence is \$150. To receive motel and restaurant reimbursement, the **Contract Holder** must supply the **Administrator** with his/her receipts from the providers of such services. Handwritten receipts will not be accepted.

### **EXTENDED TOWING BENEFIT:**

In the event that **Your** towing benefit (included in the Roadside Assistance plan or provided by **Your Vehicle** manufacturer) does not cover the full amount of the tow after with a **Covered Breakdown**, **We** will reimburse **You** up to one hundred dollars (\$100.00) per occurrence for subsequent charges in excess of any other disbursements from other towing coverage plans. No **Deductible** will apply to this coverage.

## WHAT TO DO IF YOU HAVE A BREAKDOWN

1. Take immediate action to prevent further damage to **Your Vehicle**. Any damage resulting from continued operation of an impaired **Vehicle** will constitute failure to protect **Your Vehicle** and will not be covered under this **Service Contract**.
2. **You** may deliver **Your Vehicle** to the **Authorized Repair Facility** of **Your** choice. However, authorization must be obtained from the **Administrator** prior to any repair.
3. Present this **Contract** to the **Authorized Repair Facility**. The **Administrator** may also require **You** to provide the **Authorized Repair Facility** with proof of all relevant maintenance as expressed under "YOUR OBLIGATIONS".
4. Ensure that the **Authorized Repair Facility** contacts the Claims Department for instructions prior to any teardown or repairs. The Claims Department can be reached at 1-844-526-0415 from 7:00 A.M. to 7:00 P.M. (CST) Monday to Friday and 8:00 A.M. to 2:00 P.M. (CST) on Saturday. AUTHORIZATION MUST BE OBTAINED FROM THE **ADMINISTRATOR** BEFORE STARTING ANY TEARDOWN OR REPAIRS.

5. If **Emergency Repairs** are required, deliver **Your Vehicle** to a **Authorized Repair Facility** and have the necessary repairs performed at a reasonable and customary charge. On the next business day, report the repairs to the **Administrator** at 1-844-526-0415. The **Administrator** will determine the reimbursement eligibility in accordance with the terms and conditions of this **Service Contract**.
6. In all instances, if **Your** repair is a **Covered Repair**, then **You** are required to pay the **Authorized Repair Facility** the **Deductible** amount reflected on the first page of this **Contract**. In addition, **You** are also required to pay for anything not authorized by the **Administrator**.

## HOW TO TRANSFER THIS CONTRACT

If **You** sell **Your Vehicle** or if there is any change in the ownership of **Your Vehicle**, **You** may request to transfer the remaining coverage of this **Contract** to the new owner. This request must be submitted within fifteen (15) days of the change in **Vehicle** ownership. **You** must notify the **Administrator** of the transfer of ownership in writing and must include the following: a transfer fee of \$50, the name and address of the new owner, and the mileage of the **Vehicle** at the time of transfer.

The **Administrator** has the discretion to approve or reject **Your** request to transfer coverage. Copies of all maintenance records showing oil changes and manufacturer's required maintenance must be given to the new owner. The new owner must retain these records and the **Vehicle** will still be subject to the maintenance requirements as specified in this **Contract** and by the **Vehicle** manufacturer. No handwritten receipts will be accepted.

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

## CANCELLATION AND RENEWAL

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

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

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

**CANCELLATION PROVISIONS:** If this **Contract** is cancelled within the first thirty (30) days from the **Contract** sale date and no claims have been filed, then **You** will receive a full refund. If this **Contract** is cancelled after thirty (30) days past the **Contract** sale date or after a claim has been filed, then **You** will receive a pro rata refund, less any claims paid under this **Contract**. Pro rata refunds are determined by multiplying the amount **You** paid for this **Service Contract** by the lesser of the following: (a) the number of covered days remaining on the **Service Contract** divided by the original number of covered days, or (b) the miles of remaining coverage under the **Service Contract** divided by the original number of covered miles. A cancellation fee of \$150 will be charged for all pro rata cancellations made by the **Contract Holder**. In all instances, if there is no **Finance Company**, the refundable amount will be paid to **You**. If there is a **Finance Company**, the refundable amount will be paid to the **Finance Company**.

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

**INSTALLMENT PAYMENT PROVISION:** In the event that **Your Contract** is being paid for via a Retail Installment Contract (or its equivalent) which is terminated for nonpayment, the expiration date and mileage of this **Contract** will be modified to reflect values relative to the portion of the original term that **You** have paid for. The amended expiration date and mileage will be calculated using a pro-rata calculation applied to the original covered time and mileage.

## GENERAL PROVISIONS

### ARBITRATION:

All claims or disputes relating to this **Contract** or the breach thereof shall be decided by binding arbitration unless **You** and the **Administrator** agree otherwise. Arbitration shall be specifically enforceable under the prevailing arbitration law. The **Administrator** agrees to use one (1) arbitrator, mutually acceptable to **You** and the **Administrator**. Written notice of the request for arbitration must be filed with the **Administrator** within a reasonable time after the claim or dispute has arisen, but not later than one (1) year after the claim or dispute arises. The award rendered by the arbitrator shall be final and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction. If **You** have any legal claim against the **Administrator** and do not agree to arbitration, **You** agree that any action, claim, or suit shall only be brought in the District Court, St. Clair County, Illinois. If **You** bring any such action, claim, or suit against the **Administrator** in any court or forum other than in the District Court, St. Clair County, Illinois, the **Administrator** can seek dismissal of **Your** action, claim, or suit and require that it be maintained in St. Clair County, Illinois.

### SUBROGATION:

In the event benefits are paid under this **Contract**, the **Administrator** shall be subrogated to all the rights **You** have to recover against any person or organization arising out of any failure subject to any recall campaign, as well as any order, judgment, consent decree or other settlement. **You** shall execute and deliver instruments and papers and do whatever is necessary to secure such rights. Further, all amounts recovered by **You** for which **You** have received benefits under this **Contract**, shall belong to, and be paid to the **Administrator** up to the amounts of benefits paid under this **Contract**.