



PASSPORT

Claims: 1-800-682-9761

Vehicle Service Application/Contract

Administered by Tier One Warranty Services

This Document is the Application and Vehicle Service Contract. If this Application cannot be accepted as written, applicant will be notified within (30) days after the Administrator Obligor receives it, and offered a new or corrected Contract, if possible. If applicant does not choose to accept the new or corrected Contract, or the vehicle does not qualify for any type of coverage, the Contract Price will be refunded. No cancellation of this Contract shall become effective until fifteen (15) days after the notice of cancellation is mailed to the Contract Holder. Purchase of this contract is not required in order to obtain financing for the vehicle.

VEHICLE PURCHASER	Vehicle Purchaser			Agreement Number		
	Address			Telephone		
	City		State	ZIP Code		
VEHICLE	Contract Purchase Date		Odometer Reading at Purchase Date		Vehicle Identification Number (VIN)	
	Year	Make	Model			
DEALER	Dealer Name			Dealer Code	Telephone	
	Address					
	City		State	ZIP Code		
LIENHOLDER	Lienholder Name			Telephone		
	Address					
	City		State	ZIP Code		

Emergency Roadside Assistance: The following Emergency Roadside Services will be provided for You on the covered vehicle up to a maximum of \$80.00 per occurrence. **TOWING**—If an emergency tow is required as a result of a mechanical failure. **FLAT TIRE CHANGE**—Service will be Provided to remove the flat tire and replace it with Your properly inflated spare tire. **LOCK-OUT**—If Your keys are accidentally locked inside the covered vehicle, we will provide assistance to gain entry to the vehicle with Your proper identification. **FUEL, OIL, FLUID and WATER DELIVERY**—If Your vehicle requires an emergency supply of fuel, oil, fluid or water, we'll arrange a delivery to You. You will be required to pay for the actual costs of the **FUEL, OIL, FLUID or WATER** when it is delivered, if so requested. No service may be duplicated within 72 hours of the initial request.

FOR EMERGENCY ROADSIDE SERVICES CALL 800-689-1190

SERVICE CONTRACT PLANS									
<input type="checkbox"/> Basic	<input type="checkbox"/> Shared (50%)	<input type="checkbox"/> Red	<input type="checkbox"/> White	<input type="checkbox"/> Blue Coverage					
TERMS AVAILABLE									
(Number of Months/Mileage in Thousands)									
<input type="checkbox"/> 3/3	<input type="checkbox"/> 6/6	<input type="checkbox"/> 12/12	<input type="checkbox"/> 18/18	<input type="checkbox"/> 24/24	<input type="checkbox"/> 30/30	<input type="checkbox"/> 36/36	<input type="checkbox"/> 48/48	<input type="checkbox"/> 60/60	<input type="checkbox"/> 60/72
Coverage expires by time measured from the date of sale or mileage measured from the odometer mileage reading at the time of sale, whichever comes first. Standard Deductible is \$100.									
OPTIONS									
<input type="checkbox"/> 4WD/AWD	<input type="checkbox"/> ONE TON	<input type="checkbox"/> OVERHEAT	<input type="checkbox"/> LIFTED TRUCK						
<input type="checkbox"/> TURBO/SUPERCHARGER	<input type="checkbox"/> WEAR/TEAR	<input type="checkbox"/> SEALS & GASKETS							

ADMINISTRATOR OBLIGOR: This service contract is administered by Tier One Warranty Services; PO Box 680144, Houston, TX 77276; 800-497-5633.

I have read and understand this Application/Contract. I understand that the above information is subject to verification and that the Application/Contract may be rejected by the Administrator, if any of the above information is incorrect or if the vehicle is ineligible for the term or coverage written as determined by the Administrator. No verbal or written representations have been made to me which may alter the terms and conditions of this agreement. I understand that the purchase of this agreement is not necessary to obtain financing.

Customer Signature Date TOTAL CONTRACT PRICE Signature of Dealer Representative Date

_____ \$ _____
By my signature here, I agree that the above information is true and correct to the best of my knowledge.

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ADDITIONAL BENEFITS

No deductible applies to additional benefits. Rental Reimbursement: During the time when your vehicle is being repaired at an authorized repair facility for the failure of a covered part, you may qualify for rental car reimbursement of up to \$35 per day, with a 5-day maximum, not to exceed \$175 per occurrence. Vehicle must be rented from the dealer or from a licensed auto rental facility. In determining the amount due under this rental coverage, nationally accredited flat-rate manuals will be used to determine the repair time. This time specifically excludes downtime waiting for parts or other delays associated with the repair. The authorized labor time is used to determine the amount of the rental reimbursement as follows: 1 to 8 hours = 1 day; 8.1 to 16 hours = 2 days; 16.1 to 24 hours = 3 days; etc. Rental car reimbursement will not continue beyond the day that repairs are completed and you are notified of completion. Trip Interruption (available only where allowed by law): In the event of a breakdown covered by this contract, which occurs more than 100 miles from your home and results in a repair facility keeping your vehicle overnight, the Administrator Obligor will reimburse you for motel and meal expenses not to exceed \$75 per day for up to 3 days. The maximum benefit per occurrence is \$225.

DEFINITIONS

Mechanical Breakdown (also may be termed "**failure**")....means the inability, because of a defect or faulty workmanship of any covered part or component(s) to perform the function, or functions, for which it was designed.

Wear and Tear....means a part must be outside of allowable tolerances as prescribed by the manufacturer of the part or vehicle and as a result of normal use.

"Wear and Tear" coverage is available, as an option, on the "Red" plan and is included as standard on both the "White" and "Blue" plans on this agreement. It is not provided or available under the terms of either the "Basic" or "Shared" plans.

Covered Part....Any part listed as covered under the terms of the "Basic", "Shared", or "Red" plans or not excluded under the terms of the "White" or "Blue" plans. Some parts may be excluded from all plans and are listed under "What Is Not Covered."

Named Component Coverage....is the coverage afforded by the "Basic", "Shared", and "Red" plans of this agreement. Specific parts and/or components appear on the list of all parts to be covered by these plans.

Exclusionary Coverage....refers to the coverage afforded by the "White" and "Blue" plans of this agreement where all parts and/or components are covered unless specifically listed under the "What Is Not Covered" portion of this agreement.

You, Your, Agreement Holder....refers to the person named on the agreement as the purchaser or holder of this contract.

We, Us, Our, Administrator....refers to the Administrator, Tier One Warranty Services, PO Box 680144, Houston, TX 77276; 800-497-5633.

Repair Facility....refers to an automotive repair facility which is licensed, regulated and/or approved by the state to perform repairs. Such facility must have a tax identification number where required.

Lien Holder....means any financial institution providing financing for the purchase of the vehicle and/or this service agreement.

Vehicle....refers to the vehicle specifically listed on this agreement as being covered.

Light Commercial Use....vehicles titled in a company name but used by one. Vehicles that are used for light delivery or pick up such as mail or other daily office errands, child or day care, light usage such as appraisals, inspections, or other "white collar" type use. Does not include vehicles used as taxis, rental units, livery or shuttle units, daily delivery vehicles except as noted above, vehicles not driven by the same driver every day, vehicles used for towing a trailer for business purposes, or used for landscaping or snow removal.

Deductible: Deductible does not apply to the "Shared" plan. Deductible does not apply to any claim that exceeds the limit of liability by \$100 or more for the term selected on the "Basic" plan.

All other plans have either the reduced deductible available or a \$100 deductible.

WHAT IS COVERED

See "**Additional Charges and Related Coverage**" to insure **maximum coverage available to you**.

The following is a list of Coverages available in this agreement and items covered under the terms of the various plans. All manufacturers' recommended maintenance and service scheduling must have been complied with for coverage to apply, such as, but not limited to, oil changes and timing belt or chain replacement as required.

BASIC PLAN

Engine: all internally lubricated parts including, but is not limited to, crankshaft, crankshaft bearings, oil pump, pistons, piston rings, connection rods, rod bearings, timing belt or chain, timing gears, camshaft, camshaft bearings, push rods, rocker arms, rocker arm shaft, hydraulic lifters, intake valves, exhaust valves, valve springs, harmonic balancer, water pump, engine mounts, cylinder heads, engine block, timing chain or gear cover, valve covers are covered if they are damaged by failure of a part covered under the terms of this named component agreement.

Transmission: all internally lubricated parts contained within the transmission gear case (automatic or standard) including, but not limited to, torque converter. Covers, pans, transmission mounts, and cases or housings are also covered if damaged by the failure of a part covered under the terms of this named component coverage.

Transaxle: all internally lubricated parts contained within the transaxle housing including, but not limited to, torque converter, drive axle shafts, constant velocity joints (except when damaged as a result of a torn or missing CV boot), front hub and bearing assembly. The case is covered if damage is caused by the failure of a part covered under the terms of this named component agreement.

Drive Axle Assembly: all internally lubricated parts contained within the drive axel housing including, but not limited to, differential case (if damage was caused by the failure a part covered under the terms of this named component coverage), drive shaft, universal joints, constant velocity joints (except when damaged as a result of a torn or missing CV Boot). 4 wheel and all wheel drive coverage includes all internally lubricated parts within the transfer case. Standard 2 wheel drive coverage applies unless the 4 wheel or all wheel drive additional charge is selected and paid for.

Seals and Gaskets: If a breakdown results from a seal or gasket, no coverage is afforded unless the "Seals and Gaskets" option has been selected and paid for. Seals and gaskets are covered in conjunction with repair of parts or components covered under the terms of this named component coverage. See "Additional Charges and Related Coverages" for more information and details.

Electrical: Alternator and Starter Motor.

See "**Important Notes on Deductible**" and "**Limits of Liability**." "Reduced" or "No Deductible" may apply for "Basic" coverage.

SHARED PLAN (50%)

All items listed as covered under "Basic" and "Red" plans are covered on a shared basis. We will pay 50% (one half) of the parts and labor. See section entitled "Limits of Liability." No deductible applies to the "Shared" plan. Deductible does not apply to the "Shared" plan.

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RED PLAN

Parts and components listed under the "Basic" plan are covered plus the following:

Air Conditioning (front only): compressor, clutch, compressor pulley, evaporator, accumulator, coil, condenser, expansion valve, if factory installed, blower motor.

Note: If covered costs of repairs on an R-12 system exceed the cost to convert to an R-134a system, the system will be converted to use R-134a refrigerant.

Drive Axle: Locking hubs

Suspension: struts, upper control arms, lower control arms, control arm shafts, upper ball joints, lower ball joints, steering knuckle, radius arm, stabilizer bars; linkage and bushings, strut bearing plates, spindle, wheel bearings, king pins.

Steering: all internally lubricated parts within the steering gear box, rack and pinion assembly, control valve, power steering pump, pitman arm, idler arm, tie rod end, couplings, drag link. Gear box and housing are covered if damaged by the failure of a part covered under the terms of this named component coverage.

Brakes: master cylinder, ABS master cylinder, vacuum booster, wheel cylinder, disc brake caliper, metal hydraulic lines and fittings, wheel speed sensor/exciters, proportioning valve, accumulator, high pressure pump, isolation dump valve.

Cooling: radiator, fan clutch, cooling fan motor, heater core.

Fuel Delivery: fuel pump, fuel tank, fuel injectors, fuel sending unit, diesel injection pump, and metal fuel lines.

Electrical: main battery, wiper motor, wiper module, window motor, ignition module, ignition coil, distributor, starter solenoid, seat motor, door lock actuator, power antenna, washer pump and switch, manually operated switches for all of the electrical components listed under the "Red" plan.

WHITE AND BLUE PLANS

We will pay the repair facility or reimburse you for necessary repairs to All of your vehicle's mechanical and electrical parts, except for those items listed in the "What Is Not Covered" section of this agreement.

ADDITIONAL CHARGES AND RELATED COVERAGES

Deductible:

4X4 and All Wheel Drive Components: internally lubricated parts contained within the transfer case and secondary drive assembly, locking hubs, including bearings, bushings, chains, sprockets, sleeves, and gears. The transfer case is also covered if damaged by the failure of a covered part. **Note:** the additional charge for 4X4 and All Wheel Drive does not apply to the 3 month/3000 miles coverage on both the "Basic" and "Shared" plans.

1 Ton Truck or Van: allows for the same coverage afforded to all smaller trucks and vans on all plans with the applicable additional charge. Includes dual rear wheel vehicles.

Lifted Vehicle: Available for vehicles with any aftermarket lifts equal to or less than six (6) inches. In order to qualify for this surcharge, the total modified height cannot exceed six (6) inches. Surcharge purchase is required in order to make the lifted vehicle eligible for any coverage. Surcharge provides basic contract eligibility only and does not add coverage additional to any listed in the "WHAT IS COVERED" section of this contract. Any failures related to aftermarket lift or damages to covered components by the aftermarket lift are still excluded from coverage.

Wear and Tear: Included on the "White" and "Blue" plans. Additional charge applies for "Red" plan. Not available on the "Basic" or the "Shared" plans.

Seals and Gaskets: Included on the "White" and "Blue" plans. Additional charge applies for "Basic", "Shared", or "Red" plans. Vehicle must have less than 125,000 miles at the time of writing of this service agreement. All seals and gaskets coverage ceases on "Red" plan when the odometer reaches 150,000 miles. Coverage continues throughout term of contract for the "White" and "Blue" plans.

Overheating: Included on all vehicles with less than 60,000 miles at the time of writing of this service agreement. Additional charge applies if vehicle has 60,000 miles or more but less than 90,000 miles. All overheating coverage ceases when the vehicle's odometer reaches 120,000 miles. No coverage available for vehicles with 90,000 miles or more at the time of writing of this service agreement.

Light Commercial Use: See "Definitions" for eligible vehicles. Any additional surcharges, such as 4X4, still apply.

Diesel and Turbo/Supercharged: Additional Surcharge for vehicles equipped with a diesel or turbo/supercharged, still apply. **Note:** Diesel engines that are turbo/supercharged do not have an additional surcharge.

WHAT IS NOT COVERED

The following is a list of items not covered under this agreement unless the coverage selected specifically states otherwise.

This service contract does not cover or apply to: incidental and/or consequential damages or loss caused by the breakdown or failure of components, including property damage, personal injury, and loss of vehicle use.

The coverage you selected or was made available to you, as noted on the front page of this agreement, determines which parts and/or components are covered. If a "Basic", "Shared", or "Red" plan is indicated as coverage selected, **only the items specifically listed under those plans are covered.** If a "White" or "Blue" plan was selected and indicated on the front page of this agreement, all mechanical and electrical parts, and components are covered unless listed here. The following parts, components, and items are **NOT** covered on any plan and this service agreement does not apply to:

- (1) Repairs or replacement of vehicle components or parts which were not operating properly in accordance with manufacturer's specifications at the time of purchase of this agreement.
- (2) Vehicles for which the manufacturer has "branded" the title (cancelled the factory warranty). Vehicles for which the State or other controlling government body has "branded" the titles due to collision, vandalism, flood damage, insurance claim, etc.
- (3) All items listed in the "Additional Charges and Related Coverages" section of this agreement unless those items are paid for and noted on the agreement at the time of purchase or are included in specific coverage plans.
- (4) Any breakdown or failure which occurs as a result of non-standard or high-performance parts or equipment or if alterations not meeting manufacturer's specifications have been made to your vehicle.
- (5) Any breakdown or failure resulting from the use of attachments or equipment (including lift kits) installed after the effective date of this agreement.
- (6) Any vehicle fitted with snowplow equipment or is used for plowing snow.
- (7) Any part or repair which is covered by insurance, a repairer's guarantee/warranty, or for which a manufacturer has announced its responsibility through any means, including recall campaigns and factory service bulletins.
- (8) Any vehicle in which the odometer has been tampered with, altered, disconnected, or not maintained in working order. Contract holder may be required to provide proof of odometer reading or other needed documentation in case of odometer failure which may result in restoration of coverage. Misrepresentation of the odometer reading at the time of the effective date of this contract will render this service agreement void.
- (9) A gradual reduction in operating performance where a mechanical breakdown has not occurred including, but not limited to, valve and ring repairs designed to improve engine compression or reduce oil consumption.
- (10) Overheating resulting from contamination or inadequate amounts of fluids, lubricants, or coolants. Overheating from any cause if vehicle had over 60,000 miles at the time of inception date of this agreement.

NO CLAIMS WILL BE PAID WITHOUT PRIOR AUTHORIZATION

CLAIMS: 1-800-682-9761

- (11) Vehicles used in competitive racing or driving or used for taxi service, livery, shuttle, emergency, commercial, towing, or rental purposes.
- (12) Accidental loss or damage, collision or upset, vandalism, falling missiles or objects, fire, theft, larceny, explosion, lightning, earthquake, wind storm, hail, water flood, freezing, malicious mischief, riot or civil commotion, owner or driver misuse or negligence, including continued operation of the vehicle after the failure of any part that would result in additional damage. Losses resulting from delays or failures caused by acts of God, labor strikes, causes beyond the control of the Administrator or repair facility, loss of time, inconvenience, loss of the use of the vehicle, diminution in value resulting from the failure of a covered or non-covered part.
- (13) Any vehicle used to pull a trailer with a gross weight in excess of 1,500 pounds unless the vehicle is equipped as recommended by the manufacturer.
- (14) Battery packs for hybrid vehicles.
- (15) Battery cables, Safety Restraint Systems (including air bags), Exhaust systems (including catalytic converter), Fuses, light bulbs, sealed beams, HID headlamp systems, lenses.
- (16) Wheels and tires.
- (17) Cellular phones, non-factory installed audio-video equipment, and non-factory Electronic Transmitting/receiving equipment and devices (GPS, On-Star, etc.).
- (18) The following, unless required in connection with repairs or replacements covered under the terms of this agreement; oil, fluids, lubricants, refrigerants, coolants, or filters.
- (19) Adjustments, alignments, and tune-ups or other maintenance services and parts described in the Manufacturer's Maintenance Schedule for the covered vehicle.
NOTE: During the period covered by this service agreement, it may be necessary to; (a) maintain or replace spark/glow plugs, wiper blades, emission control valves, brake linings, clutch linings, pressure plate, throw-out bearings, pilot bearings, slave cylinder, brake drum or rotors, hoses, molded rubber or rubber-like items, filters, or other items not specifically covered under this agreement. (b) Adjust carburetor, ignition, transmission belts or bands, belts, or clutch system. (c) Clean fuel and/or cooling system. (d) Remove sludge or carbon deposits. (f) Replace timing belt or chain. (g) Any maintenance services and parts described in the owner's manual for your vehicle. These services and/or replacements are required because of normal wear and use and are the owner's (your) responsibility. Failure to perform specified maintenance will result in claim denial.
- (20) Shop supplies, materials charges, Hazardous Waste charges, storage charges or miscellaneous charges.
- (21) Weather strips, leaks, interior upholstery or trim, glass, squeaks, rattles, shock absorbers, bolts, nuts, fasteners, paint or body damage.
- (22) Covered parts which the repair facility may recommend replacing but which have not experienced a mechanical breakdown as defined in the "Definitions" section of this agreement.
- (23) Repairs or replacements made outside of the United States or Canada, or if the vehicle is registered outside of the United States or Canada.
- (24) Any vehicle rated over ¾ ton unless 1 Ton (maximum size available with added charge) option has been purchased and noted on the agreement. Appropriate surcharges must be submitted for coverage to apply.
- (25) Any breakdown caused by corrosion, sludge and/or carbon buildup.
- (26) Any breakdown caused by the agreement holder's failure to protect the vehicle from further damage, including failure to replace leaking seals and/or gaskets in a timely manner.
- (27) Any breakdown caused by a condition reasonably determined to have existed prior to the agreement purchase date (pre-existing), or if the information provided by you is found to be deceptively inaccurate.

CANCELLATION OF THIS CONTRACT—REFUNDS AND CHARGES

If your vehicle has been repossessed, declared a total loss or you give notice of cancellation, this Contract will terminate. You may cancel this Contract at any time by notifying the Selling Dealer or Administrator Obligor in writing of your intent to cancel. You must also send the Selling Dealer or Administrator Obligor this Contract and a notarized statement indicating the actual mileage (odometer reading) of your vehicle at the date of the request. If this Contract is cancelled within the first thirty days and no claims have been filed, you will receive a full refund.

If this Contract is cancelled after the first thirty (30) days or a claim has been filed, your refund will be determined by multiplying the amount you paid for this Contract by the lesser of the ratio determined by (a) the number of in-force days remaining for the Contract compared to the original term of the Contract, or (b) the miles of remaining coverage under the Contract as compared to the original terms of the Contract. If there is no lien holder, the refund, less a cancellation fee, will be paid to you. If there is a lien holder, the refund less a cancellation fee will be paid to the lien holder. If the Contract Holder elects cancellation, the Administrator Obligor will retain a cancellation fee not to exceed the lesser of 10% of the vehicle Service Contract price or \$50. Cancellation by the Administrator Obligor: This service contract is non-cancelable by the Administrator Obligor. Transferred Contracts are not eligible for cancellation refunds. For state specific details, please refer to the last page of the contract, attached to the customer copy.

LIMITS OF LIABILITY

The total of all paid benefits paid or payable shall not exceed:

Basic coverage:

3 months / 3,000 miles	6 months / 6,000 miles	12 months / 12,000 miles	18 months / 18,000 miles	24 months / 24,000 miles	30 months / 30,000 miles	36 months / 36,000 miles	48 months / 48,000 miles	60 months / 60,000 miles	60 months / 72,000 miles
\$1,000	\$1,000	\$1,500	\$2,000	\$2,500	\$2,500	\$3,000	\$3,000	\$3,000	\$3,000

Shared Plan: \$2500.00

Red, White, and Blue Plan:

Actual Cash Value (ACV) (see section "Important Customer Information" for details.)

**NO CLAIMS WILL BE PAID WITHOUT PRIOR AUTHORIZATION
CLAIMS: 1-800-682-9761**

IMPORTANT CUSTOMER INFORMATION

This agreement is not an insurance policy. It is a service contract between you and the Administrator Obligor. Repairs covered under the scope of this service contract in total are limited to the limits of liability shown above (under "LIMITS OF LIABILITY") in this service contract on the previous page of this agreement. The total of all benefits that will be paid under this Service Agreement shall not exceed the Vehicle Purchase Price paid by the original agreement contract holder, the Actual Cash Value (ACV) as determined by the National Auto Research Black Book "wholesale price" will be used to determine the actual cash value (ACV) of the vehicle or the limits of liability set forth under the terms of this contract, whichever is less. See sections "WHAT IS COVERED," "WHAT IS NOT COVERED," and "CANCELLATIONS" for information about that will describe the coverage selected by the contract holder, the limitations and exclusions, and the contract holder's rights to a refund under a cancellation. The amount authorized by the Administrator is the maximum amount that will be paid for any repairs covered under the terms of this contract. Any additional amount must receive prior approval from the Administrator. This is a limited agreement. You, the agreement holder, may have other rights which vary from State to State and laws or regulations of those States may supersede some parts of this agreement. All service agreement coverage begins at the time of purchase and at the mileage on the odometer at time of purchase and continues until the contract expires by time or mileage.

WHAT TO DO IF YOU HAVE A BREAKDOWN

Use all reasonable means to protect the vehicle from further damage. This may require you to stop the vehicle, and/or turn off the engine, and/or have the vehicle towed. Any damage resulting from continued operation of an impaired vehicle will constitute failure to protect your vehicle and may result in denial of claim coverage. Have your contract number ready before you call the Administrator Obligor. Any payment of the cost of transporting the vehicle for service is provided under this contract exclusively pursuant to the terms and conditions of this contract.

You may take the vehicle to any licensed repair facility. If the vehicle has factory warranty remaining, it should be taken to an automobile dealership repair facility for the make of your vehicle. If the manufacturer's warranty has expired, you may take your vehicle to any licensed repair facility. The Administrator has the right to select the repair facility and move the vehicle in the event that the repair facility selected by the contract holder charges for parts and labor in excess of amounts considered acceptable by published industry manuals such as Motors, Mitchell, All-Data, and any such manuals used by the Administrator to determine reasonable costs of repairs or if the repair facility selected does not meet the level of service expected to insure proper repair of your vehicle. (You may contact the Administrator for assistance in locating a repair facility). Present a copy of this document to the repair facility prior to proceeding with repairs. Ensure that the repairing facility calls the Administrator at 1-800-682-9761. To assure coverage under the terms of this service agreement, authorization must be obtained from the administrator prior to any repair. The Administrator may be contacted by mail at Tier One Warranty Services, PO Box 680144, Houston, TX 77276.

DIAGNOSTIC TIME; 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. You will be responsible for these charges if the breakdown is not covered under the terms of this agreement. If it is determined that the breakdown is covered, the Administrator will be responsible for the reasonable and customary cost of such tear-down and/or diagnosis.

INSPECTION OF VEHICLE; we reserve the right to require an inspection of your vehicle and service records prior to approving any repairs.

After the Administrator has been contacted, you should review with the Service Manager what will be covered by this agreement for the repair.

The Contract Holder is responsible for the payment of any applicable deductible for each visit to the repair facility. If the repair requires more than one visit to repair, only one deductible applies to the original failure for which a claim was filed. To receive the benefits of the reduced deductible, the repair facility must be pre-approved by the Administrator.

CONTRACT HOLDER'S OBLIGATIONS

The Agreement Holder hereby authorizes the Lien Holder to: (1) be listed as joint payee and receive any refund in the event this agreement is canceled, and (2) cancel this agreement if the Agreement Holder defaults on his/her obligations to such Lender.

In order for this agreement to remain in force, the Agreement Holder is required to follow Manufacturer's required maintenance schedule. For example, some vehicle manufacturers require that the timing belt be changed or an oil change be performed at specific intervals. Agreement Holder must follow the Manufacturer's Maintenance guidelines (including types or quality of products used in maintenance) to avoid denial of a claim and/or cancellation of this service agreement. The Agreement Holder must follow the procedures described within this agreement under the section "What to Do If You Have a Breakdown."

The Agreement Holder shall subrogate all their rights of recovery against any person or organization to the Administrator and shall do whatever is necessary to secure such rights. The Agreement Holder shall do nothing to prejudice such rights.

ADMINISTRATOR'S OBLIGATIONS

If a mechanical breakdown of the vehicle occurs during the term of this agreement and within the United States or Canada, the Administrator will pay the Repair Facility or the Agreement Holder for the repair or replacement of the covered part(s) or component(s) and other items for which the Administrator is responsible for as described in this agreement, if the Agreement Holder has met his/her obligations as also described in this agreement and if the Breakdown is not excluded under the "WHAT IS NOT COVERED" section in this contract. Replacement parts can be of like kind and quality. This may include the use of new, remanufactured, or used parts as determined by the Administrator Obligor.

If the Agreements Holder files a claim under the terms of this agreement, the Administrator will verify the validity of the Service Agreement (proper owner, correct vehicle, agreement still in force, level of coverage, etc.), verify the breakdown with the repair facility, confirm costs of repairs, verify coverage, and authorize service and repair of the covered breakdown by providing the Repair Facility with an Agreement Holder for the repair or replacement of the covered part(s) or component(s) and others items for which the Administrator is responsible for which authorization code. The Administrator shall make payment for authorized repair(s) through Direct Billing, Credit Card, or Reimbursement to the Agreement Holder.

WHAT ADMINISTRATOR WILL DO WHEN YOU REPORT A CLAIM

Upon the filing of a claim under this Contract, the Administrator Obligor will verify the validity of the Service Contract (proper owner, proper vehicle, Contract still in force), verify the Breakdown with the Repair Facility, verify coverage, and authorize service and repair of covered breakdown (provide Repair Facility with authorization code and confirm cost of repair). Payment is provided through direct billing, credit card, or Contract Holder reimbursement.

NO CLAIMS WILL BE PAID WITHOUT PRIOR AUTHORIZATION

CLAIMS: 1-800-682-9761

HOW THIS CONTRACT MAY BE TRANSFERED

If you sell the covered vehicle or there is any other change in the ownership of your vehicle, this Contract will terminate. You may apply for a transfer of the remaining coverage under this Contract to the new owner. You must notify the Selling Dealer or Administrator Obligor in writing of your request to transfer this Contract within fifteen (15) days of the change in vehicle at the time of sale, including transfer fee of \$50 and the following: name and address of the purchaser, a copy of the bill of sale or sales contract showing the date and mileage of your vehicle at the time of sale, and proof of your transferred coverage under any remaining manufacturer's warranty to the purchaser of your vehicle. The Administrator Obligor has the discretion to approve or reject such application. Copies of all maintenance records showing actual oil changes and manufacturer's required maintenance must be given to the new owner and copies for the Administrator Obligor. The new owner must retain these records and is subject to the maintenance requirements as specified in this Contract. Transfer fees are not permitted in the state of New Hampshire. Note: This Contract may not be transferred more than once, may not be transferred to another vehicle, and may not be assigned to a new or used vehicle dealer or anyone other than an individual purchasing your vehicle for personal use.

TRANSFER APPLICATION AND PROCEDURES

TO TRANSFER THIS CONTRACT, COMPLETE THE FOLLOWING AND MAIL IT ALONG WITH THIS SERVICE CONTRACT (CUSTOMER COPY) TO TIER ONE WARRANTY SERVICES, ATTN: CONTRACT TRANSFERS; PO BOX 680144, HOUSTON, TX 77276.

Please transfer the remainder of the Vehicle Service Contract. I am transferring this Contract in accordance with the provisions stated in the Contract. In order to transfer I am enclosing with this Application a \$50.00 check or money-order payable to: Tier One Warranty Services (if applicable).

Name of New Owner _____

Date of Transfer _____

Address _____

City, ST, Zip _____

Odometer Mileage on Date of Transfer _____

Signature of Vehicle Purchaser _____

Signature of Vehicle Seller _____

SPECIAL STATE REQUIREMENTS / DISCLOSURES

The Following Special State Requirements and/or disclosures apply if this Contract was purchased in one of the following states and supersede any other provisions herein.

ALABAMA The cancellation section of this Contract is amended to include the following: If this Contract is originally delivered to you by mail, you may cancel this Contract within 20 days after the date the Contract was mailed to you and receive a full refund of the Contract price provided no claim has been made under the Contract. If a full refund is due to you under this Contract, a 10% penalty per month will be added to the refund if it is not made within 45 days of return of the Contract to us. If you cancel this Contract after the initial full refund period has expired, we will deduct a cancellation fee of \$25.00 from any refund otherwise due.

CONNECTICUT Arbitration and Resolution of Disputes for Connecticut Residents: If there is a dispute regarding the terms of this Service Contract or the coverage of any claim filed with Us, We will make a reasonable effort to resolve the dispute with you. If We are unable to resolve the dispute, you may file a formal written complaint with the Consumer Affairs Division of the Connecticut Insurance Department. The complaint must contain a short and plain description of the dispute, including the efforts made to resolve the dispute and the results of those efforts, the purchase price or lease price of your covered vehicle, the cost of any disputed repairs, and a copy of this Service Contract document. The complaint should be mailed to State of Connecticut, Insurance Department, P.O. Box 816, Hartford, CT 06142-0816, Attention: Consumer Affairs.

Your complaint will be reviewed by an examiner, who will attempt to mediate the dispute. If the mediation efforts are unsuccessful, your complaint will be referred to the Arbitration Unit of the Connecticut Insurance Department for further resolution through arbitration. Unless either party objects to binding arbitration of the dispute by filing a written objection with the examiner within ten (10) days after notice that the matter has been referred to arbitration, the decision of the arbitrator will be binding on both parties. A more detailed description of the arbitration procedure is set forth in Sections 42-260-1 through 42-260-5 of the Connecticut Administrative Code.

GEORGIA The Administrator may not cancel this Contract except for fraud, material misrepresentation or non-payment by You. Notice of such cancellation will be in writing and given at least thirty days (30) prior to cancellation. Cancellation will comply with Section 33-24-44 of the OGCGA Georgia Code. Refunds will be based on the excess of the consideration paid for this Contract above the customary short rate for the expired term of the Contract. Must be prorated if cancelled by administrator.

HAWAII The cancellation section of this Contract is amended to include the following: If this Contract is originally delivered to you by mail, you may cancel this Contract within 30 days after the date the Contract was mailed to you and receive a full refund of the Contract price provided no claim has been made under the Contract. If a full refund is due to you under this Contract, a 10% penalty per month will be added to the refund if it is not made within 45 days of return of the Contract to us.

IDAHO Coverage afforded under this motor vehicle service contract is not guaranteed by the Idaho Insurance Guarantee Association.

NO CLAIMS WILL BE PAID WITHOUT PRIOR AUTHORIZATION

CLAIMS: 1-800-682-9761

INDIANA Your proof of payment to the issuing dealer for this Contract shall be considered proof of payment to the insurance company, which guarantees our obligation to you, providing such insurance was in effect at the time you purchased this Contract.

IOWA If you have any questions regarding this Contract, you may contact the Administrator by mail or by phone. Refer to the application for the Administrator's address and toll-free number. Iowa residents only may also contact the Iowa Insurance Commissioner at the following address: Iowa Insurance Division, 330 Maple Street, Des Moines, Iowa 50319-0065.

MARYLAND The cancellation section of this contract is amended to include the following: If this Contract is originally delivered to you by mail, you may cancel this Contract within 20 days after the date the Contract was mailed to you and receive a full refund of the Contract price provided no claim has been made under the Contract. If a full refund is due to you under this Contract, a 10% penalty per month will be added to the refund if it is not made within 45 days of return of the Contract to us.

MASSACHUSETTS The following is added to **YOUR CONTRACT: NOTICE TO CUSTOMER: PURCHASE OF THIS CONTRACT IS NOT REQUIRED IN ORDER TO REGISTER OR FINANCE A VEHICLE. THE BENEFITS PROVIDED MAY DUPLICATE EXPRESS MANUFACTURER'S OR SELLER'S WARRANTIES THAT COME AUTOMATICALLY WITH EVERY SALE. THE SELLER OF THIS COVERAGE IS REQUIRED TO INFORM YOU OF ANY WARRANTIES AVAILABLE TO YOU WITHOUT AGREEMENT.**

Chapter 90, Section 7N 1/4 of the Massachusetts General Laws require an automobile dealer to provide a warranty covering certain classes of used motor vehicles as follows:

Used Vehicles with less than 40,000 miles at the time of sale: Provides coverage for ninety (90) days or 3,750 miles, whichever occurs first.

Used Vehicles with 40,000 miles or more but less than 80,000 miles at the time of sale: Provides coverage for sixty (60) days or 2,500 miles, whichever occurs first.

Used Vehicles with 80,000 miles or more but less than 125,000 miles at the time of sale: Provides coverage for thirty (30) days or 1,250 miles, whichever occurs first. The VEHICLE YOU have purchased may be covered by this law. If so, the following is added to this CONTRACT. In addition to the dealer warranty required by this law, YOU have elected to purchase this CONTRACT, which may provide YOU with additional protection during the dealer warranty period and provides protection after the dealer warranty has expired. YOU have been charged separately only for this CONTRACT. The required dealer warranty is provided free of charge. Furthermore, the Definition, Coverage, and Exclusions stated in this CONTRACT apply only to this CONTRACT and not the terms of the required dealer warranty.

NEVADA The cancellation section of this Contract is amended to include the following: If this Contract is originally delivered to you by mail, you may cancel this Contract within 20 days after the date the Contract was mailed to you and receive a full refund of the Contract price provided no claim has been made under the Contract. If a full refund is due to you under this Contract, a 10% penalty per month will be added to the refund if it is not made within 45 days of return of the Contract to us.

NEW HAMPSHIRE If you have any questions regarding this Contract, you may contact the Administrator by mail or by phone. Refer to the application for the Administrator's address and toll-free number. New Hampshire residents only may also contact the New Hampshire Insurance Commissioner at the following address: New Hampshire Insurance Department, 21 Fruit Street, Suite 14, Concord, New Hampshire 03301.

NEW MEXICO The cancellation section of this Contract is amended to include the following: If this Contract is originally delivered to you by mail, you may cancel this Contract within 20 days after the date the Contract was mailed to you and receive a full refund of the Contract price provided no claim has been made under the Contract. If a full refund is due to you under this Contract, a 10% penalty per month will be added to the refund if it is not made within 60 days of return of the Contract to us.

OKLAHOMA This Contract is not issued by the manufacturer or wholesale company marketing the product. This Contract will not be honored by such manufacturer or wholesale company. All refunds payable to you under this Contract in the event you cancel this Contract shall be payable to you and any lien holder as your respective interests may appear.

TEXAS All unresolved complaints concerning us or questions concerning the regulation of service agreement providers may be addressed to the Texas Department of Licensing and Regulation, P.O. Box 12157, Austin, TX 78711, Tel. (800) 803-9202. The cancellation section of this Contract is amended to include the following: If this Contract is originally delivered to you by mail, you may cancel this Contract within 20 days after the date the Contract was mailed to you and receive a full refund of the Contract price provided no claim has been made under the Contract. If a full refund is due to you under this Contract, a 10% penalty per month will be added to the refund if it is not made before the 46th day after the date the Contract is returned to us.

UTAH Coverage afforded under this Contract is not guaranteed by the Utah Property and Casualty Guaranty Association.

**NO CLAIMS WILL BE PAID WITHOUT PRIOR AUTHORIZATION
CLAIMS: 1-800-682-9761**