

## Ruby Program

### TERMS AND CONDITIONS

#### I – DEFINITIONS

ADMINISTRATOR, WE, US, or OUR: means the ADMINISTRATOR, provider, and obligor of this CONTRACT - Marathon Administrative Co., Inc., 1710 Corporate Crossing, Suite 1, P.O. Box 961, O'Fallon, IL 62269, 877-456-5115.

CONTRACT: means this Vehicle Service Contract.

CONTRACT HOLDER, YOU, or YOUR: means the purchaser or holder of this CONTRACT.

COVERED PART(S): means BREAKDOWN of a part not excluded in this CONTRACT.

COVERED VEHICLE or VEHICLE: means the VEHICLE covered by this CONTRACT, which is the one identified on the Declaration Page.

DEALER: means the issuing Dealer named in the Declaration Page, from whom YOU purchased the CONTRACT.

DEDUCTIBLE: In the event of a BREAKDOWN of a part, repaired or replaced under the terms and conditions of this CONTRACT, YOU will be subject to pay the applicable DEDUCTIBLE as specified on the Declaration Page.

PARTICIPATING LENDER: means any financial institution providing financing for the purchase of the VEHICLE and/or this CONTRACT.

MANUFACTURER'S WARRANTY: In the event of a BREAKDOWN of a part, whose 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 above.

MECHANICAL BREAKDOWN or BREAKDOWN: means a breakage or total failure of a COVERED PART. BREAKDOWN does not provide for damage resulting from the failure of an excluded part(s) or the lack of proper maintenance services. Minor loss of fluid or seepage is considered normal and is not considered a MECHANICAL BREAKDOWN. A BREAKDOWN does not include gradual reduction in operating performance due to normal wear and tear.

WAITING PERIOD: New and Used Vehicle Terms contain a WAITING PERIOD date before the coverage for repairs begins. If YOU purchased the Bronze or Silver coverage, YOUR WAITING PERIOD is fifteen (15) days or one thousand (1,000) miles after the CONTRACT purchase date before coverage for repairs begins. There is no coverage during the WAITING PERIOD. The additional time and mileage will be added to the term of this CONTRACT. If YOU purchased the Titanium coverage, YOU have no WAITING PERIOD.

#### II – INSURANCE COMPANY STATEMENT

The performance and obligations of the provider for covered repairs under this CONTRACT are guaranteed and insured separately by a Reimbursement Insurance Policy issued by Dealers Assurance Company ("Insurer"), 3518 Riverside Drive, P.O. Box 21185, Columbus, OH 43221 (800) 282-8913. If the Claims ADMINISTRATOR fails to pay a claim under this CONTRACT within 60 (sixty) days of proof of loss by YOU, the service CONTRACT HOLDER, YOU may make a direct claim against Dealers Assurance Company by writing to the aforementioned address.

When YOU receive this CONTRACT read it carefully. Ensure that the Declaration Page is complete and accurate.

Purchase of this CONTRACT is not required in order to purchase or obtain financing for the COVERED VEHICLE. This CONTRACT is not issued by the manufacturer or wholesale company marketing the COVERED VEHICLE. This CONTRACT will not be honored by such manufacturer or wholesale company.

#### III – CONTRACT HOLDER OBLIGATIONS

- In order for this CONTRACT to remain in force, the CONTRACT HOLDER is required to follow the vehicle manufacturer's required maintenance schedule. Some vehicle manufacturers require that the Timing Belt be changed a specific interval. CONTRACT HOLDER must follow the vehicle manufacturer's maintenance guidelines to avoid denial of a claim because of improper maintenance. The CONTRACT HOLDER must keep and make available verifiable, signed service/purchase receipts that show that this maintenance has been performed within the time and mileage limit requirements.
- The CONTRACT HOLDER and the Repair Facility are required to obtain an authorization number prior to beginning any repairs that would be covered by this CONTRACT.
- The CONTRACT HOLDER is responsible for paying a DEDUCTIBLE for each visit to the Repair Facility. The DEDUCTIBLE is specified on the Declaration Page.
- The CONTRACT HOLDER is responsible for authorizing and paying for any teardown or diagnosis time needed to determine if the COVERED VEHICLE has a covered BREAKDOWN. If it is subsequently determined that the repair is needed due to a covered BREAKDOWN, the ADMINISTRATOR will pay for such teardown or diagnosis. If the failure is not a covered BREAKDOWN, the CONTRACT HOLDER is responsible for payment of such teardown or diagnosis.

#### IV – ADMINISTRATOR OBLIGATIONS

If a covered BREAKDOWN of the VEHICLE occurs during the term of this CONTRACT, the ADMINISTRATOR will pay the CONTRACT HOLDER or the Repair Facility for repair or replacement, as ADMINISTRATOR deems appropriate of the COVERED PART(S) which caused the BREAKDOWN,

if the CONTRACT HOLDER has met his/her obligations as described in this CONTRACT. Replacement parts can be of like kind and quality. They may include the use of new or remanufactured parts as determined by ADMINISTRATOR.

## **V – LIMIT OF LIABILITY**

The dollar total of all benefits paid or payable under this contract shall not exceed the Average Cash Value of the vehicle according to current National Auto Dealers Association standards at time of breakdown. The total dollar benefits payable for any single repair or replacement shall not exceed the cash value of the vehicle immediately prior to breakdown as determined by the most recent national auto research black book for a vehicle in average condition.

Liability for incidental and consequential damages, or for breach of any implied warranties, including the implied warranty of merchantability or fitness for a particular purpose, is expressly excluded. Such incidental and consequential damages include, but are not limited to, property damage, loss of use of the vehicle, loss of time, inconvenience and commercial loss.

These limitations and exclusions of liability apply only to the extent allowed by law.

## **VI – BENEFITS**

**1-888-754-0371**

### **ROADSIDE ASSISTANCE**

**1-888-754-0371**

**EMERGENCY ROADSIDE ASSISTANCE:** Provides emergency road services for non-accident related incidents, where failure is due to a defect in material or workmanship.

**Benefit Limits:** For the TERM OF YOUR AGREEMENT, the listed sign and drive (meaning YOU incur no expense up to program limit) benefits are available 24 hours a day / 365 days a year. The following *non-accident related* services are available for covered Breakdowns 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 to relatives, police, etc.

**Towing** benefits up to a maximum of \$100.00 per occurrence, as it relates to a paid claim covered under this CONTRACT.

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. \*\***

## **ADDITIONAL BENEFITS:**

**SUBSTITUTE TRANSPORTATION:** Up to thirty dollars (\$30.00) per 8-hour labor charge (*one hundred fifty dollars (\$150.00) maximum per claim*).

**TRIP INTERRUPTION:** If YOU are one hundred (100) miles or more from YOUR home address, as listed on the Declaration Page, YOU can qualify up to fifty dollars (\$50.00) reimbursement for food and lodging per day, up to three (3) days coverage for a total reimbursement of one hundred fifty dollars (\$150.00).

## **VII. COVERAGES – WHAT THIS CONTRACT COVERS**

**BRONZE COVERAGE:** Components 1 through 5 are covered.

- 1. Engine:** Crankshaft and bearings, oil pump, internal timing gears, timing chain, camshaft, camshaft bearings, valve lifters, rocker arm assemblies and push rods, pistons and rings, wrist pins, cylinders, connecting rods, distributor drive gear, all internal components of engine block and cylinder heads, if damage is caused by mechanical failure Of an internally lubricated part. Gaskets and external seals will be covered if their replacement is necessary to complete an otherwise authorized repair. Cracked engine block, cylinder heads, and piston cylinders are not covered. Broken crankshaft is covered if break is caused by either bearings or piston failure. Valve guides are covered only when guide sleeves have not slipped below original Position.
- 2. Transmission/Transaxle:** The internal components of the automatic transmission or manual transmission. Drive chain gears, carrier bearings, and internal transaxle seal. The manual transmission case and automatic transmission case and torque converter, transfer case, drive gears, forks, bearing thrust washer, bushing, washer, and housing are covered, if damaged by the failure of internally lubricated parts.
- 3. Differential Assembly Components (2 & 4 wheel drive):** (Front & rear) differential housing including pinion bearings, side carrier bearings, ring and pinion gears, carrier assembly, washers, axles and axle bearings(internal components) .
- 4. Cooling System:** Water pump, thermostat, mixture control valve, overflow reservoir, radiator cap.
- 5. Fuel System:** Fuel pump, pressure regulator, fuel injector, fuel cap.

### **Optional Coverage**

**Air Conditioning:** Compressor, however if the damaged or malfunctioning compressor causes damage to the expansion valve, or receiver dryer, the damaged component(s) will be replaced. **Coverage applies to factory installed, non-retrofitted units only.**

**SILVER COVERAGE:** Components 1 through 11 are covered.

6. **Timing Belt:** If Service Contract Purchaser has followed manufacturer's recommended maintenance intervals for replacement.
7. **CV Joints:** CV boots must not be tom at the time of failure. Lubricated joint failure only. **Universal Joint (U Joint) is not included.**
8. **Steering:** Internally lubricated parts contained within the steering box and pump housing, including rack and pinion, control valves, internal oil control seals; bearings, and shafts, steering box and pump housings if damaged by the failure of internally lubricated parts.
9. **Electrical:** Alternator, starter motor, front wiper motor, cooling fan motor, heater blower motor, electric horn, switches for the following; neutral safety, overdrive, reverse indicator, power windows, power door locks, power mirror.
10. **Seals and Gaskets:** Head gasket and intake manifold gaskets are covered for coolant leaks only on vehicles with up to 125,000 miles at the time of failure. Seepage of seals and gaskets is considered normal wear and tear and is not covered under this Service Contract.
11. **Air Conditioning:** Compressor, however if the damaged or malfunctioning compressor causes damage to the expansion valve, and/ or orifice tube, receiver dryer, the damaged component(s) will be replaced. **Coverage applies to factory installed, non-retrofitted units only.**

**TITANIUM COVERAGE:** Components 1 through 20 are covered.

12. **Seals & Gaskets:** All seals and gaskets are covered for premature failure on vehicles with up to 125,000 miles at the time of failure. **Seepage of seals and gaskets is considered normal wear and tear and is not covered under this Service Contract. Any damage due to loss of fluid is not covered.**
13. **Hi-Tech Electrical:** Alternator, starter motor, front and rear wiper motor, cooling fan motor, fuel gauge, neutral safety switch, overdrive switch, reverse indicator switch, voltage regulator, distributor, ignition module, ignition coil, starter solenoid, wiring harness, power window switches, door lock switches, cruise control module, power window motors, power seat motors, power door lock actuator and switch, power sunroof motor, mileage computer, electronic instrument cluster, distributor ignition coil, automatic climate control electronic control module, head light switch, convertible top motor, clock, electric horn.
14. **Cooling System Plus:** Blower motor, heater core, electric radiator fan motor, fan clutch, fan blade, overflow reservoir, coolant sensor.
15. **Suspension:** Control arms, control arm shafts, bearings and bushings, radius arm and bushing, hub bearings, stabilizer bar, stabilizer link, stabilizer bushing, spindle, torsion bars, mode selector switch, height sensor computer, control module, actuator.
16. **Fuel System Plus:** Mechanical fuel pump, electric fuel pump, vacuum pump, fuel delivery lines, fuel tank, fuel sender, pressure regulator, fuel injectors.
17. **Brake System:** Master cylinder, wheel cylinders, disc brake calipers, ABS master cylinder, vacuum booster, hydraulic lines and fittings, pressure modulator valve, isolation dump valve, accumulator, wheel speed sensors.
18. **Turbo Charger/Supercharger:** All internally lubricated parts due to mechanical failure.
19. **Air Conditioner:** Condenser, compressor, evaporator, accumulator, compressor clutch, idler pulley, idler pulley bearing, hi/low compressor cutoff switch, pressure cycling switch, cooling fan motors. **Coverage applies to factory installed, non-retrofitted units only.**
20. **Fluids:** Engine oil, power steering fluid, antifreeze, and transmission fluid are all covered items when required during the authorized repair process.

#### **Surcharge Coverage**

*Mandatory:*

- 1 Ton Vehicle
- Turbo/Supercharger: (If YOU are purchasing Bronze, Silver, or Titanium plan and YOUR VEHICLE is equipped with a Turbo Charger/Supercharger, this surcharge must be selected on the Declaration Page). The following benefits are provided to YOU: All internally lubricated parts due to mechanical failure.

*Optional:*

- Enhanced Labor: If YOU have selected the Enhanced Labor Option at the time of purchase of this CONTRACT the labor rate for any covered repair shall be in accordance with the posted labor rate of the licensed repair facility YOU selected. Labor time-capsules will be determined by a current nationally published flat-rate manual.
- Air Conditioner

#### **VIII. EXCLUSIONS – WHAT THIS CONTRACT DOES NOT COVER**

This CONTRACT does not cover the following:

1. **ANY REPAIR OR REPLACEMENT MADE WITHOUT PRIOR AUTHORIZATION FROM THE ADMINISTRATOR.**
2. **Repair or replacement of a covered component/part to correct conditions that may reasonably be assumed to have existed at the inception date of the coverage provided by this CONTRACT (Pre-existing conditions).**

3. Any parts not listed under covered parts. Examples of parts not covered are: battery, brake drums, disc brake rotors, brake linings and disc brake caliper pads, shock absorbers, bolts, nuts, fasteners, standard transmission clutch assembly, and manual and hydraulic linkages. Passive or active safety and restraint systems and any sensors/components related to the operations of these systems. All electric powered or hybrid fuel parts including, but not limited to: electric fuel cells, regenerative braking systems or electronic memory systems.
4. Any breakdown caused by collision, fire, theft, vandalism, riot, explosion, lightning, earthquake, overheating, freezing, rust or corrosion, windstorm, hail, water, or flood.
5. Any breakdown caused by misuse, abuse, negligence, lack of normal maintenance (adjustments, alignments, tune-ups, etc.), failure to protect YOUR VEHICLE from further damage when a breakdown has occurred, failure to maintain proper levels of lubricants and/or coolants, or if YOUR VEHICLE has been used for racing or any other forms of competitive driving, plowing snow, or for towing a trailer weighing in excess of 2,000 pounds or any vehicle or object unless YOUR VEHICLE is equipped with a factory-installed or authorized tow package.
6. The repair of valves and/or rings, if the purpose of such is simply to raise the engine's compression or oil consumption when a mechanical breakdown caused by the failure of a covered part has not occurred. This is considered normal wear and tear, and not a mechanical breakdown.
7. Any alterations which have been made to YOUR VEHICLE, or YOU are using or have used YOUR VEHICLE in a manner which is not recommended by the manufacturer, including the failure of any custom or add-on part.
8. **INELIGIBLE VEHICLES:** Any vehicle not expressly listed on the current CONTRACT rate card or classification list: Vehicles with True Mileage Unknown (TMU); Vehicles over 1 ton classification, taxis, buses, and city and state owned vehicles; vehicles used for commercial purposes, racing competition, time trials or rallies; vehicles modified from manufacturer's specifications; vehicles not purchased/authorized through a licensed authorized agent; vehicles with fifth wheel or a snow plow attachment; and vehicles purchased by a minor. Any vehicle that has been assigned a salvage title as a result of flood or fire damage.
9. 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 regardless of their ability to pay for such repair. Further, coverage under this CONTRACT is similarly limited in the event of a breakdown if the manufacturer has announced its responsibility through any means including public recalls and factory service bulletins.
10. Any breakdown caused by contamination of fluids, fuels, use of fuels containing more than 10% ethanol, coolants, or lubricants, or rust or corrosion. Any damage due to loss of fluid is not covered.
11. Liability for damage to property, or for injury to or death arising out of the operation, maintenance or use of YOUR VEHICLE described in this CONTRACT, whether or not related to the part covered.
12. Any loss caused by a lack of proper and necessary amount of coolants or lubricants.
13. Maintenance services and Parts described in YOUR VEHICLE'S owner's manual as supplied by the manufacturer. These include, but are not limited to: filters, lubricants, coolants, fluids, refrigerants, alignments, tune-ups, spark plugs, hoses, belts, brake pads, wiper blades, light bulbs, exhaust systems, trim moldings, upholstery, carpet and paint.
14. Excessive cost to repair or replace a listed part. Reasonable cost being: labor cost to be determined by a flat rate labor manual (i.e. Chilton) multiplied by the customary labor charge for the repair/replacement of a protected part. The labor rate allowed shall not exceed the national average labor rate.

#### **IX. WHAT TO DO IF YOU HAVE A BREAKDOWN**

1. Use all reasonable means to protect the COVERED VEHICLE from further damage. This may require YOU to stop the COVERED VEHICLE, turn off the engine, and have the COVERED VEHICLE towed.
2. Present this CONTRACT to the Repair Facility, call ADMINISTRATOR, toll free at **1-877-456-5115**. ADMINISTRATOR can be reached through the mail at P.O. Box 961, O'Fallon, IL 62269.
3. Prior to proceeding with repairs, ensure the Repair Facility calls ADMINISTRATOR with an estimate of repairs and receives an authorization number from ADMINISTRATOR.
4. ADMINISTRATOR reserves the right to inspect any BREAKDOWN prior to authorization.
5. In-home service is not provided under this CONTRACT. Any payment of the costs of transporting the COVERED VEHICLE for service is provided under this CONTRACT exclusively pursuant to the terms and conditions of this CONTRACT.
6. The CONTRACT HOLDER is responsible for paying a DEDUCTIBLE for each visit to the Repair Facility, as specified on the Declaration Page.

## **X. HOW TO SUBMIT A CLAIM**

1. Contact or have a representative of the repair facility contact ADMINISTRATOR'S Claim Department BEFORE any work is performed by calling 877-456-5115.
2. Upon diagnosis and determination of covered items, subject to the terms and conditions of this CONTRACT, ADMINISTRATOR will issue an authorization number. The authorization number MUST appear on all repair bills. Failure to obtain authorization PRIOR TO REPAIRS will result in non-payment of claim. Fraudulent or misuse of this CONTRACT will result in non-payment of claim and cancellation of this CONTRACT. ADMINISTRATOR RESERVES THE RIGHT TO INSPECT ALL VEHICLES PRIOR TO OR AFTER REPAIRS ARE PERFORMED.
3. For emergency repairs, should a BREAKDOWN occur after the ADMINISTRATOR'S normal business hours or on a national holiday, the pre-authorization requirement is amended. The ADMINISTRATOR must still be contacted when reasonably possible following the BREAKDOWN. Such unauthorized repair claims will be subject to adjustment in cases of excessive parts or labor charges. The labor cost to be determined by a flat rate labor manual (i.e. Chilton) multiplied by the customary labor charge for the repair/replacement of a protected part. The labor rate allowed shall not exceed the national average labor rate.
4. Upon the filing of a claim under this CONTRACT, ADMINISTRATOR will verify the validity of the CONTRACT (proper owner, proper vehicle, CONTRACT still in force), verify the BREAKDOWN with the Repair Facility, verify coverage, and authorize repair of COVERED PARTS (provide Repair Facility with authorization code and confirm cost of repair). Payment is provided through direct billing, credit card, or CONTRACT HOLDER reimbursement.
5. **PAYMENT OR REIMBURSEMENT OF CLAIMS PAYMENT OPTION:**

When the damage and repair falls within the scope of this CONTRACT, and authorization to proceed with the repair is obtained from the ADMINISTRATOR and the repair work is completed, WE will then reimburse YOU or the repair facility for the approved cost of the work performed on YOUR VEHICLE that is covered by this CONTRACT less the Deductible. The ADMINISTRATOR will arrange for such payment by check or nationally recognized credit card (usually Visa ® or MasterCard ®.)

**REIMBURSEMENT OPTION:** YOU or the repair facility may claim reimbursement from the ADMINISTRATOR, by submitting the paid invoice to the address below. Claims must be submitted within 180 days from the ADMINISTRATOR authorization date to qualify for reimbursement. If YOU show that it was not reasonably possible to give notice or file the proof of loss within the 180 days and that notice was filed as soon as reasonably possible, then YOU will still receive reimbursement for YOUR claim. The following information must be included with YOUR paid invoice and is generally supplied to YOU by the repair facility YOU selected:

1. Your mechanical complaint.
2. Itemized listing of replacement parts names, numbers and prices.
3. Description of labor and charges necessary to correct the mechanical failure.
4. Vehicle Mileage.
5. Date of Repair.
6. Authorization and CONTRACT number.
7. Completed repair order (all applicable sublet repair bills). Rental Car agreement charges (licensed rental agency only) will be reimbursed to you upon receipt by the Administrator of the paid rental agreement charges.
8. A signed Work Completed Form. This form will be provided to YOUR repair facility by the ADMINISTRATOR.

## **XI. CANCELLATION PROCEDURE**

1. YOU may cancel this CONTRACT at anytime by contacting YOUR DEALER in writing and enclosing this CONTRACT and a statement of vehicle mileage at the time of cancellation.
2. All cancellation requests made within thirty (30) days of the purchase date of the CONTRACT will be eligible for a full refund, less claims paid.
3. All cancellation requests made after thirty (30) days of the purchase date of the CONTRACT:
  - a. Shall be subject to a fifty dollar (\$50.00) cancellation fee
  - b. Will be pro-rated by the time or mileage from the purchase date of the CONTRACT, whichever refund is less, less claims paid.
4. The ADMINISTRATOR may cancel this CONTRACT at anytime if YOU do not pay the CONTRACT PRICE listed on the Declaration Page or if YOU make a material misrepresentation in obtaining the CONTRACT or in the submission of a claim.
5. If a lending institution has financed this vehicle and/or CONTRACT, and the CONTRACT is canceled, any refund will be made payable to the lending institution. All other refund checks are made payable to the selling vendor.

## **XII. TRANSFER PROCEDURE**

**This CONTRACT may be transferred upon sale of the vehicle to another private party.** The CONTRACT transfer must be made at the time of the VEHICLE transfer. YOU must request the transfer in writing, and received by the ADMINISTRATOR within fifteen (15) days of the transfer. A fee

of \$50.00 must accompany the request to transfer, along with the following information: 1.Name of New Owner, 2.Address & Telephone Number, 3. Vehicle Odometer Statement, 4.Copy of Title showing transfer. This CONTRACT must be given to the new owner at the time the CONTRACT Transfer is completed.

The CONTRACT is non-renewable.

### **XIII. GENERAL PROVISIONS**

A. **ARBITRATION:** All claims or disputes relating to this CONTRACT or the breach thereof shall be decided by binding arbitration unless YOU and ADMINISTRATOR agree otherwise. Arbitration shall be specifically enforceable under the prevailing arbitration law. ADMINISTRATOR agrees to use one (1) arbitrator, mutually acceptable to YOU and ADMINISTRATOR. Written notice of the request for arbitration must be filed with 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 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 ADMINISTRATOR in any court or forum other than in the District Court, St. Clair County, Illinois, ADMINISTRATOR can seek dismissal of YOUR action, claim, or suit and require that it be maintained in St. Clair County, Illinois.

B. **SUBROGATION:** In the event benefits are paid under this CONTRACT, 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 ADMINISTRATOR up to the amounts of benefits paid under this CONTRACT.

### **XVI. SPECIAL STATE REQUIREMENTS AND/OR DISCLOSURES**

The following Special State Requirements and/or Disclosures apply if this CONTRACT was purchased in one of the following states:

#### **ALABAMA**

Under Section **XI. CANCELLATION PROCEDURE:**

Paragraph 3a is deleted and replaced with the following: Shall be subject to a twenty-five dollar (\$25.00) cancellation fee.

Under paragraph 4, the following is added: If the ADMINISTRATOR cancels this CONTRACT, the ADMINISTRATOR will mail to the CONTRACT HOLDER written notice of cancellation at the CONTRACT HOLDER'S last known address at least five (5) days prior to cancellation for any reason except cancellation for nonpayment or material misrepresentation. The notice shall state the effective date and reason for cancellation.

The following is added: A ten percent (10%) penalty per month shall be added to a refund that is not paid or credited within forty-five (45) days after return of the CONTRACT to the ADMINISTRATOR. The right only applies to the original purchaser.

#### **ARIZONA**

Under Section **VIII. EXCLUSIONS – WHAT THIS CONTRACT DOES NOT COVER:**

Paragraph 7 is deleted and replaced with the following:

**Any alterations known by YOU which have been made to your vehicle, or you are using or have used your vehicle in a manner which is not recommended by the manufacturer, including the failure of any custom or add-on part.**

Paragraph 8 is deleted and replaced with the following:

**INELIGIBLE VEHICLES: Any vehicles used for commercial purposes, racing competition, time trials or rallies; vehicles modified from manufacturer's specifications; vehicles not purchased/authorized through a licensed authorized agent; vehicles with fifth wheel or a snow plow attachment; and vehicles purchased by a minor. Any vehicle that has been assigned a salvage title as a result of flood or fire damage.**

**Notice: WE can deny a claim for any pre-existing conditions. Arizona Administrative Code prohibits US from voiding or canceling YOUR CONTRACT due to a pre-existing condition, however, a claim may be denied. If a claim is denied, YOUR CONTRACT shall still remain in effect.**

Under Section **X. HOW TO SUBMIT A CLAIM**, paragraph 5, is amended to delete the following:

If a balance is due, the claim amount will first be paid to the financing source and any balance payable to YOU or YOUR repair facility. The ADMINISTRATOR will arrange for such payment by check or nationally recognized credit card (usually Visa ® or MasterCard ®.)

Under Section **XI. CANCELLATION PROCEDURE:**

Paragraph 2 is deleted and replaced with the following: All cancellation requests made within thirty (30) days of the purchase date of the CONTRACT will be eligible for a full refund, if no claims have been paid. If a claim has been paid, the refund shall be pro-rated by the time or mileage from the purchase date of the CONTRACT, whichever refund is less.

Paragraph 3b is amended to delete "less claims paid."

Paragraph 4 is amended by adding the following:

No coverage may be cancelled or voided by US due to acts or omissions of US, OUR assignees or subcontractors for their failure to perform the services or repairs provided in a timely, competent workmanlike manner.

The CONTRACT cannot be cancelled or voided by US or OUR representatives for the following reasons including by not limited to:

- a.) Pre-existing conditions;
- b.) Prior use or unlawful acts relating to the product;
- c.) Misrepresentation by either the service company or its subcontractors;
- d.) Ineligibility for the program, including gray market, high performance, and GM diesel autos.

Under Section **XIII. GENERAL PROVISIONS**, paragraph A. ARBITRATION is amended by adding the following: Arbitration does not preclude the Arizona consumers right to file a complaint with the Arizona Department of Insurance, Consumer Affairs Division, 2910 N. 44<sup>th</sup> Street, Suite 210, Phoenix, AZ, 85018, 800-325-2548.

### **ARKANSAS**

Under Section X. **HOW TO SUBMIT A CLAIM**, paragraph 4, the following is added: If the ADMINISTRATOR cancels this CONTRACT, ADMINISTRATOR will mail to the CONTRACT HOLDER written notice of cancellation at the CONTRACT HOLDER'S last known address at least fifteen (15) days prior to cancellation for any reason except cancellation for nonpayment, material misrepresentation, or a substantial breach of duties by the contract holder. The notice shall state the effective date and reason for cancellation. A prorata refund of the unearned portion of what the contract holder has paid, less the amount of value of any claims paid, shall accompany the notice unless cancellation is for nonpayment.

The following is added: A ten percent (10%) penalty per month shall be added to a refund that is not paid or credited within forty-five (45) days after return of the CONTRACT to ADMINISTRATOR. The right only applies to the original purchaser.

### **CALIFORNIA**

The following is added to YOUR CONTRACT:

**NOTICE:** In California, Marathon Administrative Co., Inc. does business as Marathon Administrative Company Insurance Services.

**NOTICE:** Performance to YOU under this CONTRACT is guaranteed by a California approved insurance company. YOU may file a claim with this insurance company if any promise made in the CONTRACT has been denied or has not been honored within sixty (60) days after YOUR request. The name and address of the insurance company is: Dealers Assurance Company ("Insurer"), 3518 Riverside Drive, P.O. Box 21185, Columbus, OH 43221 (800) 282-8913. If YOU are not satisfied with the insurance company's response, YOU may contact the California Department of Insurance at 1-800-927-4357. If any promise made in the contract has been denied or has not been honored within 60 days after your request, you may contact the California Department of Insurance at 1-800-927-4357.

**NOTICE:** Marathon Administrative Co., Inc.'s California vehicle service contract provider license number is 0D60748.

**NOTICE:** Services shall be rendered in the state of California.

**NOTICE:** This is not an Insurance Contract.

Under Section VIII. **EXCLUSIONS – WHAT THIS CONTRACT DOES NOT COVER**, paragraph 2 is deleted and replaced with the following:

**Repair or replacement of a covered component/part to correct conditions that may reasonably be assumed to have existed at the inception date of the coverage provided by this CONTRACT (Pre-existing conditions).**

Under Section XI. **CANCELLATION PROCEDURE:**

Paragraphs 2 and 3 are deleted and replaced with the following:

2. All cancellation requests made within sixty (60) days of the purchase date of the CONTRACT, or with respect to a contract covering a used motor vehicle without manufacturer warranties, within the first thirty (30) days of the purchase date of the CONTRACT, will be eligible for a full refund, less claims paid.
3. All cancellation requests made after sixty (60) days of the purchase date of the CONTRACT, or with respect to a contract covering a used motor vehicle without manufacturer warranties, within the first thirty (30) days of the purchase date of the CONTRACT:
  - a. Shall be subject to a cancellation fee not to exceed ten percent (10%) of the price of the CONTRACT or twenty five dollars (\$25.00), whichever is less.

- b. Will be pro-rated by the time or mileage from the purchase date of the CONTRACT, whichever refund is less, less claims paid.

Paragraph 4 is deleted and replaced with the following: ADMINISTRATOR may cancel this CONTRACT within sixty (60) days under the following conditions:

- 1.) Notice of cancellation is mailed to YOU postmarked before the 61<sup>st</sup> day after the date the CONTRACT was sold by the DEALER.
- 2.) ADMINISTRATOR provides YOU with a refund equal to the full purchase price stated in the CONTRACT within thirty (30) days from the date of cancellation. If a claim has been paid or shall be paid, ADMINISTRATOR may provide a pro rata refund, less the amount of any claims paid prior to cancellation.
- 3.) The CONTRACT ceases to be valid no less than five (5) days after the postmark date of the notice. The notice shall state the specific grounds for the cancellation.
- 4.) ADMINISTRATOR may at any time cancel the CONTRACT for nonpayment by YOU, conditioned upon each of the following: 1.) notice of cancellation is mailed to YOU; 2.) if any refund is owed, the refund is paid within thirty (30) days of the date of cancellation; 3.) The CONTRACT ceases to be valid no less than five (5) days after the postmark date of the notice; and 4.) the notice states the specific grounds for cancellation.
- 5.) ADMINISTRATOR may at any time cancel the CONTRACT for material misrepresentation or fraud by YOU, conditioned upon each of the following: 1.) notice of cancellation is mailed to YOU; 2.) a pro rata refund of the purchase price stated in the CONTRACT is paid within thirty (30) days of the date of cancellation; and 3.) the notice states the specific nature of the misrepresentation.
- 6.) If WE cancel the CONTRACT, we are liable for any claim reported to US if the claim was reported prior to the effective date of cancellation and is covered by the CONTRACT. For purposes of this section, YOU are deemed to have reported a claim if YOU have completed the first step required under the CONTRACT for reporting a claim.

### **CONNECTICUT**

The following is added to YOUR CONTRACT:

NOTICE: YOU have no right to cancel if the CONTRACT is lost, stolen, or destroyed.

NOTICE: If YOUR VEHICLE is in a repair facility at the CONTRACT expiration, the expiration date will automatically extend until the repair is complete.

NOTICE: Connecticut Public Act 87-393, Laws 1987, requires an automobile vendor to provide a warranty covering certain classes of used motor vehicles as follows:

- Used vehicles with a sale price of \$3000 but less than \$5000: provides coverage for 30 days or 1500 miles, whichever occurs first.
- Used vehicles with a sale price of \$5000 or more: provides coverage for 60 days or 3000 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 vendor warranty required by law, YOU have elected to purchase this CONTRACT, which may provide YOU with additional protection during the vendor warranty period and provides protection after the vendor warranty has expired. YOU have been charged separately only for this CONTRACT. The required vendor warranty is provided free of charge. Furthermore, the DEFINITIONS, COVERAGES, AND EXCLUSIONS stated in this CONTRACT apply only to this CONTRACT and are not the terms of the required vendor warranty.

Under Section I. **DEFINITIONS, CONTRACT TERMS**, is amended to include the following: If the term is less than 12 months, the term will automatically be extended for the period during which the VEHICLE is in custody of a service center for repair.

Under Section XIII. **GENERAL PROVISIONS**, paragraph A. **ARBITRATION** is amended to include the following:

If YOU have complaints or questions regarding the CONTRACT, YOU may contact the State of Connecticut Insurance Department, P.O. Box 816, Hartford, CT 06142-0816, ATTN: Consumer Affairs. The written complaint must contain a description of the dispute, the purchase price of the product, the cost of the repair of the product, and a copy of the CONTRACT.

### **GEORGIA**

Under Section VIII. **EXCLUSIONS – WHAT THIS CONTRACT DOES NOT COVER:**

Paragraph 2 is deleted in its entirety.

Paragraph 7 is deleted and replaced with the following:

**Any alterations known by YOU which have been made to your vehicle, or you are using or have used your vehicle in a manner which is not recommended by the manufacturer, including the failure of any custom or add-on part.**

Under Section XI. **CANCELLATION PROCEDURE:**



Paragraph 2 is deleted and replaced with the following: All cancellation requests made within thirty (30) days of the purchase date of the CONTRACT will be eligible for a full refund, if no claims have been paid. If a claim has been paid, the refund shall be pro-rated by the time or mileage from the purchase date of the CONTRACT, whichever refund is less.

Paragraph 3a is deleted and replaced with the following: Shall be subject to a cancellation fee not to exceed ten percent (10%) of the pro rata refund.

Paragraph 3b is amended to delete "less claims paid".

Under paragraph 4, the following is added: WE may only cancel this CONTRACT for fraud, material misrepresentation or non-payment. The cancel notice from US will be in writing and in compliance with O.C.G.A. § 33-24-44 of the Georgia Code.

Under Section **XIII. GENERAL PROVISIONS**, paragraph A. ARBITRATION is deleted in its entirety.

### **IDAHO**

The following is added to YOUR CONTRACT:

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

### **ILLINOIS**

Under Section **XI. CANCELLATION PROCEDURE**:

Paragraph 3a is deleted and replaced with the following: Shall be subject to a cancellation fee not to exceed the lesser of ten percent (10%) of the CONTRACT or fifty dollars (\$50.00).

### **INDIANA**

Under Section **VIII. EXCLUSIONS – WHAT THIS CONTRACT DOES NOT COVER**:

Paragraph 2 is deleted and replaced with the following:

**Repair or replacement of a COVERED PART to correct conditions that may be reasonably assumed to have existed at the inception date of the coverage provided by this CONTRACT (pre-existing conditions), and known by YOU.**

Under Section **XIII. GENERAL PROVISIONS**:

Paragraph A. ARBITRATION is deleted in its entirety.

The following is added: C. PROOF OF PAYMENT: Proof of payment to a third party administrator that issued such CONTRACT constitutes proof of payment to the insurer that issued the reimbursement insurance policy for such CONTRACT.

### **IOWA**

The following is added to YOUR CONTRACT:

NOTICE: Any motor vehicle weighing 16,000 pounds or more is not covered under Iowa Code 3211.

Under Section **XI. CANCELLATION PROCEDURE**:

Paragraph 2 is deleted and replaced with the following: All cancellation requests made within thirty (30) days of the purchase date of the CONTRACT will be eligible for a full refund, if no claims have been paid. If a claim has been paid, the refund shall be pro-rated by the time or mileage from the purchase date of the CONTRACT, whichever refund is less.

Under paragraph 3b, the following is added: WE shall not deduct claims paid from YOUR refund.

The following is added: If YOU cancel this CONTRACT at anytime, WE shall mail written notice of termination to YOUR last known address within fifteen (15) days of the date of cancellation.

The following is added: A 10% penalty per month shall be added to a refund that is not paid or credited within thirty (30) days after the return of the CONTRACT to ADMINISTRATOR.

The following is added: If YOU have any questions or problems regarding this CONTRACT, you may contact the Iowa Insurance Commissioner at the following address: Iowa Insurance Department, 6th Floor, Lucas State Office Building, Des Moines, Iowa 50319, 515-281-4441.

### **MARYLAND**

Under Section **XI. CANCELLATION PROCEDURE** the following is added: A ten percent (10%) penalty per month shall be added to a refund that is not paid or credited within forty-five (45) days after return of the CONTRACT to the ADMINISTRATOR. The right only applies to the original purchaser.

The following is added to YOUR CONTRACT: The CONTRACT shall be automatically extended when the provider fails to perform the services under the CONTRACT. The CONTRACT does not terminate until the services are provided in accordance with the terms of the CONTRACT. If the

provider is unable to fulfill the terms of the CONTRACT within 10 days after the date on which the provider is required to perform obligations under the CONTRACT, the provider shall provide on request of the person guaranteed a brief written explanation of the reasons for the delay.

## **MASSACHUSETTS**

### **Under Section XI. CANCELLATION PROCEDURE:**

Under paragraph 4, the following is added: If the ADMINISTRATOR cancels this CONTRACT, ADMINISTRATOR will mail to the CONTRACT HOLDER written notice of cancellation at the CONTRACT HOLDER'S last known address at least five (5) days prior to cancellation for any reason except cancellation for nonpayment or material misrepresentation. The notice shall state the effective date and reason for cancellation.

The following is added: A ten percent (10%) penalty per month shall be added to a refund that is not paid or credited within forty-five (45) days after return of the CONTRACT to ADMINISTRATOR. The right only applies to the original purchaser.

The following is added to YOUR CONTRACT:

NOTICE: Obligations of the provider under this CONTRACT are backed by the full faith and credit of the provider. The provider under this CONTRACT is Marathon Administrative Co., Inc., 1710 Corporate Crossing, Suite 1, O'Fallon, IL 62269, 800-205-8988.

NOTICE: NOTICE TO CUSTOMER: PURCHASE OF THIS SERVICE 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 THIS SERVICE CONTRACT.

Chapter 90, Section 7N ¼ of Massachusetts General Laws requires an automobile vendor 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 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 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 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 vendor warranty required by law, YOU have elected to purchase this CONTRACT, which may provide YOU with additional protection during the vendor warranty period and provides protection after the vendor warranty has expired. YOU have been charged separately only for this CONTRACT. The required vendor warranty is provided free of charge. Furthermore, the DEFINITIONS, COVERAGES, AND EXCLUSIONS stated in this CONTRACT apply only to this CONTRACT and are not the terms of the required vendor warranty.

## **MINNESOTA**

The following is added to YOUR CONTRACT:

NOTICE: The coverages listed below are provided to YOU by the vendor at no charge as required by Minnesota Statute 325F.662. The term of the required warranty is based on the mileage at the time of sale as follows:

- Used vehicles with less than 36,000 miles at the time of sale: provides coverage for 60 days or 2,500 miles, whichever occurs first.
- Used vehicles with 36,000 miles or more but less than 75,000 miles at the time of sale: provides coverage for 30 days or 1,000 miles, whichever occurs first.

**Engine:** Lubricated parts, Intake Manifolds, Engine Block; Cylinder Heads, Rotary Engine Housings, Ring Gear, Water Pump, Externally Mounted Mechanical Parts. **Drive Axle:** Axle Housings and Internal Parts; Axle Shafts; Drive and Output Shafts; and Universal Joints; but excluding the Secondary Drive Axle on vehicles other than passenger vans, mounted on truck chassis. **Brakes:** Master Cylinder; Vacuum Assist Booster; Wheel Cylinders; Hydraulic Lines and Fittings; and Disc Brake Calipers. **Steering:** Gear Housing and All Internal Parts; Power Steering Pump; Valve Body; Piston; and Rack.

**Note:** The following parts are covered only on vehicles with less than 36,000 miles: Steering Rack; Radiator; Alternator; Generator; and Starter. The above coverages are excluded from this CONTRACT during the applicable warranty period, unless the vendor becomes unable to meet its obligations. YOUR rights and obligations are fully explained in the vendor issued Used Vehicle Limited Warranty document required by the Minnesota Statute.

### **Under Section XI. CANCELLATION PROCEDURE:**

Under paragraph 4, the following is added: If WE cancel this CONTRACT, WE will mail to YOU written notice of cancellation to YOUR last known address at least five (5) days prior to cancellation for nonpayment, material misrepresentation, or a substantial breach of duties. The notice shall state the effective date and reason for cancellation.

Under paragraph 3, the following is added: If WE cancel this CONTRACT, WE will mail to YOU written notice of cancellation to YOUR last known address at least fifteen (15) days prior to cancellation for any reason except cancellation for nonpayment, material misrepresentation, or a substantial breach of duties. The notice shall state the effective date and reason for cancellation.

The following is added: A ten percent (10%) penalty per month shall be added to a refund that is not paid or credited within forty-five (45) days after return of the CONTRACT to the ADMINISTRATOR. The right only applies to the original purchaser.

#### **MONTANA**

Under Section XI. CANCELLATION PROCEDURE:

Under paragraph 4, the following is added: If the ADMINISTRATOR cancels this CONTRACT, ADMINISTRATOR will mail to the CONTRACT HOLDER written notice of cancellation at the CONTRACT HOLDER'S last known address at least five (5) days prior to cancellation for any reason except cancellation for nonpayment, material misrepresentation, or a breach of duties. The notice shall state the effective date and reason for cancellation.

#### **MISSISSIPPI**

Under Section XIII. GENERAL PROVISIONS, paragraph A. ARBITRATION is deleted in its entirety.

#### **MISSOURI**

Under Section XI. CANCELLATION PROCEDURE:

The following is added: If YOU cancel this CONTRACT at anytime, WE shall mail written notice of termination to YOUR last known address within fifteen (15) days of the date of cancellation.

The following is added: A ten percent (10%) penalty per month shall be added to a refund that is not paid or credited within thirty (30) days after return of the service contract to the provider.

#### **NEBRASKA**

**NOTICE OF RISKS – NEITHER THE MOTOR VEHICLE SERVICE CONTRACT NOR THE MOTOR VEHICLE SERVICE CONTRACT REIMBURSEMENT INSURANCE POLICY ARE COVERED BY THE NEBRASKA PROPERTY AND LIABILITY INSURANCE GUARANTY ASSOCIATION ACT, AND IN THE EVENT OF INSOLVENCY OF ANY PARTY TO THE CONTRACT, NO COVERAGE FOR ANY LOSSES EXISTS FROM THE NEBRASKA PROPERTY AND LIABILITY INSURANCE GUARANTY ASSOCIATION. THE ISSUER OF THE MOTOR VEHICLE SERVICE CONTRACT REIMBURSEMENT INSURANCE POLICY IS NOT A DOMESTIC ENTITY AND THE DEPARTMENT OF INSURANCE CAN GIVE NO ASSURANCE THAT THE ISSUER HAS ADEQUATE RESERVES TO COVER POTENTIAL LOSSES.**

Section XIII., paragraph A. ARBITRATION, is deleted in its entirety.

#### **NEVADA**

Under Section I. DEFINITIONS, "CONTRACT TERMS" is deleted and replaced with the following:

**WAITING PERIOD: New and Used Vehicle Terms contain a WAITING PERIOD date before the coverage for repairs begins. If YOU purchased the Bronze or Silver coverage, YOUR WAITING PERIOD is fifteen (15) days or one thousand (1,000) miles after the CONTRACT purchase date before coverage for repairs begins. There is no coverage during the WAITING PERIOD. The additional time and mileage will be added to the term of this CONTRACT. If YOU purchased the Titanium coverage, YOU have no WAITING PERIOD.**

Under Section XI. CANCELLATION PROCEDURE:

Paragraph 4 is deleted and replaced with the following: WE may cancel this CONTRACT within the first 70 days for any reason. After this CONTRACT has been in effect for 70 days, WE may only cancel for one or more of the following reasons:

1. Failure by YOU to pay an amount when due.
2. Conviction of YOU of a crime, which results in an increase in the service required under this CONTRACT.
3. Discovery of fraud or material misrepresentation by YOU in obtaining this CONTRACT, or in presenting a claim for service hereunder.
4. Discovery of an act or omission by YOU or a violation by YOU of any condition of the CONTRACT, which occurred after the effective date of the CONTRACT and which substantially and materially increases the service required under this CONTRACT.
5. A material change in the nature or extent of the required service or repair which occurs after the effective date of the service contract and which causes the required service or repair to be substantially and materially increased beyond that contemplated at the time that the CONTRACT was issued or sold.

If WE cancel this CONTRACT, WE will mail a written notice of cancellation to YOU at the last known address before the fifteenth (15<sup>th</sup>) day preceding the effective date of cancellation. A cancellation or administrative fee will not be charged if WE cancel this CONTRACT.

The following is added: WE should refund the purchase price within forty five (45) days after the CONTRACT is returned. If WE fail to refund the purchase price within that time, WE shall pay you an additional ten (10) percent of the purchase price for each thirty (30) day period or portion thereof that the refund and any accrued amounts remain unpaid. WE may not, under any circumstances, deduct paid or pending claims from a refund.

Under Section **XIII. GENERAL PROVISIONS**, paragraph A. ARBITRATION is amended to include the following:

Any action, claim, or suit pertaining to the CONTRACT will be decided in accordance with applicable Nevada laws.

The following is added to YOUR CONTRACT:

NOTICE: Any defect in the goods covered by the CONTRACT existing on the date the CONTRACT is purchased is not covered under the CONTRACT.

### **NEW HAMPSHIRE**

The following is added to YOUR CONTRACT:

In the event YOU do not receive satisfaction under this CONTRACT, you may contact the New Hampshire Insurance Department at 21 South Fruit Street, Suite 14, Concord, NH 03301, (603) 271-2261.

### **NEW MEXICO**

Under Section **XI. CANCELLATION PROCEDURE**:

Paragraph 4 is deleted and replaced with the following: WE may cancel this CONTRACT within the first 70 days for any reason. After this CONTRACT has been in effect for 70 days, WE may only cancel for one or more of the following reasons:

1. Failure by YOU to pay an amount when due.
2. Conviction of YOU of a crime, which results in an increase in the service required under this CONTRACT.
3. Discovery of fraud or material misrepresentation by YOU in obtaining this CONTRACT, or in presenting a claim for service hereunder.
4. Discovery of either of the following if it occurred after the effective date of the CONTRACT and substantially and materially increased the service required under the CONTRACT:
  - o An act or omission by YOU
  - o A violation by YOU of any condition of the CONTRACT

If WE cancel this CONTRACT, WE will mail a written notice of cancellation to YOU at the last known address before the fifteenth (15<sup>th</sup>) day preceding the effective date of cancellation. A cancellation or administrative fee will not be charged if WE cancel this CONTRACT.

The following is added: A ten percent (10%) penalty per month shall be added to a refund that is not paid or credited within sixty (60) days after return of the CONTRACT to ADMINISTRATOR. The right only applies to the original purchaser.

### **NEW YORK**

The following is added to YOUR CONTRACT:

NOTICE: Section 198b of New York General Business Law requires an automobile vendor to provide a warranty covering certain classes of used motor vehicles as follows:

- Used vehicles with less than 36,000 miles at the time of sale: provides coverage for 90 days or 4,000 miles, whichever occurs first.
- Used vehicles with 36,000 miles or more but less than 80,000 miles at the time of sale: provides coverage for 60 days or 3,000 miles, whichever occurs first.
- Used vehicles with 80,000 miles or more but less than 100,000 miles at the time of sale: provides coverage for 30 days or 1,000 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 vendor warranty required by law, YOU have elected to purchase this CONTRACT, which may provide YOU with additional protection during the vendor warranty period and provides protection after the vendor warranty has expired. YOU have been charged separately only for this CONTRACT. The required vendor warranty is provided free of charge. Furthermore, the DEFINITIONS, COVERAGES, AND EXCLUSIONS stated in this CONTRACT apply only to this CONTRACT and are not the terms of the required vendor warranty.

Under Section **XI. CANCELLATION PROCEDURE**:

Under paragraph 4, the following is added: If WE cancel this CONTRACT, WE will mail a written notice of cancellation to YOU at the last known address before the fifteenth (15<sup>th</sup>) day preceding the effective date of cancellation. The notice shall state the effective date of cancellation and the reason. A notice will not be sent for cancellation for non-payment of premium, material misrepresentation, or a substantial breach of duties by you relating to the covered property or its use.

The following is added: A ten percent (10%) penalty per month shall be added to a refund that is not made within thirty (30) days of the return of the CONTRACT to the ADMINISTRATOR.

### **NORTH CAROLINA**

Under Section **XI. CANCELLATION PROCEDURE**:

Paragraph 3a is deleted and replaced with the following: Shall be subject to a cancellation fee not to exceed ten percent (10%) of the prorated refund amount.

### **OKLAHOMA**

Under Section **VI. BENEFITS**, the following is added:

WE are the Roadside Assistance provider on YOUR CONTRACT.

Under Section **XI. CANCELLATION PROCEDURE**:

Paragraphs 2 and 3 are deleted and replaced with the following:

In the event the CONTRACT is cancelled by YOU within the first thirty (30) days of the effective date, and no claims have been paid, YOU will receive a full refund. If YOU cancel the CONTRACT after thirty (30) days, or have made a claim within the first thirty (30) days, YOU will receive one hundred percent (100%) of the unearned pro rata premium. WE shall retain ten percent (10%) of the unearned pro rata premium or fifty dollars (\$50.00), whichever is less. If the CONTRACT is cancelled by US, return of premium shall be based upon one hundred percent (100%) of the unearned pro rata premium.

Under Section **XIII. GENERAL PROVISIONS**, paragraph A. ARBITRATION is deleted in its entirety.

The following is added to YOUR CONTRACT:

NOTICE: The Oklahoma Insurance Department does not review commercial service warranty contract language, only personal.

NOTICE: Coverage afforded under this CONTRACT is not guaranteed by the Oklahoma Insurance Guaranty Association.

### **OREGON**

Under Section **XIII. GENERAL PROVISIONS**, paragraph A. ARBITRATION is deleted in its entirety.

### **PENNSYLVANIA**

Under Section **XI. CANCELLATION PROCEDURE**, paragraph 4, the following is added: If WE cancel this CONTRACT, WE will mail a written notice of cancellation to YOU at the last known address before the twentieth (20<sup>th</sup>) day preceding the effective date of cancellation. The notice shall state the effective date of cancellation and the reason. A notice will not be sent for cancellation for non-payment of premium, material misrepresentation, or a substantial breach of duties by you relating to the covered property or its use.

The following is added: A ten percent (10%) penalty per month shall be added to a refund that is not paid or credited within forty-five (45) days after return of the CONTRACT to ADMINISTRATOR. The right only applies to the original purchaser.

### **RHODE ISLAND**

The following is added to YOUR CONTRACT:

NOTICE: Section 31-5.4 of Rhode Island General Business Law requires an automobile vendor to provide a warranty covering certain classes of used motor vehicles as follows:

- Used vehicles with less than 36,000 miles at the time of sale: provides coverage for 90 days or 4,000 miles, whichever occurs first.
- Used vehicles with 36,000 miles or more but less than 100,000 miles at the time of sale: provides coverage for 30 days or 1,000 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 vendor warranty required by law, YOU have elected to purchase this CONTRACT, which may provide YOU with additional protection during the vendor warranty period and provides protection after the vendor warranty has expired. YOU have been charged separately only for this CONTRACT. The required vendor warranty is provided free of charge. Furthermore, the DEFINITIONS, COVERAGES, AND EXCLUSIONS stated in this CONTRACT apply only to this CONTRACT and are not the terms of the required vendor warranty.

### **SOUTH CAROLINA**

Under Section **XI. CANCELLATION PROCEDURE**:

Paragraph 3a is deleted and replaced with the following: Shall be subject to a twenty-five dollar (\$25.00) cancellation fee.

Under paragraph 4, the following is added: If WE cancel this CONTRACT, WE will mail a written notice of cancellation to YOU at the last known address before the fifteenth (15<sup>th</sup>) day preceding the effective date of cancellation. The notice shall state the effective date of cancellation and the reason. A notice will not be sent for cancellation for non-payment of premium, material misrepresentation, or a substantial breach of duties by YOU relating to the covered property or its use.

The following is added: A ten percent (10%) penalty per month shall be added to a refund that is not paid or credited within forty five (45) days after return of the CONTRACT to the ADMINISTRATOR.

The following is added to YOUR CONTRACT:

For disputed claims, South Carolina residents only may contact the South Carolina Department of Insurance, P.O. Box 100105, Columbia, SC 29202-3105 or call 803-737-6134.

## **TEXAS**

Under paragraph 4, the following is added: If WE cancel this CONTRACT, WE shall send to you a refund of the purchase price of the CONTRACT reflecting the remaining term of the CONTRACT, based on mileage or time, less any claims paid. WE shall not impose a cancellation fee.

If WE cancel this CONTRACT, WE will mail a written notice of cancellation to YOU at the last known address before the fifteenth (15<sup>th</sup>) day preceding the effective date of cancellation. The notice shall state the effective date of cancellation and the reason. A notice will not be sent for cancellation for non-payment of premium, material misrepresentation, or a substantial breach of duties by YOU relating to the covered property or its use.

The following is added: A ten percent (10%) penalty per month shall be added to a refund that is not made within forty-five (45) days of cancellation of the CONTRACT.

The following is added to YOUR CONTRACT:

Notice: If YOU have unresolved complaints regarding your CONTRACT or questions regarding the regulation of Service Contract providers, YOU may contact the Texas Department of Licensing and Regulation at the following address and telephone number:

Texas Department of Licensing and Regulation, P.O. Box 12157, Austin, Texas 78711; 512-463-6599 or 800-803-9202.

The Texas registration license number for the Administrator, Marathon Administrative Co., Inc. is 139.

## **UTAH**

NOTICE: Coverage afforded under this CONTRACT is not guaranteed by the Property and Casualty Guarantee Association.

NOTICE: This CONTRACT is subject to limited regulation by the Utah Insurance Department. To file a complaint, contact the Utah Insurance Department.

### **Under Section XI. CANCELLATION PROCEDURE:**

Under paragraph 4, the following is added: WE may only cancel this CONTRACT under the following grounds:

1. Material misrepresentation
2. Substantial change in the risk assumed, unless the insurer should reasonably have foreseen the change or contemplated the risk when entering into the CONTRACT.
3. Substantial breaches of contractual duties, conditions, or warranties.
4. Attainment of the age specified as the terminal age for coverage.

If WE cancel this CONTRACT, WE will mail written notice of cancellation to YOU at least ten (10) days before the effective date if this CONTRACT is cancelled due to non-payment of the CONTRACT selling price. If this CONTRACT is cancelled by US for any reason other than non-payment of the CONTRACT selling price, WE will mail written notice of cancellation to YOU at least thirty (30) days before the effective date of cancellation. The written notice shall state the effective date and reason for cancellation.

Section XIII. GENERAL PROVISIONS, paragraph A. ARBITRATION is deleted in its entirety.

## **VIRGINIA**

This CONTRACT is subject to limited regulation by The Department of Agriculture and Consumer Services, Office of Consumer Affairs.

## **WYOMING**

### **Under Section XI. CANCELLATION PROCEDURE:**

Under paragraph 4, the following is added: If WE cancel this CONTRACT, WE will mail a written notice of cancellation to YOU at the last known address before the tenth (10<sup>th</sup>) day preceding the effective date of cancellation. The notice shall state the effective date of cancellation and the reason. A notice will not be sent for cancellation for non-payment of premium, material misrepresentation, or a substantial breach of duties by YOU relating to the covered property or its use.

Paragraph 5 is deleted in its entirety.

The following is added: A ten percent (10%) penalty per month shall be added to a refund that is not made within forty-five (45) days of the return of the CONTRACT to US.

Under Section **XIII. GENERAL PROVISIONS**, paragraph A. ARBITRATION is deleted and replaced with the following: Arbitration proceedings will be conducted in accordance with the Wyoming Arbitration Act.