

AutoWarranty4U.COM

“Your used car warranty specialist”

Your coverage begins after 30 days/1000 miles. Your Service Contract will expire at the end of the term or when the odometer reaches the total mileage selected. For example, a 3 year/36,000 mile plan would expire 3 years from the date the warranty was purchased or when the vehicle odometer reaches an additional 36,000 miles.



Provided by Warranty America LLC.
5695 Yukon Street, Arvada, Colorado 80002
Toll Free: (800) 531-1925
Fax: (303) 420-7543

(In Texas this contract is provided by WA Administrative Services, LLC.)

Part Two of Two Parts – “Powertrian/ Powertrain Plus” Used Vehicle Service Contract Coverage Pages

●●DEFINITIONS●●

- “Breakdown” or “Mechanical Breakdown” means the event caused by the total failure of any Covered Part to work as it was designed to work in normal service. Please refer to the wording under exclusions for a listing of conditions under which the failure of a Covered Part is not considered a Mechanical Breakdown.
- “Commercial Use” means any vehicle used for business purposes. Vehicles that are used in excess of manufacturer’s g.v.w. for excessive hauling and pulling or are in excess of 1-ton classification are excluded from coverage hereunder. Tow trucks, taxis, and police vehicles are excluded from coverage.
- “Administrator” means Warranty America, LLC (In Texas dba WA Administrative Services, LLC).
- “Contract Holder” means the purchaser or holder of this Contract.
- “Covered Part” means any part of the vehicle listed herein as a covered part and not excluded from coverage by this Contract.
- “Lubricated Parts” means any parts, which requires lubrication to perform its function.
- “Participating Lender” means any financial institution providing financing for the purchase of the vehicle and/or this Contract.
- “Repair Facility” means any automotive repair facility at which the Contract Holder seeks to acquire service under this Contract.
- “Waiting Period” means no claims or Roadside assistance benefits will be paid on any claims or failures that occur within the first 30 days and 1,000 miles from the “Odometer Reading” and “Sale Date” on the Declaration Page.

●●INSURANCE COMPANY STATEMENT●●

Our obligations to perform under this Contract are insured under policy #CARRG 01-05 WAL issued by **Capital Assurance Risk Retention Group, Inc.**, (“**Insurer**”), with office located at #3 Lockwood Drive, Charleston, South Carolina, 29401, Phone: (570) 714-8441 Fax: (570) 288-3323. 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 Capital Assurance by writing to the aforementioned address.

When you receive this Contract read it carefully. Ensure that Part One, the Declaration Page is complete and accurate. Read all sections of Part Two, the Coverage Pages, carefully and if you are unclear about any information herein call the Administrator, for clarification.

Purchase of this Contract is not required in order to purchase or obtain financing for the vehicle. The manufacturer or wholesale company marketing the vehicle does not issue this Contract. Such manufacturer or wholesale company will not honor this Contract.

●●CONTRACT HOLDER OBLIGATIONS●●

- The Contract Holder hereby authorizes the Participating Lender to: (1) be listed as joint payee and receive any refund in the event this Contract is canceled, or (2) to cancel this Contract in the event the Contract Holder defaults in his/her obligations to such lender.
- 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 at 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 from Administrator an authorization number prior to beginning any repair covered by this Contract.
- The Contract Holder is responsible for paying a \$100 deductible for each visit to the Repair Facility, unless lower deductible option has been purchased.
- The Contract Holder is responsible for authorizing and paying for any tear down or diagnosis time needed to determine if the vehicle has a covered Breakdown. If it is subsequently determined that the repair is needed due to a covered Breakdown, the Provider will pay for such tear down or diagnosis. If the failure is not a covered Breakdown, the Contract Holder is responsible for payment of such tear down or diagnosis.

●●PROVIDER OBLIGATIONS●●

If a covered Mechanical Breakdown of the vehicle occurs during the term of this Contract, the Provider 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 and if the Breakdown is not excluded under the exclusions section of 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 Administrator. Labor will be authorized based on a nationally recognized labor manual.
- Rental reimbursement is based on labor time charged to do the repair(s). Rental will not be authorized until the repairs have been authorized by Administrator. One (1) day rental is allowed for parts delay, inspection of breakdown, and/or four (4) hours to do repairs. An additional day of rental will be authorized for every additional eight (8) hours of labor time charged to do the repairs. TO RECEIVE RENTAL BENEFITS THE CONTRACT HOLDER MUST SUPPLY ADMINISTRATOR WITH HIS/HER RECEIPT FROM A LICENSED RENTAL AGENCY. The limit on this reimbursement is up to \$50 per day for up to three (3) days per Breakdown or series of Breakdowns related in time or cause.
- Reimburse the Contract Holder for motel and restaurant expenses up to \$50 per day for a maximum of three (3) days in the event of a Breakdown covered by the Contract, which occurs more than one hundred (100) miles from your home and results in a Repair Facility keeping the vehicle overnight. The maximum benefit per occurrence is \$150. TO RECEIVE MOTEL AND RESTAURANT REIMBURSEMENT, THE CONTRACT HOLDER MUST SUPPLY ADMINISTRATOR WITH HIS/HER RECEIPTS FROM THE PROVIDERS OF SUCH SERVICES.

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- Reimburse the contract holder for the actual expenses occurred for towing, not to exceed the amount stated on the Declaration Page when a breakdown has occurred.

●●COVERED PARTS●●

This Contract covers ONLY the components/parts listed below:

POWERTRAIN

ENGINE: All internally lubricated parts contained within the Engine, including Pistons, Piston Rings and Pins, Connecting Rods, Connecting Rod Bearings; Crankshaft, Crankshaft Main Bearings, Camshaft, Camshaft Bearings, Cam Followers, Timing Chain, Timing Gears, Rocker Arms, Rocker Shafts, Rocker Bushings, Valves, Valve Guides, Valve Lifters, Valve Springs, Valve Seals, Valve Retainers, Push Rods, Water Pump, Oil Pump, Fuel Pump (mechanical), Dipstick and Tube, Harmonic Balancer, Oil Pan, Timing Chain Cover, Intake and Exhaust Manifolds, Valve Covers, Engine Mounts, Cylinder Block and Cylinder Head(s) are covered if damaged as the result of the failure of a covered internal part of the engine.

TURBO CHARGER/SUPER CHARGER (factory installed only): All Internally lubricated Parts contained within Housing, plus: Housing if damaged as the result of the failure of an internal part

TRANSMISSION (Automatic or Standard): All Internally lubricated Parts contained within the Transmission Case, plus: Torque converter, Vacuum Modulator, and Transmission Mounts. (Oil Pan and Transmission Case, if damaged as the result or the failure of a covered Internal Part of the Transmission.)

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

DRIVE AXLE (Front and Rear): All Internally lubricated Parts contained within the Drive Axle, plus: Locking Hubs, Drive Shafts, Universal Joints, Constant Velocity Joints (unless failure was caused by torn/contaminated C.V. Boot) and Axle Bearings. (Oil Pan and Drive Axle Case if damages as the result of the failure of a covered internal Part of the Drive Axle.)

SEALS AND GASKETS: Seals and Gaskets are replaced only as part of the repair or replacement of the above covered components. Leaking gaskets or seals are not covered unless Seals and Gaskets “Extra Cost Option” has been selected on the Declaration Page.

NOTE: Any part not specifically listed above is not covered.

POWERTRAIN PLUS (Includes the coverage listed in POWERTRAIN)

AIR CONDITIONER: Compressor, Compressor Clutch and Pulley, Condensor, Evaporator, Idler Pulley and Idler Pulley Bearing. The following parts are also covered if required in connection with the repair of a covered part listed above: Accumulator/Receiver Dryer, Orifice Tube, Oil and Refrigerant, Expansion Valve, POA Valve, and Hi-Low Pressure Cut off Switch.

FRONT and REAR SUSPENSION: Upper and Lower: Control Arms, Control Arm Shafts and Bushings; Upper and Lower Ball Joints; King Pins and Bushings; Stabilizer Shaft Linkage and bushings, Torsion Bars, Strut Bar and Bushings, Spindle and Spindle Support, Wheel Bearings.

STEERING: All Internally Lubricated Parts contained within the Steering Gear Box; Power Cylinder, Rack and Pinion Gear, and Power Steering Pump, plus: Pitman Arm; Idler Arm; Tie Rod Ends and Drag Link; Upper and lower Steering Column Shafts and Couplings. Steering Box and Rack and Pinion Gear Housings if damaged as the result of the failure of a covered Internal Part.

BRAKES: Master Cylinder; Power Brake Cylinder; Vacuum Assist Booster (excluding Hydro Boost system), Disk Brake Caliper, Wheel Cylinders, Compensating Valve, Metal Hydraulic Lines and Fittings.

ELECTRICAL: Alternator; Voltage Regulator; Starter Motor; Starter Solenoid and Starter Drive.

SEALS AND GASKETS: Seals and Gaskets are replaced only as part of the repair or replacement of the above covered components. Leaking gaskets or seals are not covered unless Seals and Gaskets “Extra Cost Option” has been selected on the Declaration Page.

NOTE: Any part not specifically listed above is not covered.

●●EXCLUSIONS – WHAT THIS VEHICLE SERVICE CONTRACT DOES NOT COVER●●

This Contract does not cover 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); any replacement cost of nuts, bolt and fasteners, fuses and fusible links; Any cost that is to repair or replace upholstery for any reason; Breakdown caused by lack of manufacturer’s specified maintenance; A Breakdown caused by contamination of or lack of proper fuels, fluids, coolants or lubricants, including a Breakdown caused by a failure to replace seals or gaskets in a timely manner; Repair of any parts used, added or replaced during a covered repair which are not necessary to the completion of the covered repair or were not damaged by the failure of a Covered Part (Such replacement is considered betterment and is not covered by this Contract); Any cost covered by a repairer’s or supplier’s guarantee, or any cost which would normally be covered by a manufacturer’s warranty; Cost or other damages caused by continued vehicle operation after the failure of a Covered Part or the failure to replace a worn part that has not failed; Any liability, cost or damages the Contract Holder may incur to the benefit of any third parties other than Administrator-approved repair or replacement of Covered Parts which caused a Breakdown; A Breakdown caused by overheating, rust or corrosion; cost for any alignments, adjustments, reprogramming, software updates and glass; A Breakdown caused by collision, fire, electrical fire or meltdown, theft, freezing, vandalism, flood, or for any hazard insurable under standard physical damage insurance policies whether or not such insurance is in force with respect to the vehicle; Loss of use, loss of time, loss profits or savings, inconvenience, commercial loss, or other incidental or consequential damages or loss that results from a Breakdown; Liability for damage to property, or for injury to or death of any person arising out of the operation, maintenance or use of the vehicle, whether or not related to a Breakdown; Any costs or other benefit for which the manufacturer has announced its responsibility through any means including public recalls or factory service bulletins; Any part not covered by, or excluded by the original vehicle manufacturer’s warranty; A gradual reduction in operating performance due to normal wear and tear, such as to guides, valves, rings, and transmission clutch pack discs and bands, unless the Wear & Tear Option has been purchased (Wear and Tear is defined as damage to a component that hasn’t failed but doesn’t meet the manufacturer’s tolerances or specifications); Vehicles that have been modified in a manner that increases the likelihood of a Breakdown; Consequential damage of a covered component by a non-covered component is not covered; failure of a non-covered component caused by a covered component is not covered; Continued operation of an impaired vehicle which causes further damage is

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not covered. Vehicles that do not have a valid V.I.N., or are titled as branded, salvaged, junk, rebuilt, totaled or flood damaged. Commercially used vehicles (unless surcharge has been applied).

●●HOW THIS CONTRACT MAY BE CANCELED, INCLUDING REFUNDS AND CHARGES●●

The Contract Holder may cancel this Contract by contacting Administrator at 5695 Yukon Street, Arvada, Colorado, 80002. The Contract Holder may cancel this Contract within thirty (30) days of the Contract Purchase Date, if no claim has been made, and receive a full refund of the Total Contract Purchase Price, less the applicable cancellation fee and claims paid. The Contract Holder may cancel this Contract at any other time and receive a pro rata refund of the Total Contract Purchase Price based on the greater of the days in force or the miles driven compared to the Total Contract Term, less the applicable cancellation fee and claims paid. All cancellations for contracts that have been financed will be paid to the Participating Lender, unless the customer has paid the Contract in full. The Term of this Contract for cancellation purposes will be based on the date of purchase of the vehicle and the vehicle mileage on such date. If this Contract was purchased in **Arizona, Georgia or North Carolina**, the refund will be issued on the above-mentioned pro rata basis, whenever it is canceled. If this Contract was purchased in **Alabama, Nevada, Texas or Wyoming**, a ten percent (10%) penalty per month shall be added to a refund that is not made within forty-five (45) days of return of the Contract to Administrator. If this Contract was purchased in **New York or Washington**, said penalty shall be added to a refund not made within thirty (30) days of return of the Contract to Administrator. The applicable cancellation fee shall be \$50, except: if this Contract was purchased in **Alabama**, the applicable cancellation fee shall be \$25 and will not be assessed if the Contract Holder is entitled to a full refund hereunder; if this Contract was purchased in **Illinois**, the applicable cancellation fee shall be the lesser of ten percent (10%) of the Total Contract Purchase Price or \$50; if this Contract was purchased in **Georgia or Missouri**, a cancellation fee shall not be assessed; if this Contract was purchased in **Nevada** and it is canceled within twenty (20) days after the Contract Purchase Date, there shall be no applicable cancellation fee; if this Contract was purchased in **North Carolina**, the applicable cancellation fee shall be ten percent (10%) of the refund issued hereunder; if this Contract was purchased in **Washington**, the applicable cancellation fee shall be \$25 if the Contract is canceled ten (10) or more days after the Contract Purchase Date (if the Contract is canceled before that time, there shall be no applicable cancellation fee). Refunds issued hereunder shall be issued less the value of any services received by the Contract Holder (including claims paid), except: if this Contract was purchased in **Alabama or Illinois**, such subtraction of the value of any services received by the Contract Holder shall apply only to cancellations not fully refunded; if this Contract was purchased in **Arizona, Nevada**, such subtraction of any services received by the Contract Holder shall never apply.

●●WHAT TO DO IF YOU HAVE A BREAKDOWN●●

- 1) Use all reasonable means to protect the vehicle from further damage. This may require you to stop the vehicle, turn off the engine, and have the vehicle towed.
- 2) To assure coverage under the terms of the Contract, Authorization must be obtained prior to any repair.
- 3) Present this Contract to the Repair Facility, call **Administrator** toll free at **1-800-531-1925**, and fax any required maintenance receipts. Administrator can be reached through the mail at 5695 Yukon Street, Arvada, CO 80002.
- 4) Prior to proceeding with repairs, ensure the Repair Facility calls Administrator with an estimate of repairs and receives an authorization number from Administrator
- 5) The Administrator reserves the right to inspect any Breakdown prior to authorization.
- 6) The Claims Department of Administrator is responsible for the performance of Provider under this Contract.
- 7) In-home service is not provided under this Contract. Any payment of the costs of transporting the vehicle for service is provided under this Contract exclusively pursuant to the terms and conditions.
- 8) The Contract Holder is responsible for paying a \$100 deductible for each visit to the Repair Facility, unless lower deductible surcharge is purchased.
- 9) The Contract Holder can obtain reimbursement for emergency repairs performed outside of normal business hours only if he/she follows the above procedures on the first business day after such emergency repairs are performed.

●●WHAT ADMINISTRATOR WILL DO WHEN YOU REPORT A CLAIM●●

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. We reserve the right to inspect the vehicle prior to issuing an authorization. In the event of a dispute between the administrator and the repair facility, the administrator reserves to the right to take possession and move your vehicle to a repair facility of the administrator's choice. (This does not apply in Nevada)

●●HOW THIS CONTRACT MAY BE TRANSFERED●●

Only the original Contract Holder may transfer this Contract. This option is not available to the Contract Holder if the vehicle is traded or sold to or through any entity other than a private party. The rights and duties of the Contract Holder under this Contract may be transferred in a sale of the vehicle directly to another private party, but only if the Contract Holder: (1) Sends the completed transfer application to Administrator within thirty (30) days of the sale or transfer of the vehicle, and (2) encloses a \$50 transfer fee (No transfer fee is assessed if this Contract was purchased in the State of **Missouri**). In the event the vehicle is a total loss or is repossessed, any rights and obligations under this Contract immediately transfer to the lien holder, if any. The Contract Holder must provide the new owner with copies of all receipts as listed under the section of this Contract entitled "CONTRACT HOLDER OBLIGATIONS".

●●PROVIDER'S RIGHT TO CANCEL THIS CONTRACT●●

If this Contract was purchased in **Nevada**, Administrator reserves the right to cancel this Contract for any reason within the first seventy (70) days after the Contract Purchase Date; thereafter, and if this Contract was purchased anywhere other than **Nevada**, at any time, Administrator reserves the right to cancel this Contract upon the occurrence of any of the following:

- Failure by the Contract Holder to pay an amount when due.

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- Conviction of the Contract Holder of a crime, which results in an increase in the service required under this Contract.
- Discovery of fraud or material misrepresentation by the Contract Holder in obtaining this Contract or in presenting a claim for service hereunder.
- Discovery of an act or omission by the Contract Holder, or a violation by the Contract Holder of any condition of this Contract, which occurred after the effective date of this Contract and which substantially and materially increases the service required under this Contract, including but not limited to failure of the odometer of the vehicle or if for any reason it does not record the actual mileage of the vehicle after the Contract Purchase Date and the actual mileage of the vehicle cannot be established to a reasonable degree of certainty, if there is a lack of required maintenance, if the vehicle is operated without coolant or lubricant, and if the vehicle is used for commercial purposes (unless the commercial use option is part of this Contract). Administrator reserves the right to cancel this Contract upon the occurrence of any of the following:

No cancellation of this Contract by Administrator shall become effective until fifteen (15) days after the notice of cancellation is mailed to the Contract Holder. Administrator will not charge a cancellation fee if this Contract is canceled by Administrator (NOT APPLICABLE IN ARIZONA). If this Contract was purchased in **South Carolina** under Chapter 78 of the South Carolina Code of Laws, 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 Service Contract to the Provider. If this Contract was purchased in **Utah**, the following replaces the above mentioned cancellation guidelines: No cancellation of this contract by Administrator except cancellation for non-payment of premium, shall become effective sooner than thirty (30) days after the delivery or first-class mailing of a written notice to the Contract Holder. Cancellation for non-payment of premium shall become effective no sooner than ten (10) days after delivery or first class mailing of a written notice to the Contract Holder. Notice of cancellation for non-payment of premium shall include a statement of the reason for cancellation.

- Material misrepresentation; Substantial change in the risk assumed, unless the insurer should reasonably have foreseen the change or contemplated risk when entering the contract; Substantial breaches of contractual duties, conditions, or warranties.
- Attainment of the age specified as the terminal age for coverage, in which case the insurer may cancel by notice, accompanied by a tender of proportional return of premium.
- Revocation or suspension of the driver's license of the named insured or any other person who customarily drives the car.

●●OTHER IMPORTANT CONTRACT PROVISIONS●●
ARBITRATION

All claims or disputes relating to this Service 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, Jefferson County, Colorado. If YOU bring any such action, claim, or suit against Administrator in any court or forum other than in the District Court, Jefferson County, Colorado, Administrator can seek dismissal of YOUR action, claim, or suit and require that it be maintained in Jefferson County, Colorado.

SUBROGATION

In the event benefits are paid under this Guarantee, 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.

ARIZONA- Claims may not be denied solely because of a pre-existing condition unknown by the Contract Holder at time of purchase.

CONNECTICUT – The expiration date of this contract shall automatically be extended by the duration that the vehicle is in our custody being repaired. "Resolution of Dispute" – written complaints may be mailed to: 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 or lease price of the product, the cost of the repair of the product and a copy of the warranty contract.

IOWA – The Iowa Insurance Commissioner is Therese M. Vaughan, Division of Insurance, State of Iowa, 330 East Maple Street, Des Moines, Iowa 50319.

IDAHO – the Idaho Insurance Guarantee Association does not guarantee Coverage afforded under this motor Vehicle Service Contract.

TEXAS – Unresolved complaints concerning Provider or questions concerning the regulation of Service Contract providers may be addressed to the Texas Department of Licensing and Regulation, E.O. Thompson State Office Building, 920 Colorado, Austin, Texas 78701, (512) 463-2906.

UTAH – the Property and Casualty Guaranty Association do not guarantee Coverage afforded under this Contract.

WASHINGTON – The implied warranty of merchantability on the motor vehicle is not waived if the Contract has been purchased within ninety (90) days of the purchase date of the motor vehicle from a Provider who also sold the motor vehicle covered by the Contract. The Contract Holder acknowledges by initialing hereafter that he/she has read the sections entitled Contract Holder Obligations, What To Do If You Have A Breakdown, Covered Parts, Exclusions - What This Vehicle Service Contract Does Not Cover, Contract Term, and How This Contract May Be Canceled

If this Contract is financed through the vendor, selling dealer, their representative, or Administrator, then should a claim occur prior to all payments being made, the outstanding balance owed to the vendor, selling dealer, their representative, or Administrator, will be deducted from the amount authorized. In Nevada we can only deduct delinquent payments from the claim amount authorized.

This Contract contains the complete agreement between the parties and is not valid unless signed by both the Contract Holder and an authorized representative of the Provider.

The aggregate total of Provider's liability for all benefits paid or payable during the term of this Contract shall not exceed the actual cash value of the vehicle according to current National Auto Dealers Association standards at the time of Breakdown.

This Contract is not renewable.

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