

autogard advantage

Limited Extended Powertrain Warranty Contract Terms and Conditions.
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PART 1. DEFINITIONS

In this agreement the following words shall have the following meanings:

- "You, Your"** means the warranty holder, purchaser or lessee of the described vehicle on the face of the application form or the person to whom this contract was transferred under the transfer provision of this contract.
- "We, Us, Our"** means Autogard Advantage who is obligated to perform under this contract.
- "Contract"** means the limited extended powertrain warranty contract, which you have purchased directly or through a selling dealer to protect the described vehicle on the face of the application form.
- "Term"** means the time or kilometer limits or the maximum liability limits of the warranty plan designated by you and/or the selling dealer on the face of the application form.
- "Warranty Coverage"** means the warranty plan and the level of protection that you and/or the selling dealer have selected, as shown on the face of the application form.
- "Limits of liability"** means all maximum limits of liability less the deductible and miscellaneous items as indicated under part 8, 10.5 and 10.9.
- "Fee"** means the total warranty premium amount including any and all additional option(s) charges and applicable taxes payable to us either by you and/or the selling dealer for this contract and applicable to the covered vehicle.
- "Breakdown"** A breakdown means the inability of a covered part(s) under normal service to perform the function(s) for which it was designed for, due to defects in material only and not workmanship, as determined by Autogard Advantage in its sole discretion. Breakdown does not include the gradual reduction in operating performance of a covered part(s) due to normal wear and tear, where a breakdown has not occurred.
- "Reasonable costs"** shall be deemed to mean charges for the replacement of covered part(s) under this contract using new or rebuilt parts only, with a minimum of 12 month and/or 20,000 km parts & labor warranty as customarily used in the automobile industry. In some cases when the actual estimate and/or repair amount is equal to and/or greater than fifty percent of the maximum liability of your warranty coverage plan we reserve the right to find other alternatives. Such alternatives will release us fully without limitations from any and all past, present and future liabilities that might arise from this claim.
- "Covered part(s)"** means part(s) specifically listed in part 4 of this contract.
- "Covered options"** means option(s) specifically listed in part 5 of this contract.
- "Covered vehicle"** means the vehicle described on the face of the application form.
- "Repair(s)"** means the replacement of covered parts relevant to the covered vehicle using new or rebuilt part(s) in whole only and not in part.
- "Partial Repair(s)"** means any repairs to be carried out not in whole but rather in part, as to replace only damaged parts of the covered part(s).
- "Used Part(s)"** means any repairs to be carried out by installing and/or using a used part such as used engine, transmission, transaxle, differential and etc.
- "Selling dealer"** means the automotive dealer through whom you have purchased this contract.
- "Light Commercial and Business Use"** means any vehicle up to 3 / 4 ton and/or 900 kilograms capacity that are registered to a company and/or used to generate revenue however coverage will be limited to 1,000 kilometers per month respectively.

PART 2. WARRANTY COVERAGE

In consideration of the fee received by us on this contract, the statements contained in the application form herein, and provided that you comply with the terms and conditions set forth in this contract, and subject to the limitations of coverage set forth in this contract and the payment of the deductible set forth in part 8 and the inspection, examination, claim processing fee set forth in part 10.5 and the one time activation fee set forth in part 10.9, we hereby agree to pay the reasonable costs of authorized repair(s) and/or replacement of covered part(s) which cause breakdown to the covered vehicle according to the warranty coverage plan and options chosen on the face of the application form.

PART 3. DESIGNATED WARRANTY PLANS

You and/or the selling dealer shall designate on the indicated space on the face of the application form your selected warranty plan, which shall be one of the following:

3.1. BASIC PLUS PACKAGE:

- The contract term: 18 months with Unlimited Kilometers, 30 months with Unlimited Kilometers, 42 months with Unlimited Kilometers.
- The maximum liability per claim in Canadian dollars is the lesser of the following:
A) \$1000.00 (One thousand) dollars or;
B) The cash value of the covered vehicle excluding taxes before the breakdown.
- The maximum liability per claim includes Parts, Labor & Taxes.
- Parts covered under **BASIC PLUS PACKAGE** are listed in part 4.1 to 4.3, and 5.1 to 5.7, 5.21, 5.22, 5.34, 5.47.

3.2. STANDARD PLUS PACKAGE:

- The contract term: 12 months with 24,000 Kilometers, 24 months or 48,000 Kilometers, 36 months or 70,000 Kilometers.
- The maximum liability per claim in Canadian dollars is the lesser of the following:
A) \$2000.00 (Two thousand) dollars or;
B) The cash value of the covered vehicle excluding taxes before the breakdown.
- The maximum liability per claim includes Parts, Labor & Taxes.
- Parts covered under **STANDARD PLUS PACKAGE** are listed in part 4.1 to 4.3, and 5.1 to 5.9, 5.15, 5.18, 5.21, 5.22, 5.27, 5.33, 5.34, 5.47.

3.3. PREMIUM PLUS PACKAGE:

- The contract term: 12 months with 24,000 Kilometers, 24 months or 48,000 Kilometers, 36 months or 70,000 Kilometers.
- The maximum liability per claim in Canadian dollars is the lesser of the following:
A) \$3000.00 (Three thousand) dollars or;
B) The cash value of the covered vehicle excluding taxes before the breakdown.
- The maximum liability per claim includes Parts, Labor & Taxes.
- Parts covered under **PREMIUM PLUS PACKAGE** are listed in part 4.1 to 4.3, and 5.1 to 5.9, 5.15, 5.16, 5.17, 5.18, 5.20, 5.21, 5.22, 5.27, 5.33, 5.34, 5.47.

3.4. FLEXIBLE PLAN:

- You and/or the selling dealer on the face of the application form designate the following: **A) Contract term** (number of months and the kilometers), **B) The maximum liability per claim in Canadian dollars which, is the lesser of the following:**
1) The amount as designated by you and/or the selling dealer on the face of the application form or 2) The cash value of the covered vehicle excluding taxes before the breakdown. C) The deductible per claim.
- The maximum liability per claim includes Parts, Labor and Taxes.
- Parts covered under **Flexible Plan** are listed in part 4.1 to 4.3 plus any additional options (refer to part 5), which may have been selected and paid for at the time of warranty purchase.

PART 4. COVERED PARTS

Coverage is for both Parts and Labor and includes only those parts listed all other parts are not covered.

4.1. ENGINE

Engine Block and cylinder head(s), all internally lubricated mechanical parts including: crankshaft, main bearings, crankshaft gears, push rods, pistons, piston rings and pins, intake and exhaust valves, valve springs and retainers, valve covers, valve guides, lifters, rocker arms, shafts and pivots, timing chain or belt, oil pump and shaft. (Excluding diesel fuel injection system. Seals and gaskets are also excluded unless the option has been purchased)

4.2. TRANSMISSION

AUTOMATIC

Housing (When damaged from within), torque converter, valve body, gear sets, main and intermediate shafts, vacuum modulator, oil pump and governor, friction and steel plates, clutches and bands. (Excluding all manual clutch components, external linkages, flexplates and flywheel. Seals and gaskets are also excluded unless the option has been purchased)

MANUAL / STANDARD

Housing (When damaged from within), main and intermediate shafts, gear sets, synchronizer rings, shaft fork. (Excluding flexplates, flywheel, ring gear and external linkages. Manual clutch components, bearings, pressure plate. Seals and gaskets are also excluded unless the option has been purchased)

4.3. DIFFERENTIAL

Front and/or rear differential housing (When damaged from within), all internally lubricated mechanical parts including: main shaft, crown and pinion gears, carrier gear and housing. (Excluding 4WD locking hubs)

PART 5. ADDITIONAL OPTIONS TO BE ADDED

Coverage is available only when the option(s) has been selected and the fee has been paid for at the time of purchase date of the covered vehicle and is for both parts and labor and includes only those parts listed all other parts are not covered.

5.1. TRANSFER CASE (4x4 / AWD)

All internal lubricated parts including: case, gears and sprockets, chain (Excluding seals and gaskets unless the option has been purchased)

5.2. TURBO & SUPERCHARGER

Housing, waste gate controller, intercooler, hard lines, compressor, clutch and pulley, by-pass valve and ducting (Excluding seals and gaskets unless the option has been purchased)

5.3. TOWING ALLOWANCE

We will reimburse you for towing charges of up to \$60 (sixty) Canadian dollars per occurrence if the breakdown is covered under this contract. Valid original receipts must be submitted within 15 days of the occurrence in order to receive reimbursement.

5.4. TRAVEL & HOTEL ALLOWANCE

We will reimburse you to a maximum of \$150 (one hundred and fifty) CDN dollars per claim to a maximum of \$450 (five hundred and fifty) Canadian dollars for the total term of this contract if the breakdown is covered under this Contract, while traveling and that you are more than 150 kilometers (one way) from your residence and the labor time exceeds 8 hours according to the Mitchell labor guide and requires that the covered vehicle be kept in the repair facility overnight. Expenses can include costs for lodging, meals, phone calls and alternate transportation. Valid original receipts must be submitted within 15 days of the occurrence in order to receive reimbursement.

5.5. WEAR & TEAR ON COVERED PARTS

In the event of a breakdown or failure of a covered part under this contract, we will cover the part, even if the covered part is simply worn out and/or damaged by overheating, according to your selected coverage plan and your maximum liability limits per claim. However a sliding scale of payments reduces the amount payable for parts and labor on higher mileage vehicles based on the following:
A) Under 80,000 kilometers we cover 100%, B) Under 110,000 kilometers we cover 90%, C) Under 120,000 kilometers we cover 80%, D) Under 130,000 kilometers we cover 70%, E) Under 140,000 kilometers we cover 60%, F) Over 140,000 kilometers we cover 50%.

5.6. DIAGNOSTIC SERVICE (1HR)

In the event of a breakdown or failure of a covered part under this contract we will reimburse our AUTHORIZED SERVICE FACILITIES the diagnostic fee equal to no greater than ONE HOUR of labor charge to a maximum of \$69 (sixty nine) Canadian Dollars per claim (This option is ONLY available at our authorized service facilities and commences after 90 days from the purchase and/or lease date of the covered vehicle)

5.7. MAINTENANCE FLUID INSPECTION PACKAGE

We will provide to you a complete vehicle fluid inspection interval package every 6 months and/or 10,000 kilometers at one of our AUTHORIZED SERVICE FACILITIES (This option is ONLY available at our authorized service facilities and commences after 90 days from the purchase date of the covered vehicle)

5.8. TIRE CARE PACKAGE

We will provide to you a flat tire repair as required and seasonal tire rotation and inspection interval package every 6 months and/or 10,000 kilometers at one of our AUTHORIZED SERVICE FACILITIES. Replacement of damaged and/or worn out tires are available to you at WHOLESALE COST PRICE and varies by store location, pending availability (This option is ONLY available at our authorized service facilities and commences after 90 days from the purchase and/or lease date of the covered vehicle. Tire installation / balance / mount, repairs to Run Flat Tires are excluded)

5.9. FRONT WHEEL ALIGNMENT SERVICE

We will provide to you a front wheel alignment service every 6 months and/or 10,000 kilometers, if required. We will reimburse our AUTHORIZED SERVICE FACILITIES the front wheel alignment fee equal to no greater than ONE HOUR of labor charge to a maximum of \$69 (sixty nine) Canadian Dollars per claim (This option is ONLY available at our AUTHORIZED SERVICE FACILITIES and commences after 90 days from the purchase and/or lease date of the covered vehicle)

5.10. SEASONAL CAR CARE AND INSPECTION PACKAGE

We will provide to you a seasonal car care and inspection service every 6 months and/or 10,000 kilometers. We will reimburse our AUTHORIZED SERVICE FACILITIES the seasonal car care and inspection service fee equal to no greater than ONE HOUR of labor charge to a maximum of \$69 (sixty nine) Canadian Dollars per claim. This service includes: **A) Inspect Major Systems and Components:** Engine, Transmission, Brakes, Steering, Starting and Charging, Heating and Cooling, Lighting as required **B) Inspect Under-the-Hood Items:** Battery, Radiator, Water Pump, Air Filter, Belts and Hoses **C) Inspect Fluids:** Engine Oil, Coolant, Transmission, Power Steering, Brake, Windshield Washer **D) Inspect Under-the-Vehicle Items:** Shocks and Struts, Brake and Fuel Lines, Exhaust System, Driveline **E) Inspect Tires:** Tread Depth, Wear Patterns, Inflation Pressure, Overall Condition (This option is ONLY available at our authorized service facilities and commences after 90 days from the purchase and/or lease date of the covered vehicle)

5.11. EMISSION AND TUNE-UP INSPECTION PACKAGE

We will provide to you an emission and tune-up inspection service every 6 months and/or 10,000 kilometers. We will reimburse our AUTHORIZED SERVICE FACILITIES the emission and tune-up inspection service fee equal to no greater than ONE HOUR of labor charge to a maximum of \$69 (sixty nine) Canadian Dollars per claim. This service includes: **A) Inspect spark plugs as required B) Inspect ignition wires and PCV valve as required C) Inspect air filter, cabin air filter and clean air passage D) Check fuel filter E) Check for ignition timing and adjust as needed F) Check for belts G) Check all fluids H) Road test vehicle** (This option is ONLY available at our authorized service facilities and commences after 90 days from the purchase and/or lease date of the covered vehicle)

5.12. BRAKE MAINTENANCE AND INSPECTION PACKAGE

We will provide to you brake maintenance and inspection service every 12 months. We will reimburse our AUTHORIZED SERVICE FACILITIES the brake maintenance and inspection fee equal to no greater than ONE HOUR of labor charge to a maximum of \$69 (sixty nine) Canadian Dollars per claim. This service includes: **A) Inspect all brake components as required B) Clean all brake components as required C) Make adjustments where necessary and applicable D) Check brake fluids E) Road test vehicle** (This option is ONLY available at our AUTHORIZED SERVICE FACILITIES and commences after 90 days from the purchase and/or lease date of the covered vehicle)

5.13. BATTERY MAINTENANCE AND INSPECTION PACKAGE

We will provide to you a battery maintenance service every 12 months. This service includes: **A) Clean the cables B) Lubricate the posts C) Check connections D) Check fluids E) Check alternator** (This option is ONLY available at our authorized service facilities and commences after 90 days from the purchase and/or lease date of the covered vehicle)

5.14. VEHICLE RE-SALE INSPECTION PACKAGE

We will provide to you a vehicle re-sale package upon the covered vehicle sale to a new buyer. We will reimburse our AUTHORIZED SERVICE FACILITIES the vehicle re-sale package fee equal to no greater than ONE HOUR of labor charge to a maximum of \$69 (sixty nine) Canadian Dollars per claim. This service includes: **A) Vehicle safety certification (does not include the cost of parts and labor) B) 130 point vehicle inspection C) \$75 (seventy five) Canadian Dollars transfer administration fee waived** (This option is ONLY available at our authorized service facilities and commences after 90 days from the purchase and/or lease date of the covered vehicle)

5.15. ELECTRICAL SYSTEM

Starter motor and starter solenoid, alternator and alternator regulator, electronic ignition module, distributor and pickup coil, radiator fan motor, windshield wiper motors and washer pumps.

5.16. STEERING SYSTEM

Rack and pinion assembly, inner tie rod ends and bellows, power steering pump and pulley, power steering fluid reservoir, steering gear, main and intermediate shafts, pitman arm, idler arm, center link, steering knuckle (spindle), kingpins and bushings.

5.17. BRAKING SYSTEM

Master cylinder, vacuum assist booster, disk brake calipers, wheel cylinders, proportioning valve, flexible brake fluid hoses and hydraulic steel lines & fittings. (Excluding brake pads, linings, rotors, drums & emergency brake components)

5.18. FRONT SUSPENSION SYSTEM

Upper and lower ball joints, upper and lower control arms and their shafts & bushings, steering knuckles, kingpins & their bushings, pitman arm, idler arm, stabilizer shaft linkage and bushings.

5.19. FUEL AND INJECTION SYSTEM

Fuel pump, fuel injection and distribution pump, fuel tank and sending unit, fuel injectors and fuel pressure regulators.

5.20. AIR CONDITIONING

Compressor, clutch assembly and pulley, evaporator, accumulator, expansion valve, receiver and dryer (Excluding seals and gaskets unless the option has been purchased)

5.21. SEALS & GASKETS

All seals & gaskets used to obtain fluid & lubricants within the covered listed parts including Cylinder Head Gasket(s), intake and exhaust manifold gasket(s).

5.22. HEAD GASKET - Cylinder head gasket(s).

5.23. SUPPLEMENTARY PARTS

- **ENGINE PARTS:** Water pump, motor mounts & torque struts, oil pan, harmonic balancer and pulley, intake and exhaust manifolds, timing chain(s) or belt and their gears and tensioners, dipstick and tube, oil pressure sending unit and temperature gauge sending unit.
- **DRIVELINE:** Axle shafts, CV joints and boots, universal joints and hanger bearings. Wheel bearings are only covered under Factory Warranty Extended Coverage Plus plan.
- **TRANSMISSION / TRANSAXLE:** Flexplate, flywheel, ring gears, mounts
- **TRANSFER CASE:** Transfer case mounts.

5.24. HI-TECH POWER EQUIPMENT

Electronic engine management sensors (Cam, Crank, O2) - Transmission computer control module - Anti-lock brake/traction system (control module, exciter rings, wheel speed sensors, pump and pressure modulator assembly) - Electronic temperature control module - Electronic ignition computer control modules - Fuel injection computer control modules - Cruise control module & servo - Transducer and cable. - Digital dash instrumentation (speedometer, tachometer, odometer, fuel, oil, temperature and voltage displays only) - Keyless entry door keypads and receiver - Power door lock actuator motors - Exterior mirror motors - Power sliding door and lift gate motors - Power seat motors - Sunroof motor - Heated mirrors - Convertible top motors - Headlamp wiper motors - Load leveling compressor motor

5.25. POWER ACCESSORIES

Power window motors, power regulators, keyless entry system, door control module, power door lock actuators and switches, power seat motors, power antenna, electronic trunk release actuators, exterior mirror motors, sunroof motor and convertible top motors.

5.26. DRIVELINE

Drive axle case, drive shafts, axle shafts, universal joints, constant velocity joints and axle bearings (Excluding C.V. Boots and/or drive shaft boots. Seals and gaskets are also excluded unless the option has been purchased)

5.27. HEATING AND COOLING SYSTEM

Radiator, radiator fan motor and blades, heater core, fan clutch, heater control valve and coolant recovery unit.

5.28. EMISSION COMPONENTS

Air control valve, Idle vacuum valve, Air supply valve, Hose and tube, Air check valve assembly, Barometric pressure sensor, ECC relay assembly, EGR pressure sensor, EGR regulator assembly, EGR valve adapter, Vapor storage container, Idle air control valve, Knock sensor, PCV hose assembly, PC valve, PCV vapor filter, Temperature sensor, Vacuum restrictor, VAF sensor.

5.29. GPS NAVIGATION SYSTEM

Navigation display unit, navigation control module, navigation system wiring harness.

5.30. AUDIO / VIDEO ACCESSORIES

Factory installed stereos, magnetic tape player, CD players, headphone controls, VCR, DVD player and TV. (Excluding wiring and wiring harness)

5.31. ROADSIDE ASSISTANCE ALLOWANCE

We will reimburse you for up to \$60 (sixty) Canadian dollars per occurrence to a maximum of \$300 (three hundred) Canadian Dollars for the total term of this contract for any **A) Winching service** for a disabled covered vehicle stuck in snow, mud or off the road, **B) Battery boosting**, **C) Emergency fuel delivery service**, **D) Flat tire service**, **E) Vehicle entry service** (locks/misfit services). Coverage is limited to 5 service calls. Valid original receipts must be submitted within 15 days of the occurrence in order to receive reimbursement.

5.32. UNLIMITED KILOMETERS

No mileage restriction for the total term of the contract.

5.33. RENTAL CAR ALLOWANCE

In the event of a breakdown or failure of a covered part under this contract we will reimburse you for a rental car to a maximum of \$40 (forty) Canadian dollars per each 8 hours of repair time according to the Mitchell labor guide to a maximum of \$240 (two hundred and forty) Canadian dollars for the total term of this contract. Valid original receipts must be submitted within 15 days of the occurrence in order to receive reimbursement.

5.34. POWERTRAIN PLUS PACKAGE

Water pump, starter motor and solenoid, alternator and voltage regulator, CV Joints, axle shafts and drive shafts.

5.35. SELECT INTERIOR / EXTERIOR

Air bag gas cylinder, speedometer head/cable, seat tracks, shift lever, blower motor fan, bumper energy absorber, door hinges, locks and latches, hood hinges and latches, glove box hinges, latches and locks and ignition lock and cylinder.

5.36. VEHICLE SAFETY PACKAGE

Airbag module assembly, diagnostic module assembly (Airbag), door ajar warning switch assembly, guides, bezels, brackets and supports (Safety Belts/Shoulder Straps), head restraint retainers and sleeves (Safety Belt), safety belt buckle (Front and Rear), safety belt motor drive assembly, safety belt restraint carrier, safety belt retractors, safety belt track assembly, safety belt warning chime assembly, sensors (Airbag), shoulder strap track assembly, wiring assembly (Airbag).

5.37. \$0, \$50, \$90, \$150 DEDUCTIBLE PER CLAIM

In the event of a breakdown of a covered part under this contract, the deductible, as indicated by you and/or the selling dealer on the face of the application form will be reduced to either \$0 (Zero), \$50 (Fifty), \$90 (Ninety) or \$150 (One hundred and fifty) Canadian dollars on each and every claim authorized by us for the total term of this contract respectively.

5.38. \$5000.00, \$7500.00 LIABILITY PER CLAIM

In the event of a breakdown or failure of a covered part under this contract, as indicated by you and/or the selling dealer on the face of the application form your liability coverage will be increased to \$5000.00 (Five thousand) or \$7500 (Seven thousand and five hundred) Canadian dollars per claim respectively.

5.39. ADDITIONAL TERM & MILEAGE

This option guarantees you, to renew your existing warranty coverage plan for an additional term(s) of the same warranty coverage plan excluding any and all additional options listed under part 5 (unless the cost of each individual option has been paid in full at the time of renewal for each and every term thereafter).

5.40. (TWELVE) 12 MONTHS GAS REBATE

We will reimburse you 0.15 (fifteen cents) Canadian Dollars per liter of gasoline used by you for the covered vehicle to a maximum of 50 (fifty) liters per month to a maximum of 600 (six hundred) liters for the first 12 months of the warranty contract ONLY. Rebates will be issued in a form of a redeemable gift card for use at participating gas stations (No cash value). To qualify you must submit:

- Original purchase receipts with the odometer reading written and/or stamped on the purchase receipts at the time of purchase. Receipts must have the purchase date and number of liters clearly visible.
- All receipts must be mailed to Autogard Advantage within 30 days after the first 12 months of the purchase date of the covered vehicle. Receipts submitted after 30 days from the first 12 months of purchase date of the covered vehicle will not be accepted and do not qualify for rebate.

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PART 5. CONTINUED... ADDITIONAL OPTIONS TO BE ADDED

5.41. EXTRA PROTECTION PACK

- Available only with Basic 600, Basic 800, Basic 1000, Standard 1500 and Premium 2000 warranty plans.
- The contract term: 3 months or 3,000 kilometers, 6 months or 6,000 kilometers, 9 months or 9,000 kilometers or 12 months or 12,000 kilometers, whichever comes first from the purchase or lease date of the covered vehicle.
- The maximum liability per claim in Canadian dollars is the lesser of the following:
A) BASIC 600 (\$600.00) Six hundred dollars, **BASIC 800 (\$800.00)** Eight hundred dollars, **BASIC 1000 (\$1000.00)** One thousand dollars, **Standard 1500 (\$1500)** one thousand and five hundred dollars, **Premium 2000 (\$2000)** Two thousand dollars or;
B) The cash value of the covered vehicle excluding taxes before the breakdown.
- The maximum liability per claim includes parts, labor and taxes.
- Selected options are listed in part 5.15 to 5.19 and 5.26, 5.27 which will be added to your warranty coverage plan selected by you and/or the selling dealer on the face of the application form.

5.42. LOSS OF EMPLOYMENT

If in the first 12 months from the date of purchase or lease date of the covered vehicle you are unexpectedly laid-off by your employer and you are unable to find employment in the next 31 days after your last day of work, we will pay the finance /lease source, your vehicle payment(s) for the second and/or third and/or fourth month (including taxes) up to a maximum of one third of your warranty coverage plan per claim, per payment, not exceeding the maximum liability coverage limit per claim in total, less your deductible, according to the coverage plan chosen on the face of the application form by you and/or the selling dealer. You may qualify to make a claim under this option only one time for the total term of the contract. To qualify you must submit: **A)** copy of the record of employment provided to you by your employer within 15 days from the date of your last day at work. **B)** Copies of other supporting documents, as they may be required in our sole discretion.

5.43. VEHICLE FINANCE GAP PROTECTION

We will reimburse you according to your warranty coverage plan selected by you and/or the selling dealer on the face of the application form and your maximum liability limit per claim, less your deductible for your deficiency balance between the net pay off of your covered vehicle loan contract at the time of the loss and the amount paid by your covered vehicle primary insurance company after the covered vehicle is deemed a total loss due to any accidental physical damage. Such payment shall terminate this contract in full. To qualify you must submit:

- Copy of the police report filed within 15 days from the date of loss.
- Copy of the insurance claim report filed within 15 days from the date of loss.
- Copy of proof of payment by primary insurance company.

5.44. ADDITIONAL THEFT COVERAGE

In the event that the covered vehicle is stolen and not recovered within 120 days, or is recovered within 120 days but is damaged to the extent it is considered a total loss, we will cover you according to your warranty coverage plan and your maximum liability limit per claim less your deductible (selected by you and/or the selling dealer on the face of the application form). Such payment shall terminate this contract in full. To qualify you must submit:

- A copy of the police report filed within 15 days from the date of loss.
- Copy of the insurance claim report filed within 15 days from the date of loss.
- Copy of proof of payment by primary insurance company.

5.45. AUTO COLLISION DEDUCTIBLE

In the event that the covered vehicle is involved in an accident, we will reimburse you according to your warranty coverage plan, your primary's insurance auto collision deductible up to a maximum of \$1000 (one thousand) Canadian dollars. You may qualify to make a claim under this option only once per calendar year and not less than 365 days apart from the previous claim date. To qualify you must submit:

- A copy of the police report filed within 15 days from the date of loss.
- Copy of the insurance claim report filed within 15 days from the date of loss.
- Copy of proof of payment by primary insurance company.

5.46. WARRANTY PREMIUM REFUND

If your vehicle and this contract have been financed and the finance source/lien holder repossesses your vehicle the finance source/lien holder may request a refund for this contract for non-payment on your behalf. We will refund an amount of the premium not exceeding the maximum liability coverage per claim of your warranty contract selected by you and/or the selling dealer on the face of the application form less your deductible or the actual financed warranty premium amount at the time of warranty purchase whichever is less. Such refund will be according to the pro-rata method reflecting the greater of the days in force or the kilometers driven based on the term of the plan selected and the date coverage begins, less your deductible and a \$75.00 (seventy five) Canadian dollars administrative fee, and less any amounts paid out on this contract. In the event of a refund, the finance source/lien holder, if any, will be named on a refund cheque as their interest may appear. Such refund shall terminate this contract in full.

5.47. NO CLAIM, DOUBLE YOUR TERM

This option is available on all warranty plan terms and does not apply to renewals, previously transferred warranties or warranties sold prior to January 01, 2010. The warranty would be eligible for an extension to the term equal to the length of the original warranty purchase plan if the following conditions have been met:

- Available to original warranty holder only;
- Warranty holders obligations in parts 6 of the contract must be adhered;
- The original contract must have no claims paid, authorized and/or pending against it;
- The warranty holder must contact us within 30 days prior to expiration of the original warranty term to activate the second term.
- At the time, a processing fee plus applicable taxes as indicated on the original warranty contract application form must be submitted.
- The second warranty term has no cash value and is non-cancellable.

PART 6. YOUR MAINTENANCE OBLIGATIONS

6.1. You must maintain the covered vehicle by following your manufacturer recommended maintenance schedule and/or performing engine oil and oil filter change every 6 months or 10,000 kilometers whichever occurs first from the purchase or lease date of the covered vehicle, by completing at your own expense at any licensed service facility of your choice.

6.2. All maintenance services must be completed within 28 days and/or 1000 kilometers of when it is due without an exception.

6.3. Do-it-Yourself oil changes and/or maintenance are not acceptable as proof of maintenance.

6.4. You must keep all original maintenance and/or repair(s) receipts. We reserve the right to see all maintenance and/or repair receipts before any claims being made here under.

6.5. In the event of poor maintenance, when a claim is being made hereunder:

- A)** We reserves the right to increase the deductible at our own discretion and/or
- B)** Deny the claim completely without any further liabilities towards that claim to you and/or
- C)** Cancel the contract without any refund regardless of the nature of the claim and that you are duly responsible to complete the present and any future repair(s) at your own expense.

PART 7. HOW TO MAKE A CLAIM

7.1. When experiencing a problem with the vehicle contact us during the hours of 9:30 am to 4:30 pm Eastern Standard Time, Monday to Friday (except holidays) Toll-Free in Canada / U.S. at 1.888.666.8579 or anytime online at autogard.ca to report your claim and for help locating an authorized service center. We reserve the right to request a complete detailed diagnostic report and an estimate of repair prior to any repairs being authorized hereunder.

7.2. In some cases you may need to authorize the repair facility to inspect and/or teardown your vehicle in order to determine the cause and cost of the repair.

7.2.1. Regardless of which service center your vehicle is at (an authorized service center referred by us or at a service center of your choice) please obtain an estimate for diagnostic and teardown charges prior to signing a work order form, as you are responsible for all teardown and diagnostic charges plus any vehicle inspection and examination fee (refer to part 10.5) regardless of the status of your claim.

7.2.2. We will not be able to process your claim without a proper and complete diagnostic report and estimate of repair.

7.2.3. Do not authorize any teardown without our prior authorization, as your claim will be denied according to terms and conditions parts 10.5, 11.1 & 11.2.

7.3. Once we receive the diagnostic(s) and the estimate of repair(s), and we're satisfied that you have complied and met all terms and conditions of the contract, we will then determine if the claim is approved or denied. If the claim has been approved, we will then issue an authorization number to you and/or the service center to proceed with repair(s).

PART 7. CONTINUED... HOW TO MAKE A CLAIM

7.3.1. You must complete the necessary repairs to the covered part of the covered vehicle within 15 days once your claim has been approved or denied and submit a copy of the repair invoice to us within 15 days. Failure to do so may result in non-valid past, present and future claims towards that covered part and/or any other related covered or non-covered part of the covered vehicle.

7.3.2. At our sole discretion the costs for the repair(s) and/or replacement of the covered part(s) under this contract will not exceed the amount that we would have had to pay at one of our authorized service facilities.

7.3.3. We reserve the right to ownership of all covered replaced part(s) of the covered vehicle.

7.3.4. We reserve the right to refuse any repair estimate judged unreasonable in our sole discretion in relation to other alternatives.

7.4. We will then pay our authorized service centers directly according to your selected warranty coverage plan and option(s) less your deductible (if any), inspection fee, examination fee, claim processing fee and all other miscellaneous items as mentioned in part 10.5 and 10.9 (if applicable). In the event where the authorized repair(s) are completed at a non-authorized service centre, you must first pay for the repair(s), and then we will reimburse you within 15 business days providing that:

- 7.4.1. You have obtained prior approval and authorization number.**
- 7.4.2. You have submitted the following within 15 days of completion of the repairs in order to receive reimbursement. (Claims submitted after the 15 days of completion of the repairs are subject to an additional administration fee of \$75 (seventy five) Canadian Dollars)**
 - A copy of the original itemized invoice and proof of payment.
Cash payments are not considered as proof of payment and therefore you do not qualify for reimbursement regardless of the nature and the status of your claim.
 - A copy of vehicle ownership and bill of sale.
 - Copies of all the maintenance and services receipts done on the covered vehicle before the date that you have made a claim hereunder.
 - Copies of all other necessary supporting documents as required at our sole discretion.
 - The covered vehicle must be in proper running condition after the authorized repairs have been completed.
 - We reserve the right for a vehicle examination as per part 10.5 of this contract.

PART 8. DEDUCTIBLES

In the event of a breakdown expressly covered under this contract, you are required to pay a deductible per each failed covered part as follows:

A) The first \$50 (fifty) Canadian dollars from the maximum liability coverage per claim for any Basic 600, **B)** The first \$90 (ninety) Canadian dollars from the maximum liability coverage per claim for any Limited XP Superior Plus, **C)** The first \$150 (one hundred and fifty) Canadian dollars from the maximum liability coverage per claim for any Basic 800, Extra Value Plan, XP Superior Plus, XP Gold Seal Plus and XP Platinum Plus **D)** The first \$250 (two hundred and fifty) Canadian dollars from the maximum liability coverage per claim for any Basic 1000, Standard 1500, Premium 2000, **E)** The first \$150 (one hundred and fifty) Canadian dollars for any Extra Protection Pack added to Basic 600, Basic 800 and Basic 1000 plans, **F)** The first \$250 (two hundred and fifty) Canadian dollars for any Extra Protection Pack added to Standard 1500, Premium 2000 plans, **G)** The deductible in Canadian dollars as indicated by you and/or the selling dealer on the face of the application form will be deducted from the maximum liability coverage per claim as indicated by you and/or the selling dealer on the face of the application form for any Flexible Plan. **In all cases, you will be responsible to pay for any and all fluids, A/C refrigerant (Freon), shop supplies, diagnostic & teardown charges, computer adaptation & updates, electronic computerized scan charges, machine shop, non-covered parts and labor, alignment, storage and all other items not covered under this contract.** There is no deductible for towing allowance, travel and hotel allowance, diagnostic service, maintenance fluid inspection, tire care package, wheel alignment service, seasonal car care and inspection package, emission and tune-up inspection package, brake maintenance and inspection package, battery maintenance and inspection package, vehicle re-sale package, roadside assistance allowance, rental car and auto collision deductible.

PART 9. MAXIMUM LIABILITY LIMITS

With respect to each individual claim being made hereunder this contract, our maximum liability limit per individual claim shall be as indicated by you and/or the selling dealer on the face of the application form (refer to part 3). The maximum liability for the total term of this contract shall be limited to the purchase price of the covered vehicle excluding all taxes.

PART 10. GENERAL PROVISIONS

10.1. COMMENCEMENT AND EXPIRY DATE

The warranty coverage described above on part 2 of this contract and selected on the face of the application form shall commence on the date of sale or lease date of the covered vehicle, with the then current odometer reading and shall expire when the stipulated time period has ended and/or when the covered vehicle has traveled the stipulated kilometers and/or when the maximum liability limit has been paid, whichever occurs first.

10.2. RENEWAL

This contract may be renewed upon the expiration of the agreed upon terms of this contract for further period at our then current contract fee, and subject to the terms and conditions of our then current contract. We also reserve the right to have a vehicle inspection report done at your expense and to refuse any renewal at our sole discretion.

10.3. TRANSFER

This contract may be assigned or transferred to a new owner of the covered vehicle only within the first 36 month of purchase or lease date of the covered vehicle provided that the current warranty holder is in strict compliance with all terms and conditions contained in this contract and has paid a transfer fee of \$75 (seventy five) Canadian dollars plus all applicable taxes in certified funds. We also reserve the right to have a vehicle inspection report done at your expense and to refuse any vehicle transfer's at our own sole discretion. This contract cannot be transferred if the title transfer of your vehicle passes through an entity other than the subsequent buyer, or your vehicle is sold, returned or traded to a dealership, leasing agency or individual/in the business of selling vehicles.

10.4. CANCELLATION

10.4.1. You may cancel and/or collect the full warranty premium only through the selling dealer which you have purchased the covered vehicle and the limited extended warranty contract from, provided you have notified the selling dealer in writing within 10 days of the purchase or lease date of the covered vehicle, condition upon no claims having been made under this contract and subject to a \$75 (seventy five) Canadian dollars cancellation fee. Signature validation may be required.

10.4.2. We may cancel this contract if it appears that one of the following has occurred: fraud, material misrepresentation, improper use of the covered vehicle, non-payment of the fee within 7 days of the purchase or lease date of the covered vehicle by you and/or the selling dealer or if in our sole discretion it appears that this is the only way to settle the situation, subject to less any claims cost that have been paid and less a \$75 (seventy five) Canadian dollars cancellation fee. Such refund shall terminate this contract in full.

10.4.3. If your vehicle and this contract have been financed, the lien holder may cancel this contract if your vehicle is declared a total loss, is repossessed or for non-payment. We will refund an amount of the warranty contract charge according to the premium paid to us by the original selling dealer and not the actual financed and/or purchased amount of the warranty contract at the time of purchasing the warranty coverage. Such refund will be according to the pro-rata method reflecting the greater of the days in force or the kilometers driven based on the term of the plan selected and the date coverage begins, less a \$75.00 (seventy five) Canadian dollars administrative fee, and less any amounts paid out on this contract. In the event of cancellation, the lien holder, if any, will be named on a cancellation refund cheque as their interest may appear.

10.4.4. In the event that the covered vehicle is involved in an accident and is deemed a total loss due to any physical damage, not only the warranty contract premium is non-refundable nor may the warranty contract be transferred to another and/or new vehicle.

10.5. VEHICLE INSPECTION, EXAMINATION AND CLAIM PROCESSING

We reserve the right to inspect any covered vehicle once a claim is made hereunder prior to any repairs and/or teardown in order to validate the claim. We also reserve the right to examine any covered vehicle within 15 days after the completion of the repairs prior to any claim reimbursement and/or payment in order to validate the authorized repairs. Such inspection and/or examination will be conducted by one of our authorized inspectors and/or vehicle examination and inspection facilities at a charge of \$75 (seventy five) Canadian dollars to you the warranty holder for each one, plus a \$50 (fifty) Canadian dollars claim processing fee, for any approved claim being made hereunder.

10.6. U.S. COVERAGE

We will reimburse you in Canadian funds for the costs (according to the coverage plan and options chosen on the face of the application form), less any applicable deductible and miscellaneous items incurred to repair the covered vehicle if the breakdown to the covered vehicle is covered under this contract while traveling anywhere within the United States. It is hereby agreed on that, only repairs performed by the covered vehicle manufacturers are subject to reimbursement. Prior approval must be obtained and valid original receipts must be submitted within 15 days of the occurrence to receive reimbursement.

10.7. STORAGE

In the event that the covered vehicle is put into storage or out of service for any extended period, such that it prohibits adherence to the maintenance schedule, we must be contacted immediately for revised maintenance requirements. Failure to do so prior to storage date may void your warranty. Time vehicle spent in storage cannot be used to extend the warranty period.

10.8. OUR RIGHT TO RECOVERY

If we pay anything under this contract and you have recovered and/or have a right to recover from other parties we reserve the right to start the collection process towards any paid amount to you including any and all expenses including legal fees incurred by us towards this collection.

10.9. ACTIVATION FEE

10.9.1. The warranty holder and not the selling dealer must activate this warranty application form within 7 days of the purchase date.

10.9.2. When and where it's applicable the onetime non-refundable activation fee of no less than \$39 (thirty nine) Canadian dollars plus all applicable taxes (which is subject to change without notice) is solely the responsibility of the warranty holder and not the selling dealer.

10.9.3. If the warranty has not been activated within 7 days and the applicable one time activation fee has not been paid within 7 days of purchase or lease date of the covered vehicle by the warranty holder a late payment fee of \$25 dollars plus all applicable taxes will be added to the original activation fee.

10.10. WARRANTY COVERAGE PLAN UPGRADE AND CHANGES

Prior to any upgrade and changes to the existing warranty coverage plan, we reserve the right to complete a vehicle inspection on any covered vehicle once a request is made hereunder after 7 days from purchase and/or lease date of the covered vehicle. Such inspection will be conducted by one of our authorized inspectors and/or vehicle examination and inspection facilities at no charge. At our sole discretion we reserve the right to refuse any changes and/or upgrades to the existing warranty coverage plan.

10.11. Partial Repair(s) and/or Used Part(s)

Partial Repair(s) and/or installation of a Used Part(s) are covered under this contract only when authorized by us. If authorized, the maximum liability coverage per claim will be pro-rated and reduced based on the current mileage of the vehicle at the time of the breakdown. The amount payable for parts and labor will be based on the following reduced scale: **A)** Under 80,000 kilometers we cover 100%, **B)** Under 110,000 kilometers we cover 90%, **C)** Under 120,000 kilometers we cover 80%, **D)** Under 130,000 kilometers we cover 70%, **E)** Under 140,000 kilometers we cover 60%, **F)** Over 140,000 kilometers we cover 50%. **Coverage on the replaced part(s) and/or component will be terminated effective installation of a used part(s) and/or completion of Partial Repair(s).**

PART11. STANDARD COVERAGE EXCLUSIONS

Coverage under this contract does not cover expenses arising out of, and/or any breakdowns caused by and/or due to:

- 11.1. Any repairs made without our prior approval and authorization number.**
- 11.2. Claim procedures not followed as required in part 7 here in.**
- 11.3. Any breakdowns and/or failure caused by a defect that the manufacturer has publicly or otherwise announced it would correct and has not been done.**
- 11.4. All seals and gaskets containing fluid and lubricants within the engine, transmission, differential / transaxle, air conditioning, auxiliary differential, transfer case and turbo / super charger (Except when the seals and gaskets option has been purchased).**
- 11.5. Any loss you because the covered vehicle has a breakdown, except provided under this contract, including towing, car rental, substitute transportation and trip & hotel accommodation charges.**
- 11.6. Problems and/or conditions existing prior to the purchase of the warranty contract and/or the purchase or lease date of the covered vehicle, which are normally covered by this contract.**
- 11.7. Damages caused and/or contributed to or by your failure to use all reasonable means to protect the covered vehicle from further damage following a breakdown.**
- 11.8. Vehicle odometer reading has been altered so as to show an incorrect odometer reading, or if an inoperable odometer is not repaired by you immediately. (Valid receipts required)**
- 11.9. Any adjustment, A/C refrigerant (Freon), maintenance, alignment, tune-up, solenoids and solenoids related damage and/or failure, machine shop, computer adaptation and updates, hi-tech components (except when the option has been purchased) required as part of a covered repair(s) or necessary to a covered repair. Replacement of the water pump, timing belt and/or chain as part of the covered vehicle regular maintenance is also excluded.**
- 11.10. Damages caused and/or contributed to by freezing, loss of coolant and/or lubricants and any loss resulting from the lack of proper and necessary portion of fluids and lubricants.**
- 11.11. Damages caused by failure of deteriorated belts, chains & tensioner(s), including worn out timing belt or chain, timing belt or chain tensioner. (Except when the wear and tear on covered parts option has been purchased)**
- 11.12. Breakdown or Failure of a non-covered part(s). Coverage shall also exclude cost of repair(s) or replacement (including labor) of covered part(s) where their repair(s) and/or replacement are due to a failure of a non covered part(s). If a part(s) is not covered, then the labor to replace or repair the part(s) is not covered nor is the damage to a covered part(s) caused by a non-covered part(s).**
- 11.13. Abuse, neglect, falling objects, theft (except when the option has been purchased), collision, racing, explosion, fire, water, flood, vandalism, rust, corrosion.**
- 11.14. Contamination of fluids, lubricants and fuel.**
- 11.15. Failure of a covered part(s) due to normal wear and tear except when the wear and tear on covered parts option has been purchased:**
 - Normal wear and tear shall be deemed to include repairs and/or replacement of valves, valve guides and piston rings where the purpose in whole or in part is to raise engine compression where the only condition is high oil consumption and/or low compression.
 - Noisy lifters, worn timing belt or chain, burned or worn transmission
 - Clutches and bands are also considered to be normal wear and tear.
 - Repairs to carbonized or burned valves and/or seized piston rings are also considered to be normal wear and tear.
- 11.16. Any vehicle used for hire to the public, police or emergency vehicles, snowplowing, taxi, limo, pulling a trailer, daily rentals and courier service.**
- 11.17. Any consequential and/or resulting loss, damaged, injury or death (including any costs or expenses, legal or otherwise relative thereto) of any nature whatsoever, suffered by any person(s), firm or corporation, arising directly or indirectly from any repairs, delays and/or failures to make repairs covered under this contract.**
- 11.18. If at any time it is determined that the warranty contract was not sold to you on the date and/or the odometer reading indicated on the face of the application form.**
- 11.19. Any loss while a manufacturer or any other warranty other than this warranty contract covers the covered vehicle in full or in part.**
- 11.20. Any loss caused by any vehicle alteration and/or modification not approved by the vehicle manufacturer and us including the installation of any aftermarket non-original parts.**
- 11.21. We shall have no obligations under this contract regardless of the nature of the claim, where you have failed to maintain the covered vehicle in compliance with your maintenance obligations in Part 6 of this contract.**
- 11.22. We shall have no obligations under this contract where you have failed to complete the necessary repairs to the covered part of the covered vehicle within 15 days once your claim has been approved or denied.**
- 11.23. We shall have no obligations under this contract regardless of the nature and status of the claim (approved or denied), where the selling dealer has failed to forward the fee (warranty premium) and the original signed application form to us within 7 days of the purchase or lease date of the covered vehicle, regardless if you, the warranty holder have already activated your contract or not.**
- 11.24. We shall have no obligations under this contract regardless of the nature and status of the claim (approved or denied), where you and/or the service center and/or the selling dealer have failed to co-operate with us and/or our authorized agents as to complete a vehicle inspection prior to any repairs and/or teardown being done and a vehicle examination to validate the authorized repairs under Part 10.5 of this contract and/or submit to us false information. We reserve the right to deny the claim and/or cancel the warranty contract regardless of the nature and status of the claim and without any premium refund. Such cancellation will release us from any and all past, present and future claims arising from this matter.**
- 11.25. Any manufacturer mechanical defect, if deemed to have existed prior to the purchase or lease date of the covered vehicle, which are normally covered by this contract**

PART12. GOVERNING LAW

This contract shall be binding upon and ensure to the benefits of the heirs, successors, and permitted assigns of Autogard Advantage and you, and shall be governed by the laws of the Province of the Selling Dealer.