



CONTRACT NUMBER:

A-274
08/97

SAMPLE

EXTENDED WARRANTY PLAN

PURCHASER

NAME		CO-PURCHASER NAME	
ADDRESS			
CITY		STATE	ZIP
<small>I understand that the purchase of this service contract is not required in order to obtain financing or to purchase this vehicle. I also understand that this contract excludes failures caused by normal wear and tear.</small>		PURCHASER'S SIGNATURE	DATE

PURCHASED VEHICLE

STOCK NO.	YEAR	MAKE	MODEL	BODY STYLE	COLOR	TRIM
VEHICLE IDENTIFICATION NO.			ODOMETER READING		CYL	

AutoNation USA INFORMATION

ADDRESS		STORE #	
CITY		STATE	ZIP
LIENHOLDER	ADDRESS		
EXTENDED WARRANTY PLAN PRICE	AUTHORIZED REPRESENTATIVE OF AutoNation USA		DATE

COVERAGE PERIOD

PURCHASE DATE	CONTRACT TERM <div></div> YEARS	CONTRACT MILEAGE <div></div> MILES
---------------	---------------------------------------	--

COPY 1 - FWS ♦ COPY 2 & 3 - AutoNation USA ♦ COPY 4 - LIENHOLDER ♦ COPY 5 - PURCHASER

ADMINISTERED BY:

FIDELITY WARRANTY SERVICES, INC.

P.O. BOX 8567 ♦ DEERFIELD BEACH, FLORIDA 33443

1-800-686-3558

C/S #XXXX

The **BOLD** print appearing throughout this agreement has the following meanings: "**YOU**" and "**YOUR**" refer to the customer named as owner above. "**WE**", "**US**" and "**OUR**" refer to AutoNation USA.

PARTIES TO THIS CONTRACT. This contract is between **YOU** and **US**. **WE** have appointed Fidelity Warranty Services, Inc. ("FWS") as the authorized administrator of this contract. FWS in any way neither assumes nor has any liability whatsoever for the obligations of this contract.

CONTRACT PERIOD. This contract begins on the purchase date and at the odometer reading at contract purchase. This contract expires when the length of time shown in the "**Contract Term**" section is reached or when the total mileage on the vehicle is equal to the sum of the "**Contract Mileage**" plus the odometer reading at purchase, whichever comes first.

CONTRACT COVERAGE. In the event of mechanical breakdown of a covered part, **WE** agree to make repairs or reimburse **YOU** for the cost to repair or replace covered parts less applicable deductible, subject to the terms, conditions, and limitations herein. A covered part is any part, except as noted in the "EXCLUSIONS FROM COVERAGE" section. Mechanical breakdown means the failure of a covered part, or any subsequent damage caused to covered or non-covered parts by a covered part, due to faulty workmanship or materials supplied by the original vehicle manufacturer or distributor. If the breakdown is covered under any other warranty, service policy, recall, or repair adjustment ("Other Coverage"), **WE** will pay the difference, if any, between the payments due under this contract and the payments due under the Other Coverage. This contract is not an insurance policy, a warranty or a guarantee.

RENTAL CAR COVERAGE

YOU will be allowed up to \$25 per day for a maximum of ten days for car rental expense incurred if a covered mechanical breakdown renders **YOUR** vehicle inoperative and requires **YOUR** vehicle to be in a shop overnight for repairs. Rental car expense incurred must be from a licensed rental car agency or authorized dealer. RENTAL CAR REIMBURSEMENT IS NOT PROVIDED FOR PARTS DELAY, SHOP SCHEDULING, OR FOR WORK NOT COVERED BY THIS CONTRACT. **YOU** must receive prior authorization for rental expenses. Rental reimbursement is limited to downtime repairs and ends on the date of repair completion.

TOWING COVERAGE

YOU will be allowed up to \$65 per covered mechanical breakdown for towing expense incurred if required due to such covered mechanical breakdown.

TRAVEL BREAKDOWN

In the event of a mechanical breakdown of a covered component, **WE** will reimburse **YOU** for food and lodging, commencing the day the claim is reported to **US**, providing **YOU** are in excess of 50 miles from home. Such expense shall be limited to \$100 per calendar day and \$300 per occurrence. Reimbursement is limited to downtime repairs and ends on the date of repair completion.

FLUIDS AND THERMOSTAT COVERAGE

WE will pay for replacement of necessary fluids, oils, greases, lubricants and approved A/C gases that must be replaced in conjunction with a covered repair. **THIS COVERAGE DOES NOT APPLY TO SHOP SUPPLIES.** In addition, **WE** will pay for the mechanical failure of **YOUR** vehicle's thermostat.

ROAD HAZARD TIRE COVERAGE

WE will pay to repair or replace a damaged tire if the tire damage is caused by road hazard. Road hazard is defined as debris on the road surface or road surface conditions such as potholes, cracks and breaks. Coverage is limited to the original tires as supplied by the manufacturer or AutoNation USA and replacement tires of like kind and quality. Coverage ends when the lowest tread depth reaches 3/32" or when this contract terminates, whichever comes first. **OUR** payment for tire replacement will be prorated for wear (for example, if the tire is 25% worn **YOU** will pay 25% of the price of the tire). This coverage will not pay for wear, tire balancing, tire defects, collision damage or vandalism. Also excluded from coverage is the tire stem, valve, wheel, attaching hardware, wheel cover, "space saver" style spare tire, and any tire on a four wheel drive vehicle damaged by off-road driving. Benefits described under Rental Car Coverage, Towing Coverage and Travel Breakdown do not apply to tire coverage.

TRANSFER

This contract can be transferred to another owner but not to another vehicle. To transfer this contract **YOU** must mail the following three items to FWS: (1) a completed Transfer Form (or a letter containing the name and address of the new owner and **YOUR** authorization to transfer); (2) a legible copy of the front page of this contract; (3) a check for \$40 payable to FWS for the transfer fee.

DEDUCTIBLE AND UNCOVERED COSTS

For each repair visit, **YOU** will be responsible for the first \$50 of the cost of covered repairs, and for all other costs not covered by this contract. When a breakdown of a covered part occurs which is covered by a manufacturer's extended warranty, **WE** will reimburse **YOU** for the difference between **OUR** deductible and the manufacturer's deductible.

CANCELLATION. This contract may be cancelled by **YOU** at any time. To cancel, **YOU** must return this contract to the dealer who sold it to **YOU**. If cancelled during the first 60 days, a 100 percent refund of the contract charge will be made less a \$30 administration fee. After 60 days, a pro-rata refund will be made based upon the greater of the used time or mileage, less a \$30 administration fee. In the event of cancellation, **YOU** authorize the lienholder to receive any refund amounts. In the event of a total loss or repossession, lienholder is authorized to cancel this contract and lienholder will be named as sole payee for any refund amounts and all rights and interests under this contract will immediately transfer to the lienholder. This contract is non-cancellable by **US** except for fraud, material misrepresentation, or failure to pay the contract charge due.

EXCLUSIONS FROM COVERAGE: THIS CONTRACT WILL NOT PAY OR REIMBURSE YOU FOR:

1. Any loss, damage or expense caused by accidents, any alteration to the vehicle or the part, use of oversized tires or wheels, alteration to the vehicle not authorized by its manufacturer, the failure of any part not covered by this contract, accidental loss;
2. Any mechanical breakdown caused by accidents, collision, upset damage, falling objects, theft, larceny, explosion, lightning, earthquakes, fire, windstorms, hail, water, floods, subfreezing temperature, malicious mischief, vandalism, civil commotion, riots, wars;
3. The repair or replacement of a covered part by any manufacturer warranty or for any other coverage or other reason the manufacturer, importer, distributor, seller or repairer of the vehicle will repair or replace the part at its expense or at a reduced cost;
4. Any invoice presented to FWS for payment for services not performed as described at the time of authorization;
5. Any future claim if after purchase **YOUR** vehicle's odometer has been altered, disconnected, is rendered inoperable, or if the actual mileage since purchase cannot be documented, or reasonably be estimated;
6. Any claim if **YOUR** vehicle is used for competitive driving or racing, carriage of passengers for hire, commercial delivery, rental purposes, towing a trailer or another vehicle unless **YOUR** vehicle is equipped for this as recommended by the manufacturer;
7. Any mechanical breakdown caused by misuse, abuse, negligence, improper towing, lack of maintenance;
8. Any mechanical breakdown caused by contamination, lack of coolant or lubricants, sludge, restricted oil flow;
9. The need to repair or replace a covered part arising or resulting from the use of **YOUR** vehicle outside of the United States, its territories or possessions or Canada;
10. Hazardous waste disposal charges, storage or adjustments;
11. Any consequential, secondary damages or unreasonable costs that **YOU** may suffer as a result of the need to repair or the replacement of a part;
12. Liability for damage to property, injury to or death of any person arising out of the operation, maintenance or use of **YOUR** vehicle whether or not related to the covered parts;
13. Some examples of parts not covered are, but are not limited to: brake linings, brake drums and rotors, disc brake pads, standard transmission clutch components, shop supplies, glass, lenses, sealed beams, trim, moldings, tires, batteries, light bulbs, upholstery, paint, bright metal, exhaust system, shock absorbers, rust and rust damage; audio, security or other systems not factory or AutoNation USA installed; work such as front-end alignment or wheel balancing;
14. Burnt valves, worn rings, the correction of oil consumption, or any repairs for reduction in engine efficiency that must be performed on **YOUR** vehicle;
15. Vehicle components, such as hoses, belts, boots after vehicle odometer exceeds 50,000 miles, that are items listed by the manufacturer to be periodically inspected and/or replaced based on time and usage. These items have a limited life expectancy. When the condition indicates a parts replacement is required, the part is not considered defective by the manufacturer.
16. Any maintenance on **YOUR** vehicle including parts and components recommended for inspection such as constant velocity joint boots, timing belt and brake pads.
17. Any personal expenses (except where noted under Travel Breakdown) arising because **YOUR** vehicle is not available for **YOU** to use.
18. Damages caused to **YOUR** engine resulting from the ingestion of water through the engine air intake system (commonly referred to as water ingestion).

HOW TO MAKE A CLAIM. When repairs are required, **YOU** must telephone FWS at 1-800-686-3558 during normal working hours (C.S.T.) to receive instructions. If **YOU** do not follow **OUR** instructions, **WE** are not obligated to reimburse **YOU** for the cost of any repairs. Authorization must be obtained from FWS prior to having **YOUR** vehicle repaired. **WE** reserve the right to inspect any vehicle before authorization of any repairs. In the event of an emergency situation that occurs and FWS cannot be reached, the owner can proceed with repairs, but payment will be in accordance with the other provisions of this contract.

YOUR RESPONSIBILITIES. To keep this contract valid you must:

1. Have **YOUR** vehicle serviced according to the maintenance schedule provided in the Manufacturer's Owner's Manual. **YOU** must keep original copies of all repair orders, invoices and receipts from the performed services and maintenance and present the originals at the time a claim is made;
2. Use all means to protect **YOUR** vehicle from further damage in the event of a mechanical breakdown. Without limiting this general rule, specifically **YOU** must safely stop the vehicle immediately and have it repaired before driving it further;
3. Provide "teardown authorization" when requested by **US**, so that the repair facility can provide an accurate diagnosis and estimate of repairs. Important: This contract does not pay for diagnostic charges;
4. Submit a claim for reimbursement to **US** along with all required documents within 30 days of authorization;

Failure to comply with the responsibilities outlined above may result in the denial of **YOUR** claim. If **YOU** have any questions which cannot be answered by **YOUR** selling dealer please contact FWS.

PAYMENTS: **YOUR** repairing dealer should perform authorized repairs, less applicable deductible, covered under this contract without charge to **YOU** for such repairs. If the repairing dealer does charge **YOU** for authorized repairs covered under this contract, submit copies of all invoices and receipts pertaining to the authorized repairs along with a copy of the front page of this contract to: FWS, P.O. Box 8567, Deerfield Beach, Florida 33443.

OUR OPTIONS: FWS may pay for or reimburse for the repair or replacement of any part covered by this contract. Replacement parts will be of like kind and quality that existed in the vehicle at the instant prior to the most recent loss.

LIMITS OF LIABILITY: The payment for or reimbursement for repair or replacement of covered parts and the benefit stated under RENTAL CAR COVERAGE, TOWING COVERAGE, TRAVEL BREAKDOWN, FLUIDS AND THERMOSTAT and ROAD HAZARD TIRE COVERAGE are the only remedies available to a contract holder. **WE** assume no other obligation or responsibility with regard to the vehicle. **WE** neither assume, nor authorize anyone to assume for **US**, any additional liability.

GENERAL:

- 1. THE TERMS AND CONDITIONS OUTLINED ABOVE ARE THE FULL AND COMPLETE AGREEMENT BETWEEN THE PARTIES. NO ORAL REPRESENTATION OR STATEMENT SHOULD BE RELIED UPON BY THE PURCHASER.
- 2. If it is not clear which term/mileage or coverage plan has been purchased, **YOU** should contact FWS.
- 3. This contract will be governed by the laws of the state in which it is sold.
- 4. No amendment, supplement, or waiver of any provision of this contract will be binding against **US** unless it is in writing and signed by one of the authorized representatives at **OUR** home office.
- 5. **WE** may delegate the performance of **OUR** duties and obligations and assign **OUR** rights and benefits hereunder.
- 6. **OUR** right to recover payment: If **WE** make any payment under this contract and **YOU** have a right to recover against another party, **YOUR** rights shall become **OUR** rights and **YOU** shall do whatever is necessary to enable **US** to enforce these rights. **OUR** subrogation rights become effective after **YOU** are made whole.

STATE AMENDMENTS

If this contract is purchased in any of the following states, the applicable amendments will apply:

Arkansas, Kentucky, New Hampshire: **OUR** obligations under this service contract are guaranteed by Virginia Surety Company, Inc., 123 North Wacker Drive, 24th Floor, Chicago, IL 60606. In the event **WE** fail to pay a valid claim or refund within 60 days after proof of loss has been filed, **YOU** are entitled to make a direct claim to Virginia Surety Company, Inc. Please call 1-312-701-3700 for instructions.

Alaska: This service contract will provide coverage if **YOUR** Vehicle is used for snow removal, provided it is properly equipped for such use and is not used commercially.

California: The cancellation administration fee shall not exceed 10 percent of the contract price or \$25, whichever is less.

New Hampshire: The How To Make A Claim section is amended by the addition of the following: In the event of an emergency situation that occurs and FWS cannot be reached, the contract holder can proceed with repairs but payment will be made in accordance with the other provisions of this contract.

WE cannot cancel except for fraud, material misrepresentation or failure to pay for this contract on **YOUR** part. We will give **YOU** at least sixty (60) days notice of cancellation. Cancellation and transfer fees are removed.