



## **Vehicle Service Contracts**

**GAP**

## **Dealer Management System**

1-800-388-*PRCO* (7726)

**Nevada Dealers**



***STOP selling what you have, and START selling what your customers need!***

**You are unique and we know that.**

Some dealers think ALL Service Contract and GAP companies are the same. What sets PRco apart is our ability to help you sell more cars, protect them with comprehensive Service Contract and GAP coverage and bring down the time it takes to book and sell a car.

**• Vehicle Service Contracts •**

We have updated our Vehicle Service Contract – it has been three years since our last update, and PRco has improved our industry leading coverage!! It is easier to use and therefore, easy for you to sell!! We expanded mileage for our plans and added coverage. Here are the highlights:

**EXPANDED MILEAGE**

***Open Road Supreme*** “Exclusionary Coverage” 1-20 now available on vehicles up to 75,000 miles

***Open Road Premium*** 1-19 is available up to 125,000 for:

- 36/36 up to 125,000 miles
- 36/50 up to 90,000 miles
- 36/72 up to 75,000 miles
- 36/100 up to 50,000 miles

***Open Road Extra*** is now available for vehicles over 125,000 miles:

- 24/24 up to 150,000 miles
- 18/18 up to 160,000 miles
- 12/12 up to 170,000 miles

***Overheating*** coverage up to 110,000 mileage

***Commercial Use*** up to 110,000 mileage

***Convenience Group*** up to 110,000 mileage

***Lifted Vehicles*** up to 110,000 mileage

**COVERAGE**

For the ***Power Train Coverage, Seals & Gasket*** coverage is now available up to 125,000 miles.

For the ***Open Road Premium, Seals & Gaskets*** and the ***Technology Package*** is automatically included up to 125,000.

New ***Optional Coverage:***

- ***Consequential Damage*** (non-covered part breaking a covered part)
- ***Manual Transmission Clutch Assembly***

## BENEFITS

- *Towing* up to \$125
- *Rental Car* up to \$250
- *Supplemental Rental Car* up to \$150
- *Rental Car* Benefit when PRco decides to inspect \$30 day or \$60 total, whether claim paid or not
- *Emergency Road Service* up to \$100

We added more parts to our already expansive coverage such as Hybrid specific parts, throttle body and intelligent cruise control along with broad coverage including Lifted Trucks and oversized tires. Please review the Contract for the complete coverage.

### • GAP Waivers •

- Financial Protection when your customer's need it – their vehicle is accidentally Totaled or Stolen and not recovered within 30 days.
- Protection for the difference between the “Actual Cash Value” paid by the insurance company and the balance of your customer's loan.
- Protection for loan terms up to 84 months.
- Protection for vehicles valued up to \$50,000.00 at time of purchase.
- Deductible coverage up to \$1,000.00.

### • PRcoPower Dealer Management System •

- Sales - LTV ratios with fully integrated valuation guides; deal structure, structural options and loan structure in one screen; Integrated Service Contract and Gap products; One click customer credit, vehicle registration, smog, and vehicle history details..
- Legal Compliance - Red Flag; OFAC; Credit Disclosures; Automated Legal Sales Disclosures; Plain paper laser forms for compliance and sales print needs; Tracking reports for audits; DMV & E-Titling.
- Craigslist Auto Poster - Fully integrated into PRP; Post to multiple cities & handsfree posting after initial setup.
- Data Feeds – Automated data feeds for Auto Trader, Cars.com, ebaymotors.com and 10 other websites; ability for Dealer to do manual data feeds.
- BHPH - collection module; Repo tools; direct debit from BHPH's accounts & credit card payments; Statements and letters by email; Credit Bureau Reporting.
- Automatic Backup.
- Effective management reports including “Income by vehicle report, after deducting commissions, shows true profits.
- Complete Customer Training and Support.

***PRco has the experience and products to keep you on top!***



# PRco's VEHICLE SERVICE CONTRACT

**This Vehicle Service Contract provides coverage for Mechanical Breakdown. Read this entire Contract carefully to understand the procedures You must follow, responsibilities, rights and what is and is not covered.**

This Vehicle Service Contract (hereinafter referred to as "Contract") is the full and complete agreement between the "Purchaser" on the Registration Page (hereinafter referred to as "You" and "Your") and PRco, Inc., the Obligor (hereinafter referred to as PRco). This Contract replaces any written or oral statements made by anyone.

PRco's address, telephone, fax, e-mail and certificate number are:

**PRco, Inc.**

**3690 Mt. Diablo Blvd.**

**Lafayette, CA 94549**

**1-800-388-PRCO (7726) Fax: 925-284-5577**

**E-mail: info@PRcoUSA.com**

**Vehicle Service Contract Provider Certificate No: I-2319**

A Nevada approved insurance company guarantees performance to You under this Contract. You may file a claim with this insurance company if any promise made in the Contract has been denied or has not been honored within 60 days from the date proof of loss was filed. The name and address of the insurance company is: Sutter Insurance Company, 1301 Redwood Way, Petaluma, CA 94954. If You are not satisfied with the insurance company's response, You may contact the Nevada Division of Insurance at 1-888-872-3234. The Selling Dealer who sold You the covered vehicle is not an agent for PRco and is not a party to this Contract or obligated to it.

## **A. What is Mechanical Breakdown Coverage? When and where are You covered?**

1. You purchased a Contract that provides coverage for "Mechanical Breakdown." Mechanical Breakdown means the "failure" of a "covered part" because of an operational or structural failure as a result of a defect in materials, workmanship or normal wear and tear. This Contract provides for payment by PRco, in the event of a Mechanical Breakdown, for the repair or replacement of a covered part. You are covered for the failure of a covered part existing on the Contract Sale Date.
2. You are covered in the United States and Canada only. The United States means the fifty (50) states and the District of Columbia and does not include Puerto Rico, Guam or other territories and possessions.
3. Coverage begins on the Contract Sale Date and Contract Sale Mileage stated on the Registration Page and coverage ends when the covered vehicle reaches the time or mileage limit of the Term selected on the Registration Page, whichever occurs first. The expiration date is determined by adding the months shown of the Term to the Contract Sale Date and the expiration mileage is determined by adding the mileage of the Term to the Contract Sale Mileage.
4. This Contract is renewable and the covered vehicle must qualify according to the age and mileage requirements existing at the expiration of this Contract. In addition, the covered vehicle must be inspected according to PRco's guidelines and any failures found as a result of the inspection must be repaired prior to renewing this Contract.

## **B. What should You do if there is a Mechanical Breakdown? What should You do for an Emergency repair?**

You must call 1-800-388-PRCO (7726) for instructions and please have the Contract number ready. A failure of a covered part must be reported to PRco by a licensed repair facility and authorized by PRco, prior to Contract expiration.

1. After receiving the instructions, You are responsible for:
  - a. Protecting the covered vehicle including having it towed to a licensed repair facility to prevent further damage. Failure to protect the covered vehicle will cause any additional cost to be paid by You. If the failed part is covered, You will be reimbursed for actual towing expense or \$125.00, whichever is less. A valid licensed towing agency, auto dealer or repair facility's receipt is required for reimbursement. If the failed part is not covered, You must pay all towing charges.
  - b. Authorizing a repair facility to diagnose the failed part and having the repair facility call PRco, before beginning repairs, so PRco can determine if the part is covered. You will not be reimbursed for any repair, replacement or expense charges if repairs are started or completed without PRco's authorization number. If the failed part is not covered, You must pay all charges.
  - c. Authorizing any charges necessary including disassembly or tear down and diagnostic charges for the repair facility to show what part failed in order for PRco to determine if the failed part is covered. If the failed part is not covered, You must pay all charges.
  - d. Any diagnostic, disassembly, tear down or labor times in excess of those listed in the current Mitchell Labor Estimating Guide. You must pay any non-covered charges and for parts or other services in excess of those authorized by PRco.
  - e. Ensuring all repairs are satisfactory and cooperating with PRco and doing whatever is required under this Contract to allow PRco to determine if a failed part is covered. If You are seeking coverage under this Contract, You must comply with this section.
  - f. Ensuring the repair facility will give You a minimum twelve (12) month or twelve (12) thousand mile, whichever comes first, parts and labor warranty and paying the Deductible shown on the Registration Page for a covered repair for each repair facility visit.
2. If PRco determines the failed part is covered, PRco is responsible for:
  - a. Restoring the failed part to the same or like condition immediately prior to the mechanical breakdown. A covered

part will be repaired or replaced with a part of like, kind and quality with mileage equal to or less than the mileage on the covered vehicle at the time of the mechanical breakdown. The replacement part may be used or a part from any manufacturer, including parts not made by the Original Equipment Manufacturer (OEM) of the vehicle, at the sole option of PRco. For all covered failures, parts replacement cost will not exceed manufacturer's suggested retail price.

- b. Authorizing the payment amount for diagnostic charges, cost of disassembly or tear down (if any), repair or replacement of the covered part and labor to repair or replace the covered part as listed in the current Mitchell Labor Estimating Guide less Your deductible. An authorization number will confirm the authorized payment amount. The authorized payment amount is the maximum amount paid for covered repairs.
  - c. Paying the authorized payment amount to the repair facility or You. If You want PRco to reimburse the repair facility, they must fax or e-mail a repair order to 925-284-5577 or info@PRcoUSA.com after the repairs are finished. The repair order must state the repair facility's part and labor warranty given to You, authorization number and it must be signed by You. If You want PRco to reimburse You, please submit the repair order and it must contain the same information as stated above.
3. PRco, at its sole option, can remove the covered vehicle and authorize repairs or replacement of a covered part at an alternate repair facility. PRco reserves the right to inspect any covered vehicle, at PRco's cost, before authorizing repairs. You will not be reimbursed for any repair, replacement or expense if You decline to have repairs of a covered part performed at an alternate repair facility or You decline to have the covered vehicle inspected.
  4. If You have a failure that requires an Emergency repair performed outside of PRco's normal business hours, You are responsible for authorizing and paying for the repair. Prior to performing the Emergency repair, You must call 1-800-388-PRCO (7726) and leave the following information on voice mail: name, Contract number, telephone number with area code and a brief description of the required repair. After performing the repair, You must call PRco immediately during the next available normal business hours and PRco will determine if the failed part is covered according to the terms and provisions of this Contract. If it is covered, PRco will reimburse You according to the terms and provisions of this Contract. If the failed part is not covered, You will not be reimbursed for any charges.

#### **C. What components and parts of Your Vehicle are covered in this Contract?**

The coverage You purchased is stated on the Registration Page section of this Contract. All coverage is subject to the exclusions and conditions in Sections D, F and G.

##### **• OPEN ROAD POWERTRAIN PLUS (1-6) PLAN •**

If You purchased Open Road Powertrain Plus, Your coverage is for the Component Groups and Parts only listed below (1-6):

1. ENGINE: a. All internally lubricated parts; cylinder block, heads and barrels; turbocharger and supercharger housing, pulley and their internal parts; waste gate and control valve; intercooler; timing belt, chain, gears, tensioner, idler and bolt; balance shaft, belt and bolt; all pulleys and their bolts; harmonic balancer and bolt; cam gear bolt; head bolts; intake and exhaust manifold; mounts; cushions; flex plate; single mass flywheel; ring gears; timing and valve covers; internal variable valve camshaft adjuster; oil filter adapter; oil pan; OEM installed oil cooler, metal lines and fittings; dipstick and tube; expansion plugs; coolant, lubricant, filters, seals and gaskets required for a covered repair;  
b. OVERHEATING—All of the parts in 1. a. above are covered as a result of overheating caused by the failure of a covered part or the cylinder head gasket, subject to Section D. 2. "What are the Coverage Limits in this Contract?" This coverage applies to You if the covered vehicle had less than 110,001 miles on Contract Sale Date, as stated on the Registration Page, and reported to the Department of Motor Vehicles, as "is the actual mileage." If the covered vehicle had more than 110,000 miles on Contract Sale Date or is not actual mileage, You do not have this coverage.
2. TRANSMISSION, TRANSAXLE AND TRANSFER CASE: Case and all internally lubricated parts; external electronic control unit; overdrive unit; torque converter; vacuum modulator; mounts; bell housing; oil pan; OEM installed oil cooler; metal cooler lines and fittings; dipstick and tube; slave cylinder and master cylinder of a manual transmission clutch assembly; four wheel drive actuator and motor; control module; viscous coupling; shift interlock solenoid; external solenoid; throttle valve cable; lubricant, filters, seals and gaskets required for covered repair.
3. DRIVE AXLE (Front and Rear): Drive axle case and all internally lubricated parts contained within the front or rear drive axle; thrust washers; drive shaft; "U" joints and yokes; mount; CV joint and bearings; tripod joints and bearings; stub shaft; axle shaft and bearings; propeller shaft; center support bearing; locking hubs, hub assembly, bearings and vacuum actuator; flex disc; differential cover; lubricant, seals and gaskets required for covered repair.
4. BASIC ELECTRICAL: Starter motor, relay, drive and solenoid; alternator, mounting bracket and pulley; voltage regulator.
5. BASIC COOLING: Water pump; radiator, shroud and bracket; coolant, seals and gaskets required for covered repair.
6. BASIC FUEL SYSTEM: Electric and mechanical fuel pump.

##### **• SEALS AND GASKETS OPTIONAL COVERAGE PLAN •**

If You purchased this Optional coverage Seals and Gaskets, You have coverage for those Seals and Gaskets designed to prevent the loss of necessary lubricants, fluids, coolants in the covered component groups and parts (1-6) above.

##### **• OPEN ROAD EXTRA (1-14) PLAN •**

If You purchased Open Road Extra, Your coverage is for the Component Groups and Parts only listed above (1-6) and the Component Groups and Parts only listed below (7-14):

7. STEERING (including four-wheel steering): Box, pump, housing and all internally lubricated parts within the box and pump housing; pump pulley, mounting bracket, external reservoir and cooler; valves; rack and pinion; steering

- main and intermediate shaft, pivot joint, couplings and bearings; yoke; knuckles; metal cooler lines; power steering hoses; power cylinder assembly; main bevel gear; lubricant, seals and gaskets required for covered repair.
8. BRAKES:
    - a. Master cylinder; power brake booster; vacuum pump; power assist booster and valve; hydroboost; calipers; wheel cylinders; combination valve; load distribution valve; power brake cylinder; parking brake assembly; brake pedal assembly and linkage; backing plates; metal lines and fittings; brake hoses; fluid required for covered repair;
    - b. ABS—Master cylinder; electronic control processor, booster, solenoids, wheel speed sensors and exciters, relays and computer module, hydraulic pump/motor assembly, pressure modulator valve, accumulator, proportioning valves and control valves; fluid required for covered repair.
  9. SUSPENSION: Upper and lower control arms, thrust arms, shafts and bushings; spindle and spindle support; upper and lower ball joints; wheel bearings; I-beams; leaf springs, shackles and bushings; coil springs; linkage; tie rods, ends, and adjusting sleeves; centering lock spring; pitman, idler arms and bushings; radius arm and bushings; torsion bar, stabilizer bar, track bar and their mounts and bushings; center/drag link and bushings; king pins and bushings; double wishbone assembly; electronic level control compressor, sensors, relay and limiter valve.
  10. AIR CONDITIONING AND HEATING: Compressor, mounting bracket and pulley; clutch and field coil; idler pulley, bearing and mounting bracket; serpentine belt, tensioner, bearing and pulley; condenser; evaporator; receiver-drier; accumulator; expansion and POA valve; high/low compressor cutoff switch; pressure cycling switch; orifice tube; blower motor, control switch, fan and resistor; heater core; heater control valve; ducts; filter, refrigerant, oil, evacuate, recharge required for covered repair.
  11. ENHANCED ELECTRICAL: Wiper motors, including internal circuit board, relay module and delay switch; wiper transmission; horn, actuator and relay; power door lock actuators and relay; power window motor, regulator and relays; convertible top motor; power antenna assembly/mast; sun roof motor; distributor pole piece, shaft, synchronizer and housing; emergency warning flasher; neutral safety switch; backup light switch; brake light switch; glove box light switch; power seat motor, relays and manual seat adjustment; door and trunk lock solenoid; all manually operated switches; head lamp relay; head lamp washer pump; temperature gauge sending unit; oil pressure sending unit and switch; rear window defogger or defroster; front and rear washer pumps; washer fluid exit ports; engine compartment wiring harness; engine oil level sensor; door-ajar switch; ignition switch, coil and lock cylinder; engine control module; body control module; powertrain control module; ignition lock and tumbler; hood and trunk release actuator.
  12. HYBRID VEHICLE: Inverter; generator(s); drive motor; electronic display monitor; power controller; hybrid transaxle; electronic transmission; cooling system blower; stator and rotor.
  13. ENHANCED COOLING: Thermostat; fan blades and clutch; electric fan motor and fan switch; coolant recovery tank; thermostat housing; flex fan; electric fan motor relay and resistor block; coolant level sensor; water pump housing; coolant required for covered repair; OEM engine block heater.
  14. ENHANCED FUEL SYSTEM: Fuel injectors, nozzles and pressure regulator; fuel injection pump; distribution rails; electric fuel pump strainer; distributor; pulsator; sending unit; tank, auxiliary switch over valve, filler neck, metal or plastic lines and fittings; accelerator pedal assembly; warm up regulator; pump relay; lift pump; OEM installed fuel shutoff control.

**• OPEN ROAD PREMIUM (1-19) PLAN •**

If You purchased Open Road Premium, Your coverage is for the Component Groups and Parts only listed above (1-14) and the Component Groups and Parts only listed below (15-19):

15. POWERTRAIN ADVANCED TECHNOLOGY: Electronic fuel injection sensors, including O2, speed, M.A.P., M.A.F., cam, crank, coolant, air temperature, flex fuel; idle air control motor; idle air control valve; cold start injector; thermo time switch; fuel accumulator; ignition pick up assembly and computer control module; T.F.I. module; spark control detonation sensors and controller; transmission/transaxle control module and sensors; coil pack; ballast resistor; variable valve timing computer control module and actuator; turbo boost computer control module; electronic stability control sensor and module; igniter; electronic module retard vacuum switch; throttle body, cable, linkage, TPS and computer control module.
16. INTERIOR AND EXTERIOR HARDWARE PACKAGE: Trunk and hood gas cylinders, latches, hinges, torsion bars and springs; ash tray assembly; glove box lock assembly; door handles, hinges and latches; shift module; manual seat track and adjuster springs; trunk lock, pull down motor, release switch and solenoid; tailgate motor and solenoids.
17. STEERING AND SUSPENSION ADVANCED TECHNOLOGY: Steering dampener; manual adjusting steering column/tilt wheel mechanism; memory steering wheel motors, switches, activators, sensors and control module; back up sensors and monitor; electronically controlled variable dampening suspension compressor, control module, actuator, solenoid, height sensor, and mode selector switch; pneumatic suspension pump and electronic level control computer; steering torque sensor.
18. INTERIOR ACCESSORIES: Electronic driver display and display module; analog gauges; electronic anti-theft device, vehicle security computer, sensors and remote entrance device; combination entry system; cruise control assembly, servo and controller; temperature control programmer; moisture control unit and sensors; vacuum selector assembly; power/vacuum module and relay; stability traction control module, solenoids, control processor and sensors; power seat transmission, computer, control processor and sensors; power mirror motor; power side door motors; retractable head lamp motors; head lamp wiper motor; power door lock and relays; defogger relay; power point accessory outlet; map lights and compartment lighting; automatic day/night mirror sensor; illuminated visor vanity; side view mirror defogger; wiring harnesses and connectors; heated seat element; instrument cluster

and circuit board; daytime running light module; rain sensing wiper sensors; object avoidance transmitters and sensors; blend door motor and actuator; plenum doors.

19. **SEALS AND GASKETS:** Seals and gaskets designed to prevent the loss of necessary lubricants, fluids, coolants and refrigerants in the covered component groups and parts (1-18) above.
20. **OPEN ROAD SUPREME (EXCLUSIONARY) COVERAGE:** In addition to items 1-19 above and **CONVENIENCE GROUP** coverage below, Open Road Supreme covers all other parts and components of the vehicle except for those parts and components listed under Section F. **“What is not covered in this Contract?”**

**• OTHER COVERAGE •**

**Available ONLY with Purchase of OPEN ROAD PREMIUM (1-19) or SUPREME (1-20)**

- A. If the Covered Vehicle has less than 110,001 miles on the Contract Sale Date, You can purchase the following Other Coverage:
  1. **CONVENIENCE GROUP** (Included with SUPREME coverage): If You purchased this coverage, You have coverage for the following OEM parts: AM/FM radio; cassette, CD and DVD player; navigation system; HUD projector and display module; intelligent cruise control transmitters and sensors; rear view camera; dash mounted graphic equalizer.
  2. **CONSEQUENTIAL LOSS:** If You purchased this coverage, You have coverage if a non-covered part listed in Section F. 2. a. **“This Contract does not cover the following parts”** causes the failure to a covered part, subject to Section D. 3. **“What are the Coverage Limits in this Contract?”** The covered part **only** will be repaired or replaced. You will be responsible for any repair, replacement or expense for the non-covered part that caused the failure.
  3. **COMMERCIAL USE:** If You purchased this coverage, this means the covered vehicle is registered to a business and/or used for the following business purpose only: business travel, pickup and delivery, route work, service or repair, or job site activities. The covered vehicle must be a passenger vehicle, light duty truck, or van driven by one person only and the usage must not exceed manufacturer’s gross vehicle weight ratings or limitations.
  4. **LIFTED VEHICLE AND OVERSIZED TIRES:** If You purchased this coverage, You have coverage for the Plan You purchased if the covered vehicle has been modified with a lift kit up to a maximum of 8 inches from the manufacturer’s specifications and has oversized tires with a total diameter of a maximum of ten percent (10%) larger than the manufacturer’s specifications. The height of the lift will be measured from the center of the axle to the top of the frame rail. The lift kit and tires are not covered.
- B. If the Covered Vehicle has less than 60,001 miles on the Contract Sale Date, You can purchase the following Other Coverage:

**MANUAL TRANSMISSION CLUTCH ASSEMBLY:** If You purchased this coverage, You have coverage for the: clutch disk, release bearing, pressure plate, pilot bushing or throw out bearing, replace or resurface the single mass flywheel, subject to Section D. 4. **“What are the Coverage Limits in this Contract?”**.

**D. What are the Coverage Limits in this Contract?**

1. **Aggregate Coverage Limit:** The amount authorized for all repair, replacement, towing, rental car and expense benefits shall not exceed \$15,000.00 or eighty (80%) percent of the covered vehicle’s purchase price, whichever is less.
2. **Overheating Coverage Limit** under Section C. 1. b. **“OVERHEATING”** Within the Aggregate Coverage Limit, the coverage for an overheating failure for repair or replacement (including diagnostic charges) of any number of covered parts, whether one or more than one, is limited to \$3,500.00 or the actual repair cost, whichever is less.
3. **Consequential Loss Limit** under Section C. A. 2 **“Other Coverage”** Within the Aggregate Coverage Limit, the coverage for a repair or replacement as a result of a Consequential Loss (including diagnostic charges) of any number of covered parts, whether one or more than one, is limited to \$1,000.00 or the actual repair cost, whichever is less.
4. **Manual Transmission Clutch Assembly Limit** under Section C **“Other Coverage”** paragraph B. Within the Aggregate Coverage Limit, the coverage for a Manual Transmission Clutch failure for repair or replacement (including diagnostic charges) of any number of covered parts, whether one or more than one, is limited to \$1,200.00 or the actual repair cost, whichever is less.
5. **Contract Terms less than twelve (12) months or twelve thousand (12,000) miles:** Within the Aggregate Coverage Limit, the coverage for the First Mechanical Breakdown for repair or replacement (including diagnostic charges) of any number of covered parts, whether one or more than one, is limited to \$2,500.00 or the actual repair cost, whichever is less.

**E. When will You be reimbursed for Rental Car Expense and other Benefits in this Contract?**

1. **Rental Car Benefits:**
  - a. If PRco determines the failure is covered, You will be reimbursed for Rental Car expense from a licensed Rental Car Agency if Your vehicle must stay in the repair facility overnight or You are unable to drive Your vehicle. The Rental Car Benefit starts on the date PRco gives the repair facility an authorization number for a covered repair up to the date the covered repair is completed. The maximum daily amount reimbursed is \$30.00 or actual expense, whichever is less; the maximum amount reimbursed for the duration of the covered repair is \$250.00 or actual expense, whichever is less. If the failure is not covered, You will not be reimbursed for any Rental Car Expense.
  - b. **Rental Car Benefit** for a failed part covered under a warranty, insurance policy, guarantee or other contract: When the failure of a covered part in this Contract is covered by a warranty, insurance policy, guarantee or other contract, You must return the covered vehicle to the entity or individual providing the coverage. The entity or individual must confirm to PRco the covered vehicle will be repaired under their agreement with You. Upon



receipt of that confirmation, You will be reimbursed for Rental Car expense from a licensed Rental Car Agency starting from the date PRco received the confirmation up to the date the repair is completed. The maximum daily amount reimbursed is \$30.00 or actual expense, whichever is less; the maximum amount reimbursed for the duration of the repair is \$150.00 or actual expense, whichever is less.

- c. **Rental Car Benefit when PRco decides to inspect the Covered Vehicle:** If PRco decides to inspect the covered vehicle and, after the inspection, PRco determines the failure is covered, You will be reimbursed for Rental Car expense as stated in 1. a. above. If, after the inspection, PRco determines the failure is not covered, You will be reimbursed for Rental Car expense for the maximum daily amount of \$30.00 or actual expense, whichever is less; the maximum amount reimbursed for the duration of the inspection is \$60.00 or actual expense, whichever is less.
  - d. All Rental Car expense reimbursement above excludes any other charges including mileage charges, insurance and fuel charges.
2. **Overnight Travel Benefit:** You will be reimbursed for Overnight Travel Expense when PRco determines a covered part failed and You are more than one hundred miles from home. The expense reimbursed is for food and lodging expense only. You must incur these expenses between the date the covered part failed and the date the covered repairs were completed. The daily amount reimbursed is actual expense or \$100.00, whichever is less; the maximum amount reimbursed for the duration of the repair is \$300.00 or actual expense, whichever is less. If the failed part is not covered, You will not be reimbursed for any Overnight Travel Expense.
  3. **Manufacturer's Warranty Deductible:** When a covered part is also covered under a warranty issued by the manufacturer of the covered vehicle, You will be reimbursed for the required deductible. The deductible reimbursed is the actual deductible or a maximum of \$100.00, whichever is less.
  4. **Emergency Road Service:** For the covered vehicle, You will be reimbursed for actual expense or a maximum of \$100.00, whichever is less, for: jump-start services for a discharged battery; the cost to deliver an emergency supply of gasoline, oil or water; an emergency replacement of a flat tire with the spare tire.
  5. You must submit legible receipts in Your name by fax 925-284-5577, email info@PRcoUSA.com or mail to the address on page 1.

#### **F. What is not covered in this Contract?**

1. **This Contract does not provide coverage or benefits for:**
  - a. (1) any repairs that were started or completed without an authorization number; (2) a failure that is not reported to PRco by a licensed repair facility and not authorized by PRco prior to Contract expiration;
  - b. a covered vehicle whose odometer, at any time, was stopped, altered, disconnected, misrepresented, or the actual mileage cannot be determined;
  - c. any failure of a covered part: (1) for which the manufacturer has accepted responsibility through any means; (2) that is also covered by any warranty, insurance policy, guarantee or other contract;
  - d. any failure caused by (1) not maintaining the manufacturer's stated fluid type and specified levels or capacity of fluids, lubricants or coolant; (2) lack of required maintenance as stated in this Contract; (3) faulty, improper or negligent repairs, improper servicing or installation of defective parts; (4) failing to provide verifiable maintenance and service receipts required by this Contract;
  - e. collision, upset, misuse, abuse, physical damage, bent parts, negligence, fire, smoke, theft or attempted theft, larceny, earthquake, breakage of glass, vandalism, riot, malicious mischief, civil commotion, explosion, volcanic eruption, lightning, water, flood, salt, hail, windstorm, acts of God, road hazard, missile, falling objects, foreign objects, acid rain, fading, environmental damage, chemicals, rust, corrosion, oxidation, freezing, mold, rotting, nuclear incident, terrorism, acts of war;
  - f. when an inspection determines the failure is attributed to: (1) any modifications or alterations of the Covered Vehicle that are not original OEM equipment; (2) lift kits and/or oversized/undersized tires (except as provided for under the OTHER COVERAGE – LIFTED VEHICLE AND OVERSIZED TIRES if purchased by You); (3) off road equipment or off road use; (4) towing, unless equipped with a manufacturer's tow package; (5) emissions equipment removal or modification;
  - g. (1) not securing an immediate repair including failure to replace seals and gaskets or damage resulting from continued operation of the covered vehicle; (2) overheating for any reason unless the covered vehicle had less than 110,001 actual miles on the Contract Sale Date;
  - h. when You decline to: (1) authorize tear down; (2) have the Covered Vehicle inspected; (3) have repairs performed at an alternate repair facility chosen by PRco; or, (4) cooperate with PRco or do whatever is required under this Contract to allow PRco to determine if a failed part is covered;
  - i. any failure caused by: (1) sludge, electrolysis, missing parts, dust, dirt, water ingestion, foreign objects; (2) contamination of any kind; (3) a plugged or restricted radiator, heater core, fuel injector(s) or metal line(s);
  - j. a covered vehicle used for competitive driving or racing;
  - k. any vehicle that is or will be used, equipped or identified as: (1) flat or dump bed, commercial towing, auto transport, cherry picker, lifting or hoisting; (2) taxicab, security, limousine, shuttle, rental, snow removal or plowing, welding, agriculture, cable or line installation or removal, road repair operations, hauling for hire, construction, farming, forestry, mining, waste removal or hazardous material transportation; (3) government or emergency response vehicles, including but not limited to, fire, police or search and rescue; (4) fleet or pool vehicles; (5) step van, box body or over a gross vehicle weight rating of 13,500 pounds;
  - l. any vehicle that is used for business travel, pickup and delivery, route work, service or repair, or job site activities unless COMMERCIAL USE under OTHER COVERAGE is purchased by You;

- m. any vehicle that does not have a valid manufacturer's VIN or has been: (1) issued a title that is branded including salvage, junk, rebuilt, totaled, not actual mileage exempt (applies to OPEN ROAD SUPREME only); (2) flood damaged or manufactured to non U.S. Specifications;
  - n. (1) repairing or replacing a covered component or part if a failure has not occurred; (2) diagnostic and tear down expenses if the mechanical breakdown is not covered; or (3) the replacement of any non-covered part;
  - o. a failure to or from a non-covered part (except as provided for under the OTHER COVERAGE – CONSEQUENTIAL LOSS if purchased by You);
  - p. any diagnostic, disassembly or tear down or labor times in excess of those listed in the current Mitchell Labor Estimating Guide or parts or other services in excess of those authorized by PRco;
  - q. a part or component that performs both covered and non-covered functions and the only failure is the non covered part or component;
  - r. parts that have not failed, as defined in this Contract, but a repair facility or manufacturer recommends or government regulations require the parts to be repaired, replaced, adjusted or updated including engineering upgrades, updates, software programming and air conditioning conversion.
2. **This Contract does not cover the following parts:**
- a. If You purchased the Open Road Supreme Plan (1-20) and any or all of the Other Coverage, the following parts are not covered:
    - 1. Air conditioning lines; audio speakers and wiring; all housings (except as listed in Section C); appliances and carpets; all voice activated accessories or voice recognition systems; all exhaust system parts (except intake and exhaust manifold), catalytic converter, resonator, evaporation emission system, air injection reaction system and exhaust gas recirculation (EGR) system including valves and solenoid; all cables (except throttle valve cable); all hoses (except brake and power steering); air suspension bags or springs; all parts or components of a natural gas/propane fuel system; air intake ducts;
    - 2. Battery cables; batteries including battery packs for Hybrid Vehicles; drive belts (except as listed in Section C), brake pads, shoes, linings, rotors, springs, hardware and drums;
    - 3. Cell phones; car phone systems; convertible top, assembly, frame and frame bushings; cassettes; compact discs; chrome; circuit breakers; cup holders; C.B. radios; carburetors; canisters; coolant flanges and fittings; conversion van component package and appliances; clamps;
    - 4. Dual mass flywheel; DVDs; dash pad and vents; drain/fill plugs; door stops and bushings; diesel fuel water separator, drain valve and fuel injection oil pump;
    - 5. Filters (unless required with a covered repair); fittings; fasteners; fuses, fusible links and fuse box;
    - 6. Grommets; game cartridges; game centers; glass; gas, oil, fuel and radiator caps; glow plugs, relay and controllers;
    - 7. Handheld devices; insulation; infrared vision systems; internet access systems; jack and tool kit; light bulbs; lenses; light assemblies; lift kits; lift gate and tailgate handles; knobs or dials; fuel;
    - 8. Manual transmission clutch system (except as provided for under the OTHER COVERAGE – MANUAL TRANSMISSION CLUTCH ASSEMBLY if purchased by You); motorist assistance systems; mirrors; nuts, bolts, lugs, pins, clips and retainers (except when required with a covered repair);
    - 9. Paint; personal computer; positive crankcase ventilation (PCV) system; plastic trim; remote controls; radar detectors; rubber or rubber like items; pre-heated car systems; perimeter warning systems;
    - 10. Sealed beams, Xenon head lamps, Light Emitting Diodes (LED) assemblies, ballast; steering wheel; sunroof frame; software; spark plugs, wires, distributor cap and rotor; safety restraint systems including air bags and seat belts; seat pads; shock absorbers, MacPherson struts and electronically controlled variable suspension struts; studs including wheel and exhaust manifold; snow plow equipment; solar panels;
    - 11. Tires, wheels, rims, wheel covers or hubcaps; schrader valve; tubes; tire pressure monitor sensor; trim; television;
    - 12. Upholstery; vinyl top; VCR; vehicle frame, chassis and sub frame; vehicle body parts, including but not limited to, body panels and mounts, bumpers, moldings, outside ornamentation, bright and sheet metal; wiper blades and arms; weather strips or seals; welds; winch; zippers.
  - b. For any Plan purchased, the following services and expenses are not covered:
    - 1. Shop supplies, storage fees, environmental charges, waste disposal fees; cleanup, neutralization, removal, treatment or detoxification of environmentally unsafe materials and other similar charges; freight charges;
    - 2. Performance of scheduled maintenance services described in the Covered Vehicles' owner's manual supplied by the Manufacturer and in this Contract;
    - 3. Other maintenance services including: fluid, coolant, lubricants and refrigerant replacement; system flushing; balancing; fuel system cleaning; additives; tune-ups; transmission service; ignition, fuel system adjustments and calibrations; corrections of wind noise, squeaks, rattles, air and water leaks; alignments (except required for a covered repair).
  - c. If You purchased Open Road Powertrain Plus (1-6), Seals and Gaskets Optional Coverage, Open Road Premium Plus (1-19) and any or all of the Other Coverage, the following is not covered:
    - 1. Any part, service and expense listed in a. above;
    - 2. Any part not listed in Section C.
  - d. For any Plan purchased, this Contract does not cover any liability for: (1) property damage, bodily injury or death to any person(s) arising out of the operation, repair, maintenance or use of the Covered Vehicle, whether or not related to a covered part; (2) incidental or consequential losses or damage (except as provided for under

the OTHER COVERAGE – CONSEQUENTIAL LOSS if purchased by You) including, punitive or exemplary damages, property damage, loss of use of the covered vehicle, loss of time or income, inconvenience or any other commercial loss.

**G. What are the Maintenance and Service Responsibilities that You must perform in this Contract?**

1. You are required to change the engine oil, oil filter, lubricate suspension, steering linkage and lubricate and service CV joint or “U” joints every 4 months or 4,000 miles, whichever comes first;
2. Verify the CV boots or any boot is not leaking or torn. If they are leaking or torn, You are responsible to replace the Boots immediately. If You purchased Seals and Gaskets Optional Coverage for the Open Road Powertrain Plus, Open Road Premium or Supreme Plan, You may have coverage for this repair;
3. If the covered vehicle is equipped with a timing belt or a balance shaft belt, You are responsible to replace the belts at the intervals specified by the Manufacturer;
4. After 12 months from purchase, You must change the transmission fluid and filter, differential oil and coolant;
5. You must keep all fluids, lubricants and coolant to manufacturer’s recommended levels or capacity at all times;
6. You are responsible to obtain the scheduled maintenance services described in the Covered Vehicles’ owner’s manual supplied by the Manufacturer and complete all manufacturer recommended maintenance;
7. You must keep verifiable receipts showing date, mileage and services performed from a licensed repair facility. **You cannot perform Your own maintenance.**

**H. Who can cancel this Contract?**

1. You can cancel this Contract. If You want to cancel this Contract, You must notify PRco in writing and You must include the covered vehicle’s mileage on the date of cancellation. The covered vehicle’s mileage must be documented with either a Cancellation Form provided by PRco to the Selling Dealer, who sold You the covered vehicle, or a notarized statement provided by You.
2. A full refund will be made when You cancel within:
  - a. 10 days and this Contract was provided to You at the time of its purchase.
  - b. 20 days from the date of mailing of this Contract to You.
3. A partial refund will be made and a \$25.00 cancellation fee will be charged against it when You cancel and:
  - a. A failure was reported, pending or paid regardless of when this Contract is cancelled.
  - b. This Contract is cancelled after 10 days and this Contract was provided to You at the time of its purchase.
  - c. This Contract is cancelled after 20 days from the date of mailing of this Contract to You.
4. A partial refund will be calculated using a pro rata method based upon either elapsed time or mileage whichever is greater at time of cancellation, based on the Contract Term, Sale Date and Sale Mileage as stated in this Contract.
5. The Lien Holder may cancel for repossession or a total loss and the Lien Holder will be the sole payee.
6. PRco will cancel this Contract effective 15 days after the notice of cancellation is mailed to You. You will receive a partial refund and you will not be charged a cancellation fee when:
  - a. You fail to pay an amount when due;
  - b. You are convicted of a crime which results in an increase in the service required under this Contract;
  - c. There is a discovery of fraud or material misrepresentation by You in obtaining this Contract or in presenting a claim for service hereunder;
  - d. There is a discovery of:
    1. An act or omission by You;
    2. A violation by You 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;
  - e. A material change in the nature or extent of the required service or repair occurred after the effective date of this Contract and which causes the required service or repair to be substantially and materially increased beyond that contemplated at the time that this Contract was issued or sold including, but not limited to, if:
    1. the odometer was stopped, altered, tampered with, disconnected or the actual mileage cannot be determined or is misrepresented;
    2. the vehicle does not qualify for PRco’s program.
7. All notices shall state the specific reason for cancellation and will be mailed proof of mailing, which will be sufficient proof of notice to the last known address.
8. The refund (if any) will be paid to the Lien Holder by the Dealer, who sold You the Vehicle, or PRco. If there is not a Lien Holder, the refund (if any) will be paid to You. You will receive Your refund within 45 days after the Contract is returned to PRco. If You do not receive the refund within 45 days, You will receive, in addition to the refund, 10% of the purchase price for each 30 day period or portion thereof.

**I. How can You transfer this Contract if You sell the Covered Vehicle?**

PRco will approve a transfer of this Contract upon receipt, within fifteen (15) days of the date of sale, of all of the following: (a) proof of maintenance and service required under this Contract; (b) a completed transfer form (provided by PRco); (c) a bill of sale or sale agreement showing the date and mileage at the time of sale; and, (d) a \$75.00 transfer fee. Upon PRco’s acceptance of all documents, the new owner will receive a confirmation of transfer. This Contract cannot be transferred if the covered vehicle is sold or traded to any person or entity in the business of selling vehicles.

**J. Resolution of Contract Disputes.**

1. If You believe that any promise made in this Contract has been denied or has not been honored within 60 days from the date proof of loss was filed, You may file a claim with Sutter Insurance Company, 1301 Redwood Way, Petaluma, CA 94954.
2. If You are not satisfied with the insurance company's response, You may contact the Nevada Division of Insurance at 1-888-872-3234.
3. If You are still not satisfied after having contacted the Division of Insurance, then Your claim will be determined by neutral arbitration as provided in Section **K**, below.

**K. Arbitration of Disputes.**

Any dispute, controversy or claim arising out of or relating to the Contract or to an alleged breach, termination or claim of invalidity of the Contract, including but not limited to claims against PRco, Sutter Insurance Company and their employees, agents, successors and assigns, shall be determined according to the provisions of the Nevada Arbitration Rules (NAR).

**Any claim or dispute is to be arbitrated on an individual basis and not as a class action. By agreeing to Arbitration, You and PRco agree to give up any right to participate as a class representative or class member on any class claim involving You and PRco, Sutter Insurance Company and their employees, agents, successors and assigns including any right to class Arbitration or any consolidation of individual Arbitrations.**

You and PRco agree that the arbitration award shall be final and binding pursuant to the provisions of the NAR and Judgment thereon may be entered in any Court of competent jurisdiction. Unless otherwise agreed in writing by all parties to the dispute, the arbitration shall be conducted in the County of Your residence in the State of Nevada. The Contract itself will be governed by and interpreted under the laws of the State of Nevada. You specifically agree that any Arbitration conducted as a result of the application of this section shall be final and binding and not subject to an application for a new trial by either party. You are further advised that Arbitrator's fees under the NAR shall be paid equally by both parties and that the prevailing party herein, as decided by the arbitrator, shall be awarded actual reasonable attorney's fees incurred in participating in the arbitration proceedings conducted as a result of this agreement. If any portion of this Arbitration provision is deemed invalid or unenforceable, the remaining portions of this Arbitration provision shall nevertheless remain valid and in force.

**L. Subrogation and Recoveries.**

In the event of any payment by PRco to You under this Contract, PRco shall be entitled to all of Your rights of recovery against any person or entity. You shall execute and deliver instruments and papers and do whatever is necessary to secure such rights. Any amount recovered by You shall become PRco's property and be forwarded to PRco by You up to the amount of payment made by PRco.

**M. Conformity to Statute.**

Terms of this Contract which are in conflict with the statutes of the State where this Contract is issued are hereby amended to conform to such statutes.

**N. Privacy.**

To review PRco's Privacy Policy, please visit [www.PRcoUSA.com/privacy.html](http://www.PRcoUSA.com/privacy.html). To review Sutter Insurance Company's Privacy Policy please visit [www.sutterinsurance.com/privacy.pdf](http://www.sutterinsurance.com/privacy.pdf).

*End of Vehicle Service Contract wording.*

**GAP INSURANCE CERTIFICATE FOR  
INSTALLMENT SALE CONTRACTS AND LOANS**

**Read all pages of this Insurance Certificate carefully to understand the procedures You must follow, responsibilities, rights and what is and is not covered.**

INSURANCE COMPANY'S NAME <b>Sutter Insurance Company</b>		INSURED DEALER'S NAME	
INSURANCE COMPANY'S STREET ADDRESS <b>3690 Mt. Diablo Blvd.</b>		INSURED DEALER'S STREET ADDRESS	
INSURANCE COMPANY'S CITY	STATE	ZIP	INSURED DEALER'S CITY STATE ZIP
<b>Lafayette, CA</b>	<b>94549</b>		
INSURANCE COMPANY'S TELEPHONE & FAX NUMBER <b>1-800-388-7726 Fax: 1-925-284-3650</b>		INSURED DEALER'S TELEPHONE NUMBER	
INSURED BORROWER'S NAME		INSURED LENDER'S NAME	
INSURED BORROWER'S STREET ADDRESS		INSURED LENDER'S STREET ADDRESS	
INSURED BORROWER'S CITY	STATE	ZIP	INSURED LENDER'S CITY STATE ZIP
INSURED BORROWER'S TELEPHONE NO.		INSURED LENDER'S TELEPHONE NUMBER	
VEHICLE I.D. NO.	MAKE	MODEL	YEAR BODY STYLE MILEAGE
TERM	EFFECTIVE DATE OF COVERAGE	EXPIRATION DATE OF COVERAGE	AMOUNT FINANCED
		(Maximum Term is 72 months after effective date)	
PREMIUM	<input type="checkbox"/> LOAN <input type="checkbox"/> INSTALLMENT SALES CONTRACT		

1. **ACKNOWLEDGEMENTS OF INSURED BORROWER.** By signing below, I (Insured Borrower) understand and agree to the following:
  - a. (1) this Certificate was voluntarily purchased when the Financing Contract was originally executed and replaces any written or oral statements made by anyone; (2) this Certificate is not required to purchase or obtain financ-ing for the vehicle above and all of the data above is correct; (3) all payments under this Certificate must be paid to the Insured Lender to reduce or extinguish the balance I owe the Insured Lender and if the payments exceed the balance owed, any excess must be paid by the Insured Lender to me; (4) if the premium is financed, it will be subject to finance charges at the rate applicable to the credit transaction; (5) if I have other insurance, I may not want or need the coverage provided by this Certificate.
  - b. I received this Certificate and I read pages 1, 2, 3, 4 and 5. I understand its content and agree to its terms, conditions and exclusions as stated in: **Section A. Definitions; Section B. What Does This Certificate Cover?; Section C. What Is Not Covered Under This Certificate?; Section D. Who Can Cancel Or Assign This Certificate?; Section E. What Should You do if You have a Total Loss?; Section F. Arbitration of Disputes; and, Section G. Conditions.**
2. **ACKNOWLEDGEMENTS OF INSURED DEALER/LENDER.** By signing below, Insured Dealer/Lender means:
  - a. All of the information above is correct, Insured Dealer/Lender explained all terms, conditions and exclusions of this Certificate to Insured Borrower.
  - b. Insured Dealer/Lender understand all payments must be paid to the Insured Lender to reduce or extinguish the balance Insured Borrower owes the Insured Lender and if the payments exceed the balance owed, any excess must be paid by the Insured Lender to Insured Borrower.

**THIS CERTIFICATE DOES NOT COMPLY WITH ANY LAW MANDATING MOTOR VEHICLE INSURANCE COVERAGE.**

INSURED BORROWER'S SIGNATURE	DATE	INSURED DEALER/LENDER'S SIGNATURE	DATE
INSURED CO—BORROWER'S SIGNATURE	DATE		

## A. DEFINITIONS.

1. **Insured Borrower:** The person on Page 1 and named in the Financing Contract for the purpose of purchasing the Covered Vehicle described on Page 1 (hereinafter referred to as "You," "Your" or "I").
2. **Financing Contract:** The contract which represents the financing agreement between the Insured Lender and You for the retail purchase of the Covered Vehicle and which sets forth the terms, conditions, effective and expiration dates for such agreement. The maximum term of the Financing Contract cannot exceed 72 months.
3. **Insured Dealer:** The entity that originates the Financing Contract and sells, assigns or transfers it to an Insured Lender.
4. **Insured Lender:** The entity that extended financing to You as stated in the Financing Contract.
5. **Covered Vehicle:** The previously titled vehicle described on Page 1, with a Gross Vehicle Weight Rating of less than 11,500 pounds that is principally garaged and used for personal purposes in the United States, its territories, possessions or Canada.
6. **Commercial Use:** A vehicle registered as or used for construction, agriculture, emergency, government, taxi, limousine, shuttle services or any other income producing activities.
7. **Primary Insurer:** The insurance company You contracted with to provide for inforce physical damage insurance coverage on the Covered Vehicle and any other coverage including liability coverage to any person who has caused the Covered Vehicle to incur a Total Loss and for which that person is legally liable.
8. **Total Loss:** Direct and accidental physical loss or damage to a Covered Vehicle which meets one of these criteria: (a) The total cost to repair the Covered Vehicle is greater than or equal to the Actual Cash Value of the Covered Vehicle immediately prior to the Date of Loss; or, (b) The Covered Vehicle is stolen and not recovered within thirty (30) days after the Date of Loss; or (c) The Primary Insurer declares the Covered Vehicle a Total Loss. If no Primary Insurer coverage exists, the Covered Vehicle must be available for inspection or appraisal for PRco Insurance Services, Inc. to determine if the Covered Vehicle is a Total Loss. If no Primary Insurer exists and the Covered Vehicle is not available for inspection or appraisal, this Certificate will provide no coverage.
9. **Date of Loss:** The date on which the Covered Vehicle is reported stolen or incurs physical damage that is severe enough to constitute a Total Loss.
10. **Actual Cash Value:** The Primary Insurer's settlement which includes: (a) Retail value of the Covered Vehicle on the Date of Loss, prior to its physical damage or theft, in compliance with the applicable laws or regulations that pertain to adjustment and/or settlement of "total loss" automobile insurance claims; (b) Sales taxes based upon Actual Cash Value as of the Date of Loss and unused DMV fees as of the Date of Loss.  
If no Primary Insurer exists, the Primary Insurer has been declared insolvent as of the Date of Loss, the Covered Vehicle has no retail value or the Primary Insurer fails to make a determination of the Actual Cash Value in compliance with applicable law, the Actual Cash Value will be determined by PRco in compliance with the applicable laws or regulations that pertain to adjustment and/or settlement of "total loss" automobile insurance claims based on reasonably available information on the Covered Vehicle's equipment, options, accessories, mileage and condition.
11. **PRco Insurance Services, Inc.:** The program administrator, 3690 Mt. Diablo Blvd., Lafayette, CA 94549, 1-800-388-7726, Fax 925-284-5577.
12. **Sutter Insurance Company:** The insurance company insuring this Certificate and named on Page 1 (hereinafter referred to as "Sutter").
13. **Outstanding Balance:** The monetary amount, in U.S. currency, You owe the Insured Lender on the Date of Loss. The Outstanding Balance shall not include any of the following amounts: (a) Interest, penalties, loan charges, late charges, service charges, returned check or legal fees or any other fee; (b) Past Due Amounts that are owed by You on the Date of Loss; (c) Extensions, Deferred and/or Approved Missed Payments; (d) The recoverable portion of financed charges including but not limited to: service contracts, credit life, accident and health insurance; (e) Any non-cancellable contracts, warranties, products or services; (f) Other amounts built into or added to the initial loan balance after the effective date of the Financing Contract including but not limited to, property damage or bodily injury insurance; (g) The portion of the original amount financed which exceeds 150% of the N.A.D.A. Official Used Car Guide Vehicle Appraisal's Retail Value, (including all equipment, accessories, options, trim and mileage), using the region specific to the **Insured**.
14. **Past Due Amount:** Any payment, as described in the Financing Contract, which remains unpaid for a period of more than sixty (60) days after the due date stated in the Financing Contract. The Past Due Amount will be determined as of the Date of Loss.
15. **Delinquent Payment(s):** The interest only for any payment, as described in the Financing Contract, which remains unpaid for a period of sixty (60) days or less shall be added to and become a part of the Loss. The Delinquent Payment(s) will be determined as of the Date of Loss.
16. **Extension(s), Deferred and/or Approved Missed Payment(s):** An option offered by the Insured Lender that allows You to extend the Term of the Financing Contract, defer a payment(s) or miss a payment(s) without incurring a penalty other than additional interest due to the extension and/or the payment(s) deferred or missed. If the Term of the Financing Contract is extended, the Outstanding Balance will be determined by PRco based on the initial Terms of the Financing Contract. If the first payment and subsequent payments thereafter are Deferred or Approved Missed, the Outstanding Balance will be determined by PRco based on equal monthly installments beginning thirty (30) days from the date of purchase of the Covered Vehicle amortized for not more than seventy-two (72) months; for any other Deferred or Approved Missed payment(s), the Outstanding Balance will be determined by PRco based on equal monthly installments beginning on the date stated in the Financing Contract.
17. **Loss:** The amount obtained by subtracting the Actual Cash Value of the Covered Vehicle from the Outstanding Balance on the Date of Loss, or \$50,000, whichever is less. Where a deductible has been applied to the settlement by the Primary Insurer, the deductible, up to a maximum of \$1,000.00, shall be added to and be part of the Loss. If, as of Date of Loss, the Actual Cash Value of the Covered Vehicle, less the applicable deductible up to \$1,000.00, is greater than or equal to the Outstanding Balance, no coverage will be provided by this Certificate.

## **B. WHAT DOES THIS CERTIFICATE COVER?**

Subject to all terms and conditions in this Certificate, in return for receipt of the premium and in the event of a Total Loss occurring during the original Financing Contract term of the Covered Vehicle, Sutter agrees to pay the amount equal to the Loss. All payments under this Certificate must be paid to the Insured Lender to reduce or extinguish the balance You owe the Insured Lender and if the payments exceed the balance owed, any excess must be paid by the Insured Lender to You.

## **C. WHAT IS NOT COVERED UNDER THIS CERTIFICATE?**

### **1. This Certificate does not provide coverage if the Total Loss to a Covered Vehicle:**

- a. Occurred prior to the effective date of this Certificate.
- b. Resulted directly or indirectly out of any fraudulent or criminal act committed or directed by You or by any other user of the Covered Vehicle (except for those users who obtain the Covered Vehicle by theft or who use it without Your express or implied permission). A criminal act means the commission of a felony for which there has been a conviction or to which a plea of guilty or no contest has been entered.
- c. Arose from an intentional or willful act committed or directed by You, Insured Dealer or Insured Lender or any of their employees or agents.
- d. Was caused by or resulted from wear and tear, gradual deterioration, obsolescence, rust, corrosion, latent defect, freezing, overheating, or resulting from any repair, restoration, or remodeling process, structural, mechanical or electrical breakdown or failure unless fire or other accident ensues, and then only for the damage by such ensuing fire or accident.
- e. Occurred while a Covered Vehicle was in the possession of the Dealer or Insured Lender or any of their employees or agents.
- f. Occurred due to confiscation by a government body or public official.
- g. Occurred outside of the United States, its territories, possessions and Canada.
- h. Was caused by or resulted from: (1) hostile or warlike action in time of peace or war (declared or undeclared), including action in hindering, combating, or defending against actual, impending, or expected attack; (2) insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating, or defending against such occurrence; (3) seizure or destruction under quarantine or customs regulations; (4) risks of contraband or illegal transportation or trade; (5) nuclear reaction or nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, and whether such Loss be direct or indirect, proximate or remote, or be in whole or part caused by, contributed to, or aggravated by the perils insured against in this Certificate.
- i. Resulted from any vehicle being operated, used, or maintained in any race, speed contest or other contest.
- j. Caused by or resulting from pollution or contamination which means the presence, release, discharge or dispersal of pollutants. Pollutants include any solid, liquid, gaseous or thermal irritant or contaminant.

### **2. This Certificate provides no coverage if the Covered Vehicle:**

- a. Is used for Commercial Use.
- b. Is titled as salvage, rebuilt or lemon law.
- c. Has a Gross Vehicle Weight Rating of more than 11,500 pounds.
- d. Is financed for more than \$50,000.

### **3. This Certificate provides no coverage for any of the following:**

- a. Any person or entity's alleged or actual liability for bodily injury or property damage, medical payments, medical expense, physical damage, uninsured motorist, underinsured motorist, personal injury protection, or any other type of loss or claim other than those stated in this Certificate.
- b. Any adjustments to the cost of comparable vehicles or the Covered Vehicle, made by the Primary Insurer, that are not discernible, measurable, itemized and documented to You and verifiable by a nationally recognized independent industry entity.
- c. For any amounts deducted from the Primary Insurer's settlements due to wear and tear, prior damage, unpaid insurance premiums, rental car expenses, towing and storage fees.
- d. Personal watercraft, motorcycles, all terrain vehicles, recreational vehicles and motorhomes.
- e. Damage to or loss of any personal property.
- f. Damage to or loss of equipment other than the standard or optional equipment available from the manufacturer of the Covered Vehicle.

### **4. This Certificate provides no coverage for the following circumstances:**

- a. When, on the Date of Loss, the dealer has not sold, assigned or otherwise transferred the Financing Contract to an independent, third party Insured Lender.
- b. If a Financing Contract for the Covered Vehicle does not have uniform monthly repayment terms for the full term of the Financing Contract.
- c. When the maximum term of this Certificate and/or the Financing Contract is greater than 72 months from the effective date on page 1 of this Certificate.
- d. If no Primary Insurer coverage exists and the Covered Vehicle is not available for inspection or appraisal.

## **D. WHO CAN CANCEL OR ASSIGN THIS CERTIFICATE?**

1. You can cancel this Certificate by sending written notice to PRco at the address on Page 1 or 2. The Insured Lender can cancel this Certificate for repossession and will be named as sole payee. You or the Insured Lender will receive a full refund if cancellation is received by PRco within sixty (60) days of purchase; for cancellations received after sixty (60) days from date of purchase, the refund will be in accordance with the pro rata method based on the amount of time this Certificate was in force. However, in the event of payment of a Loss under this Certificate, there will be no return of the premium under any circumstances.

2. Sutter may not cancel prior to the expiration of the agreed term except on any one of the following grounds:
  - a. Failure to pay a premium when due;
  - b. Your Conviction of a crime arising out of acts increasing the hazard insured against;
  - c. Discovery of fraud or material misrepresentation in the obtaining of the Certificate or in the presentation of a claim;
  - d. Discovery of: (1) An act or omission; or, (2) A violation of any condition of the Certificate, which occurred after the first effective date of the Certificate and substantially and materially increases the hazard insured against;
  - e. A material change in the nature or extent of the risk, occurring after the first effective date of the Certificate, which causes the risk of loss to be substantially and materially increased beyond that contemplated at the time the Certificate was issued;
  - f. A determination by the commissioner that continuation of Sutter's present volume of premiums would jeopardize the Sutter's solvency or be hazardous to the interests of policyholders of Sutter, its creditors or the public; or
  - g. A determination by the commissioner that the continuation of the Certificate would violate, or place Sutter in violation of, any provision of the code.

No cancellation above is effective until: in the case of subsection a. of this section, at least 10 days; and in the case of any other subsection at least 30 days after the notice is delivered or mailed to You. All notices from PRco will be sent proof of mailing and will be sufficient proof of notice to the last known address.

3. All refunds will be paid by the Insured Dealer to the Insured Lender. If the Insured Lender is not owed any balance under the Financing Contract, the refund will be paid by the Insured Dealer to You.
4. The Insured Dealer or the Insured Lender may assign their rights, title and interest in this Certificate and such assignment shall have no effect on the terms and conditions of this Certificate. You cannot assign this Certificate.

#### E. WHAT SHOULD YOU DO IF THERE IS A TOTAL LOSS?

You must notify PRco by calling the telephone number or writing to the address, on Pages 1 or 2. You must authorize the:

1. Insured Lender to fax or mail a complete payment history and copies of the Financing Contract directly to PRco;
2. Primary Insurer to fax or mail copies of the settlement statement, check, police report and vehicle valuation directly to PRco;
3. Refund of the vehicle service contract or other financed insurance products;
4. Release of any additional items PRco deems necessary, including but not limited to, documentation for any salvage or other payments received by the Insured Lender.

#### F. ARBITRATION OF DISPUTES.

Any dispute, controversy or claim arising out of or relating to this Certificate or to an alleged breach, termination or claim of invalidity of this Certificate, including but not limited to claims against PRco, Sutter and their employees, agents, successors and assigns, shall be determined according to the provisions of the Nevada Arbitration Rules (NAR).

**Any claim or dispute is to be arbitrated on an individual basis and not as a class action. By agreeing to Arbitration, You and Sutter agree to give up any right to participate as a class representative or class member on any class claim involving You and Sutter, PRco and their employees, agents, successors and assigns including any right to class Arbitration or any consolidation of individual Arbitrations.**

You and Sutter agree that the arbitration award shall be final and binding pursuant to the provisions of the NAR and Judgment thereon may be entered in any Court of competent jurisdiction. Unless otherwise agreed in writing by all parties to the dispute, the arbitration shall be conducted in the County of Your residence in the State of Nevada. This Certificate itself will be governed by and interpreted under the laws of the State of Nevada. You specifically agree that any Arbitration conducted as a result of the application of this section shall be final and binding and not subject to an application for a new trial by either party. You are further advised that Arbitrator's fees under the NAR shall be paid equally by both parties and that the prevailing party herein, as decided by the arbitrator, shall be awarded actual reasonable attorney's fees incurred in participating in the arbitration proceedings conducted as a result of this agreement.

#### G. CONDITIONS.

1. **Other Insurance:** If a Loss covered by this Certificate is also covered by other insurance or contract, this Certificate will be considered excess as to any other insurance or contract, and Payment for a Loss will not be made until Insured Lender has recovered all amounts from any other insurance or contract which is valid and collectible and any other sources of payment that will reduce the Outstanding Balance. If, for any reason, this Certificate is deemed not to be excess to such other insurance or contract, the Insured Lender shall recover the amount of Loss with the other party(s) and this Certificate as follows: each party will contribute equal amounts until it has paid its applicable limit of coverage or none of the Loss remains, whichever comes first.
2. **Automatic Termination of Coverage:** This Certificate will terminate without notice as soon as any one of the following events takes place: (a) the Financing Contract for the Covered Vehicle terminates; (b) the Covered Vehicle is sold, assigned or transferred; or (c) Sutter paid the amount equal to the Loss.
3. **Mitigation of Loss:** You shall do all things reasonable, practical, and professional to avoid or reduce any Loss. You shall also take reasonable measures to ensure that the maximum amount for Actual Cash Value of a Covered Vehicle is paid by the Primary Insurer. This includes, at a minimum, verifying: (a) the accuracy of the Actual Cash Value with a guide that provides value information on a local basis; (b) all equipment, accessories, options and trim on the Covered Vehicle are valued by the Primary Insurer; and, (c) the vehicle mileage on the Date of Loss is correct. Any amount resulting from Your failure to protect the Covered Vehicle or maximize settlement from the Primary Insurer shall not be recoverable under this Certificate.
4. **Subrogation:** If Sutter paid the amount equal to the Loss, Sutter shall be entitled to any rights of recovery that You have against any person or entity. You shall cooperate with Sutter in this regard and take no action that would prejudice such



rights. If You have taken any action to prejudice Sutter's rights, You agree to reimburse Sutter all sums immediately upon Sutter's request.

5. **Conformity to Statute:** Terms of this Certificate which are in conflict with the statutes of the State where this Certificate is issued are hereby amended to conform to such statutes.
6. **Financing Contract Changes:** Any material changes regarding annual percentage rate, or terms and conditions contained in Financing Contracts must be reported to PRco. PRco may request copies of Financing Contracts.
7. **Cooperation and Assistance:** In the event of a Total Loss, it is Your duty to cooperate with and assist PRco by executing and delivering Financing Contracts, documentation and papers, and doing whatever else is necessary, reasonable and within Your ability in a prompt manner to allow the PRco to evaluate and settle the claim. Anyone seeking coverage under this Certificate must comply with this condition.
8. **Entire Contract:** This Certificate constitutes the entire agreement between You and Sutter.
9. **Invalidity:** If any provision of this Certificate is found to be invalid or unenforceable in any respect for any reason, the validity and enforceability of any such provision shall not impair the enforceability of any remaining provision of this Certificate. The failure to require strict compliance or performance of any one or more provisions of this Certificate on one or more occasions shall not be deemed a waiver of that or any other provision herein.
10. **Action against Sutter or its agents:** No suit, action or proceeding for any issue arising from the recovery of any claim under this Policy shall be sustainable in any court of law or equity unless any such suit, action or proceeding is commenced within twelve (12) months after the **Date Of Loss**.

S P E C I M E N



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