

**THIS DOCUMENT IS SOLELY INTENDED AS A
SAMPLE COVERAGE DOCUMENT**

**THIS DOCUMENT DOES NOT ESTABLISH
ANY CONTRACTUAL OBLIGATIONS ON BEHALF
OF MARATHON ADMINISTRATIVE CO INC.
TERMS AND CONDITIONS MAY VARY BY STATE**

**PLEASE REFER TO YOUR OFFICIAL
SECUREONE CONTRACT DOCUMENTS FOR
SPECIFIC COVERAGE DETAILS**

SecureOne Program

TERMS AND CONDITIONS

This is not an insurance contract.

I – DEFINITIONS

ADMINISTRATOR, WE, US, or OUR: means the ADMINISTRATOR, provider, and obligor of this CONTRACT - Marathon Administrative Co., Inc., 505 Corporate Center Drive, Section Line Road, Belleville, IL 62221, Mailing Address - P.O. Box 961, O'Fallon, IL 62269 877-587-9505.

CONTRACT: means this Vehicle Service Contract.

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

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

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

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

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

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

MANUFACTURER'S WARRANTY: In the event of a BREAKDOWN of a part, whose repair or replacement is provided for under a MANUFACTURER'S WARRANTY or Special Policy Program, payment will be provided for the required manufacturer's deductible, less the DEDUCTIBLE specified above.

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

WAITING PERIOD: Coverage under this CONTRACT begins the later of fifteen (15) days from the CONTRACT purchase date and one thousand (1,000) miles from the odometer mileage at CONTRACT purchase date. Waiting period means no claims or Roadside Assistance will be paid on any claims or failures that occur the later of fifteen (15) days from the CONTRACT purchase date and one thousand (1,000) miles from the odometer mileage at CONTRACT purchase date. The additional time and mileage will be added to the term of this CONTRACT. ____ initial

II – INSURANCE COMPANY STATEMENT

The performance and obligations of the provider for this CONTRACT are guaranteed and insured by a Reimbursement Insurance Policy issued by KnightBrook Insurance Company ("Insurer"), 4751 Wilshire Blvd. Ste. 111, Los Angeles, CA 90010. In the event WE cease to operate, become bankrupt or fail to pay YOUR claim within sixty (60) days after proof of loss has been filed, YOU may make a direct claim against KnightBrook Insurance Company by writing to the aforementioned address.

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

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

III – CONTRACT HOLDER OBLIGATIONS

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

IV – ADMINISTRATOR OBLIGATIONS

If a covered BREAKDOWN of the VEHICLE occurs during the term of this CONTRACT, the ADMINISTRATOR will pay the CONTRACT HOLDER or the Repair Facility for repair or replacement, as ADMINISTRATOR deems appropriate of the COVERED PART(S) which caused the BREAKDOWN, if the CONTRACT HOLDER has met his/her obligations as described in this CONTRACT. Replacement parts can be of like kind and quality. They may include the use of new or remanufactured parts as determined by ADMINISTRATOR.

V – LIMIT OF LIABILITY

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

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

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

VI – BENEFITS

1-800-820-9157	<u>ROADSIDE ASSISTANCE</u>	1-800-820-9157
<p>EMERGENCY ROADSIDE ASSISTANCE: Provides emergency road services for non-accident related incidents, where failure is due to a defect in material or workmanship.</p> <p>Benefit Limits: For the TERM OF YOUR AGREEMENT, the listed sign and drive (meaning YOU incur no expense up to program limit) benefits are available 24 hours a day / 365 days a year. The following <i>non-accident related</i> services are available for covered Breakdowns up to ten (10) occurrences over the term of your CONTRACT, each with a maximum benefit of \$50.00per incident:</p> <p>Jump Starts Flat Tire Changes (using YOUR inflated spare) Vehicle Fluid Delivery (cost of VEHICLE fluids extra) Lockout Assistance (key cutting/replacement extra) Concierge Services (courtesy help and emergency [phone call support to relatives, police, etc.</p> <p>Towing benefits up to a maximum of \$100.00 per occurrence, as it relates to a paid claim covered under this CONTRACT.</p> <p>Services not available in areas where state providers are exclusively utilized.</p> <p style="text-align: center;">** Benefits are limited to "cash call with reimbursement" service only for the first forty-five (45) days of coverage. **</p>		

ADDITIONAL BENEFITS:

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

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

VII. SECUREONE COVERAGES – WHAT THIS CONTRACT COVERS

- Engine:** Crankshaft and bearings, oil pump, internal timing gears, timing chain, camshaft, camshaft bearings, valve lifters, rocker arm assemblies and push rods, pistons and rings, wrist pins, cylinders, connecting rods, distributor drive gear, all internal components of engine block and cylinder heads, if damage is caused by mechanical failure of an internally lubricated part. Gaskets and external seals will be covered if their replacement is necessary to complete an otherwise authorized repair. Cracked engine block, cylinder heads, and piston cylinders are not covered. Broken crankshaft is covered if break is caused by either bearings or piston failure. Valve guides are covered only when guide sleeves have not slipped below original Position.
- Transmission/Transaxle:** The internal components of the automatic transmission or manual transmission. Drive chain gears, carrier bearings, and internal transaxle seal. The manual transmission case and automatic transmission case and torque converter, transfer case, drive gears, forks, bearing thrust washer, bushing, washer, and housing are covered, if damaged by the failure of internally lubricated parts.

3. **Differential Assembly Components (2 & 4 wheel drive):** (Front & rear) differential housing including pinion bearings, side carrier bearings, ring and pinion gears, carrier assembly, washers, axles and axle bearings (internal components).
4. **Cooling System:** Water pump, thermostat, mixture control valve, overflow reservoir, radiator cap.
5. **Fuel System:** Fuel pump, pressure regulator fuel injector, pressure sensor, fuel cap.
6. **1-Ton:** Payload Capacity: Classification coverage for pickup trucks and sport utility vehicles. Manufacturer payload capacity covers vehicles less than or equal to the maximum allowed 1-Ton.
7. **Turbo/Supercharger:** If YOUR VEHICLE is equipped with a Turbo Charger/Supercharger, this surcharge must be selected on the Declaration Page. The following benefits are provided to YOU: All internally lubricated parts due to mechanical failure.
8. **4WD/AWD:** Drivetrain Type: Coverage for vehicles with a drivetrain that allows all four wheels to receive torque from the engine. This drivetrain type may be a part-time or full-time system which uses multiple differential housings. Please refer to Section VIII. "COVERAGES –WHAT THIS CONTRACT COVERS" for more details regarding the specific differential assembly components.

SECUREONE ADVANTAGE COVERAGE: Components 1-14 are covered

9. **Timing Belt:** If Service Contract Purchaser has followed manufacturer's recommended maintenance intervals for replacement.
10. **CV Joints:** CV boots must not be torn at the time of failure. Lubricated joint failure only. **Universal Joint (U Joint) is not included.**
11. **Steering:** Internally lubricated parts contained within the steering box and pump housing, including rack and pinion, control valves, internal oil control seals; bearings, and shafts, steering box and pump housing, pitman arm, idler arm, tie rods.
12. **Electrical:** Alternator, voltage regulator, distributor, ignition module, ignition coils, starter motor, front/rear wiper motor, cooling fan motor, heater blower motor, electric horn, power window motor/regulator, power mirror motor, power seat motor, 4wd encoder motor, power lock actuator, solenoids, throttle position sensor, oxygen sensor, camshaft position sensor, crankshaft position sensor and switches for the following; neutral safety, overdrive, reverse indicator, power windows, power door locks, power mirror.
13. **Seals and Gaskets:** Head gasket and intake manifold gaskets are covered for coolant leaks only on vehicles with up to 125,000 miles at the time of failure. Seepage of seals and gaskets is considered normal wear and tear and is not covered under this Service Contract.
14. **Air Conditioning:** Compressor, clutch and coil, condenser, expansion valve, and /or orifice tube, receiver dryer. **Coverage applies to factor installed, non-retrofitted units only.**

VIII. EXCLUSIONS – WHAT THIS CONTRACT DOES NOT COVER

This CONTRACT does not cover the following:

1. **ANY REPAIR OR REPLACEMENT MADE WITHOUT PRIOR AUTHORIZATION FROM THE ADMINISTRATOR.**
2. **Repair or replacement of a covered component/part to correct conditions that may reasonably be assumed to have existed at the inception date of the coverage provided by this CONTRACT (Pre-existing conditions).**
3. **Any parts not listed under covered parts. Examples of parts not covered are: battery, brake drums, disc brake rotors, brake linings and disc brake caliper pads, shock absorbers, bolts, nuts, fasteners, standard transmission clutch assembly, and manual and hydraulic linkages. Passive or active safety and restraint systems and any sensors/components related to the operations of these systems. All electric powered or hybrid fuel parts including, but not limited to: electric fuel cells, regenerative braking systems or electronic memory systems. Failure of a non-covered component caused by a covered component.**
4. **Consequential damage of a covered component by a non-covered component.**
5. **Any breakdown caused by collision, fire, theft, vandalism, riot, explosion, lightning, earthquake, overheating, freezing, rust or corrosion, windstorm, hail, water, or flood.**
6. **Any breakdown caused by misuse, abuse, negligence, lack of normal maintenance (adjustments, alignments, tune-ups, etc.), failure to protect YOUR VEHICLE from further damage when a breakdown has occurred, failure to maintain proper levels of lubricants and/or coolants, or if YOUR VEHICLE has been used for racing or any other forms of competitive driving, plowing snow, or for towing a trailer weighing in excess of 2,000 pounds or any vehicle or object unless YOUR VEHICLE is equipped with a factory-installed or authorized tow package.**
7. **The repair of valves and/or rings, if the purpose of such is simply to raise the engine's compression or oil consumption when a mechanical breakdown caused by the failure of a covered part has not occurred. This is considered normal wear and tear, and not a mechanical breakdown.**
8. **Any alterations which have been made to YOUR VEHICLE, or YOU are using or have used YOUR VEHICLE in a manner which is not recommended by the manufacturer, including the failure of any custom or add-on part.**

9. **INELIGIBLE VEHICLES:** Any vehicle not expressly listed on the current CONTRACT rate card or classification list: Ineligible vehicles include but are not limited to Acura NSX; Audi S-series; BMW M-series, all 600 series and above, Alpina; Chevrolet Corvette GS Z06, Z06, ZR1; Dodge Viper; Ford Mustang Cobra, GT, Saleen, SVT, Shelby and Transit; Hummer H1, Infinity M56; Jaguar all models with 10 and 12 cylinders, all turbo/supercharged models; Land Rover – all models; Lexus IS F; Mazda RX 7, RX; Mercedes all AMG models, G series and SLR; Mitsubishi 3000 GT; Nissan 300ZX, GTR; Plymouth Prowler; Porsche all models; SSAB 9000; all modified Vehicles; all 10 and 12 cylinder Vehicles; Vehicles with True Mileage Unknown (TMU); any vehicle rated 1 ton and higher, and all exotic editions. Vehicles over 1 ton classification, taxis, buses, and city and state-owned vehicles; racing competition, time trials or rallies; vehicles modified from manufacturer's specifications; vehicles not purchased/authorized through a licensed authorized agent; vehicles with fifth wheel or a snow plow attachment; and vehicles purchased by a minor.
10. Prior repairs which are the subject of any third-party warranty or any prior repairs where there is demonstrable negligence or failure in workmanship; Repairs for which the responsibility is covered by any warranty of the manufacturer such as extended drive train coverage, or a repairer's guarantee regardless of their ability to pay for such repair. Further, coverage under this CONTRACT is similarly limited in the event of a breakdown if the manufacturer has announced its responsibility through any means including public recalls and factory service bulletins.
11. Any breakdown caused by contamination of fluids, fuels, use of fuels containing more than 10% ethanol, coolants, or lubricants, or rust or corrosion. Any damage due to loss of fluid is not covered.
12. Liability for damage to property, or for injury to or death arising out of the operation, maintenance or use of YOUR VEHICLE described in this CONTRACT, whether or not related to the part covered.
13. Any loss caused by a lack of proper and necessary amount of coolants or lubricants.
14. Maintenance services and Parts described in YOUR VEHICLE'S owner's manual as supplied by the manufacturer. These include, but are not limited to: filters, lubricants, coolants, fluids, refrigerants, alignments, tune-ups, spark plugs, hoses, belts, brake pads, wiper blades, light bulbs, exhaust systems, trim moldings, upholstery, carpet and paint.
15. Excessive cost to repair or replace a listed part. Reasonable cost being: labor cost to be determined by a flat rate labor manual (i.e. Chilton) multiplied by the customary labor charge for the repair/replacement of a protected part. The labor rate allowed shall not exceed the national average labor rate.

IX. WHAT TO DO IF YOU HAVE A BREAKDOWN

1. Use all reasonable means to protect the COVERED VEHICLE from further damage. This may require YOU to stop the COVERED VEHICLE, turn off the engine, and have the COVERED VEHICLE towed.
2. Present this CONTRACT to the Repair Facility, call ADMINISTRATOR, toll free at **877-587-9505**. ADMINISTRATOR can be reached through the mail at P.O. Box 961, O'Fallon, IL 62269.
3. Prior to proceeding with repairs, ensure the Repair Facility calls ADMINISTRATOR with an estimate of repairs and receives an authorization number from ADMINISTRATOR.
4. ADMINISTRATOR reserves the right to inspect any BREAKDOWN prior to authorization.
5. In-home service is not provided under this CONTRACT. Any payment of the costs of transporting the COVERED VEHICLE for service is provided under this CONTRACT exclusively pursuant to the terms and conditions of this CONTRACT.
6. The CONTRACT HOLDER is responsible for paying a DEDUCTIBLE for each visit to the Repair Facility, as specified on the Declaration Page.

X. HOW TO SUBMIT A CLAIM

1. Contact or have a representative of the repair facility contact ADMINISTRATOR'S Claim Department BEFORE any work is performed by calling 877-587-9505.
2. Upon diagnosis and determination of covered items, subject to the terms and conditions of this CONTRACT, ADMINISTRATOR will issue an authorization number. The authorization number MUST appear on all repair bills. Failure to obtain authorization PRIOR TO REPAIRS will result in non-payment of claim. Fraudulent or misuse of this CONTRACT will result in non-payment of claim and cancellation of this CONTRACT. ADMINISTRATOR RESERVES THE RIGHT TO INSPECT ALL VEHICLES PRIOR TO OR AFTER REPAIRS ARE PERFORMED.
3. For emergency repairs, should a BREAKDOWN occur after the ADMINISTRATOR'S normal business hours or on a national holiday, the pre-authorization requirement is amended. The ADMINISTRATOR must still be contacted when reasonably possible following the BREAKDOWN. Such unauthorized repair claims will be subject to adjustment in cases of excessive parts or labor charges. The labor cost to be determined by a flat rate labor manual (i.e. Chilton) multiplied by the customary labor charge for the repair/replacement of a protected part. The labor rate allowed shall not exceed the national average labor rate.

4. Upon the filing of a claim under this CONTRACT, ADMINISTRATOR will verify the validity of the CONTRACT (proper owner, proper vehicle, CONTRACT still in force), verify the BREAKDOWN with the Repair Facility, verify coverage, and authorize repair of COVERED PARTS (provide Repair Facility with authorization code and confirm cost of repair). Payment is provided through direct billing, credit card, or CONTRACT HOLDER reimbursement.

5. **PAYMENT OR REIMBURSEMENT OF CLAIMS PAYMENT OPTION:**

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

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

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

XI. CANCELLATION PROCEDURE

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

XII. TRANSFER PROCEDURE

This CONTRACT may be transferred upon sale of the vehicle to another private party. The CONTRACT transfer must be made at the time of the VEHICLE transfer. YOU must request the transfer in writing, and received by the ADMINISTRATOR within fifteen (15) days of the transfer. A fee of \$50.00 must accompany the request to transfer, along with the following information: 1.Name of New Owner, 2.Address & Telephone Number, 3. Vehicle Odometer Statement, 4.Copy of Title showing transfer. This CONTRACT must be given to the new owner at the time the CONTRACT Transfer is completed.

The CONTRACT is non-renewable.

XIII. GENERAL PROVISIONS

A. **ARBITRATION:** All claims or disputes relating to this CONTRACT or the breach thereof shall be decided by binding arbitration unless YOU and ADMINISTRATOR agree otherwise. Arbitration shall be specifically enforceable under the prevailing arbitration law. ADMINISTRATOR agrees to use one (1) arbitrator, mutually acceptable to YOU and ADMINISTRATOR. Written notice of the request for arbitration must be filed with ADMINISTRATOR within a reasonable time after the claim or dispute has arisen, but not later than one (1) year after the claim or dispute arises. The award rendered by the arbitrator shall be final and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction.

If YOU have any legal claim against ADMINISTRATOR and do not agree to arbitration, YOU agree that any action, claim, or suit shall only be brought in the District Court, St. Clair County, Illinois. If YOU bring any such action, claim, or suit against ADMINISTRATOR in any court or forum other than in the District Court, St. Clair County, Illinois, ADMINISTRATOR can seek dismissal of YOUR action, claim, or suit and require that it be maintained in St. Clair County, Illinois.

- B. SUBROGATION: In the event benefits are paid under this CONTRACT, ADMINISTRATOR shall be subrogated to all the rights YOU have to recover against any person or organization arising out of any failure subject to any recall campaign, as well as any order, judgment, consent decree or other settlement. YOU shall execute and deliver instruments and papers and do whatever is necessary to secure such rights. Further, all amounts recovered by YOU for which YOU have received benefits under this CONTRACT, shall belong to, and be paid to ADMINISTRATOR up to the amounts of benefits paid under this CONTRACT.

SAMPLE