



# CLASSIC VEHICLE SERVICE AGREEMENT

Claims: 1-888-964-1899

Schedule Page

Agreement Number

<b>AGREEMENT HOLDER INFORMATION</b>			
Agreement Holder		Co-Agreement Holder	
Address		City	
State	Zip Code	Home Telephone	Business Telephone
<b>DEALER INFORMATION</b>			
Dealer/Seller		Dealer Number	
Address			Seller Telephone
City	State	ZIP Code	
<b>LIENHOLDER INFORMATION</b>			
Lienholder Name		Street Address	
City	State	ZIP Code	
<b>VEHICLE INFORMATION</b>			
Year	Make	Model	
Current Odometer		Vehicle Identification Number (17 Digits)	
Vehicle Purchase Date	Vehicle Purchase Price	Manufacturer's Basic Warranty	
<b>COVERAGE DESCRIPTION</b>			
Agreement Purchase Date		<b>AGREEMENT PURCHASE PRICE</b>	
Agreement Term (Months)	Agreement Term (Miles)	Agreement Expiration Date	Agreement Expiration Odometer
<b>Deductible</b> <input type="checkbox"/> \$ 200			
<b>PLANS</b> <input type="checkbox"/> CLASSIC			
<b>OPTIONAL SURCHARGES</b> <input type="checkbox"/> Convertible Top <input type="checkbox"/> Enhanced Labor Rate <input type="checkbox"/> Entertainment Package <input type="checkbox"/> Carburetor/CPI Upgrade		<b>MANDATORY SURCHARGES</b> <input type="checkbox"/> 4x4/AWD <input type="checkbox"/> Turbo/Supercharger <input type="checkbox"/> German Made	

**This is not an insurance policy.** This Agreement is between the Obligor and the Agreement Holder. This Agreement provides coverage for the Vehicle described for time or mileage, whichever expires first, as shown on this Schedule Page.

**YOU ARE NOT REQUIRED TO ENTER INTO THIS AGREEMENT IN ORDER TO PURCHASE, LEASE OR OBTAIN FINANCING FOR A VEHICLE.** You should read this Agreement carefully. It contains the entire Agreement between You and Us. It takes precedence over any other written or oral statements made to You with respect to this Agreement. This is a service agreement, not a warranty or insurance contract. REVIEW "SPECIAL STATE DISCLOSURES AND/OR REQUIREMENTS" FOR ANY RIGHTS, PRIVILEGES AND CONDITIONS THAT GOVERN THIS AGREEMENT IN YOUR STATE. Any modification(s), alteration(s) or change(s) to the preprinted terms and conditions is/are invalid and of no force or effect. You acknowledge Your understanding of and agreement to the DISPUTE RESOLUTION/ARBITRATION AGREEMENT AND CLASS ACTION WAIVER section in this Agreement. This Agreement is based on information You provided in this Schedule Page. You acknowledge Your understanding of the limited applicability of the Federal Magnuson-Moss Warranty Act as set out in this Agreement. Your signature below means that You have reviewed and understand the Agreement Terms and Conditions.

\_\_\_\_\_  
Agreement Holder Signature

\_\_\_\_\_  
Agreement Sales Date

For Claims Contact: (888) 964-1899 or [www.headstartwarrantygroup.com](http://www.headstartwarrantygroup.com)

**WE MUST BE CONTACTED PRIOR TO PERFORMING ANY REPAIR UNDER THIS AGREEMENT. WE WILL NOT BE RESPONSIBLE FOR ANY REPAIRS THAT ARE NOT PRE-AUTHORIZED. SEE THE "AGREEMENT HOLDER RESPONSIBILITIES SECTION" FOR INSTRUCTIONS TO BE FOLLOWED IN THE EVENT OF A COVERED BREAKDOWN.**

## **DEFINITIONS**

1. **Administrator, Obligor (We, Us, Our):** Headstart Warranty Group LLC, 14114 North Dallas Pkwy., Ste. 600, Dallas, Texas 75254, (888-964-1899).
2. **Agreement:** This **Agreement**, which **You** have purchased for the **Vehicle** described on the **Schedule Page**.
3. **Agreement Holder, You, Your:** The **Agreement Holder** shown on the **Schedule Page** or the person to whom the **Agreement** was properly transferred.
4. **Breakdown:** The failure of a **Covered Part** under normal service due to defects in material or workmanship. A **Covered Part** has failed when it can no longer perform the function for which it was designed solely because of its condition and not because of the action of inaction of any noncovered part. **A Breakdown does not include sludging or gelling conditions.**
5. **Coverage:** The protection **You** purchased, as shown on the **Schedule Page**. Part/component repairs that are covered by other warranty(ies) or insurance are also excluded from **Your Coverage** for the term of said warranty(ies).
6. **Covered Part(s):** The mechanical and electrical parts and components as listed under **Section II. SCHEDULE OF COVERAGE**, for the Plan selected on the **Schedule Page**, as contained in this **Agreement**, which are original parts on **Your Vehicle** at the time of its purchase by **You** or like replacement parts meeting the manufacturer's specifications.
7. **Dealer/Seller:** The dealer or seller from whom **You** purchased this **Agreement**.
8. **Deductible:** The amount **You** are required to pay, as shown on the **Schedule Page**, toward the total cost for the repair or replacement of **Covered Part(s)** per visit.
9. **Emergency Repairs:** Repairs outside the **Administrator's** business hours, which if not performed, would render **Your Vehicle** inoperable or unsafe to drive and impair its future operation.
10. **Plan:** Refers to the **Plan** and **Term** selected by **You** as shown on the **Schedule Page** of this **Agreement**.
11. **Pre-Existing Condition:** A condition and/or failure that within all reasonable mechanical probability and mechanical fitness existed prior to the **Agreement** Purchase Date.
12. **Repair Facility:** (a) The **Dealer/Seller's** Onsite **Repair Facility**; (b) A participating RepairPal **Repair Facility** by visiting <https://repairpal.com/headstart>; or (c) A licensed **Repair Facility** authorized by the **Administrator** to perform repair services under this **Agreement** and which have ASE Certified Mechanics.
13. **Schedule Page:** The numbered document executed by **You** which must be attached to this **Agreement**. It lists information regarding the **Vehicle** to be covered, **Agreement** Terms and Conditions, and other vital information.
14. **Term:** The **Term** ends on the **Agreement** Expiration Date (Term) or **Agreement** Expiration Odometer (Miles) listed on the **Schedule Page**, whichever occurs first.
15. **Vehicle:** The **Vehicle** described on the **Schedule Page** that is covered under this **Agreement**.
16. **WAITING PERIOD: THIRTY (30) DAYS AND THREE HUNDRED (300) MILES FROM THE AGREEMENT PURCHASE DATE FOR ANY PURCHASE TEN (10) OR MORE DAYS AFTER THE ORIGINAL VEHICLE PURCHASE DATE, OR IF THE ORIGINAL VEHICLE PURCHASE DATE IS UNKNOWN. HOWEVER, AN ADDITIONAL THIRTY (30) DAYS AND THREE HUNDRED (300) MILES WILL BE ADDED TO YOUR VEHICLE PLAN'S SCHEDULED EXPIRATION. THEREFORE, THE WAITING PERIOD WILL NOT REDUCE THE ACTUAL TIME/MILEAGE DURING WHICH YOU HAVE COVERAGE. COVERAGE WILL COMMENCE THE DAY FOLLOWING THE WAITING PERIOD. CLAIMS INCURRED DURING OR PRIOR TO THE WAITING PERIOD ARE NOT COVERED.**

## **SCHEDULE OF COVERAGES**

### **Eligibility**

1. The **Vehicle** must be at least 20 years old.
2. The **Vehicle** must not be manufactured prior to 1930.
3. If sold by a dealer, a Buyer's Order from the selling dealer must be forwarded to **Us** no later than thirty (30) days from the **Agreement** Purchase Date
4. **We** reserve the right to have the **Vehicle** inspected within thirty (30) days of purchase of this **Agreement** to determine eligibility.

### **Classic Coverage**

Reimbursement amounts for replacements parts or components may be based on new, non-OEM, remanufactured, or used parts at Our sole discretion.

We will repair, replace or reimburse You reasonable costs of parts and/or labor, subject to the Limits of Liability described herein and as further outlined in Filing a Claim section, any of the covered components/parts under this Agreement, if required due to a Breakdown. Payment is subject to the Deductible stated on the Schedule Page.

Coverage under this Agreement when selecting Classic Coverage includes only the following parts/components:

1. **Engine:** The following internally lubricated parts: pistons, pins and rings, connecting rods and bearings, crankshaft and main bearings, push rods, valves, springs, replaceable guides, lifters, rocker arms, shafts and bushings, timing gear, guides, chain, tensioners and retainers, eccentric shaft, oil pump, intake manifolds, cylinder head gaskets, engine mounts and cushions, engine torque strut, harmonic balancer, flywheel (flexplate) and flywheel ring gear, all pulleys. Engine blocks and cylinder heads are also covered if the **Breakdown** was caused by an internally lubricated part or a part covered under this **Agreement**. **All lubricated internal parts of the vehicle manufacturer installed turbo-charger or super charger if selected on the Schedule Page.**
2. **Transmission:** (Automatic & Standard): All internally lubricated parts (parts that require lubrication to function), power transfer unit (PTU) torque converter, and vacuum modulator. Also included: computer modules and solenoids, transmission mounts and internal linkage. **Transmission cases are also covered if the Breakdown was caused by an internally lubricated part or a part covered under this Agreement.**
3. **Transfer Case (4x4 or All Wheel Drive):** All internally lubricated parts (parts that require lubrication to function) within the Transfer Unit including: bearings, bushings, sprockets, chains, sleeves, and gears. **Transfer cases are also covered if the Breakdown was caused by an internally lubricated part of a part covered under this Agreement.** Transfer Units are only covered if selected on the **Schedule**

**Page.**

4. **Drive Axle (Front and Rear Wheel Drive):** All internally lubricated parts contained within the housing: axle shafts, constant velocity joints (CV joints unless boot is damaged or missing), universal joints, flexible joints, drive shafts, locking hubs, locking rings, supports, retainer and bearings. **Differential housings, final drive housings, and trans axle housings are also covered if the Breakdown was caused by an internally lubricated part or a part covered under this Agreement.**
5. **Cooling:** Radiator, fan, fan clutch, and water pump.

**NOTE: IF YOU PURCHASED A THREE (3) MONTH / FIVE HUNDRED (500) MILES AND SIX (6) MONTH / ONE-THOUSAND MILES (1,000) AGREEMENT, THERE ARE NO FURTHER COVERED PARTS UNDER THIS AGREEMENT**

6. **Air Conditioning:** Compressor, condenser, clutch pulley, clutch coils, evaporator core, accumulator, receiver/dryer, orifice, expansion valve, serpentine belt tensioner, temperature control unit, blower motor, air door actuators and motors.
7. **Electrical:** Alternator, voltage regulator, starter motor, starter solenoid, ignition switch and locking mechanism unless unavailable separately and/or only available as part of steering column, front and rear wiper motors, headlamp switch, turn signal switch, cruise control transducer, washer pump and switch, rear defogger switch, heater/AC blower switch, electric seat motors as they apply to seat positioning (excludes lumbar, side supports, and airbags), electric window motors, power antenna motors, power door lock actuator, window regulators, and wiring harnesses for listed covered components only.
8. **Fuel System:** Fuel delivery pump, fuel injection pump, and metal fuel delivery lines.
9. **Brakes:** Master cylinder, power assist booster, vacuum assist booster pump, wheel cylinders, combination valves, disc calipers, self-adjusters and actuators.
10. **Power Steering:** All internally lubricated parts within the steering gear housing including power steering pump, main and intermediate shafts, couplings, pitman arm, idler arm, tie rod ends and center link. **The steering gear housing is covered if the damage is caused by the failure of an internally lubricated part.**
11. **Suspension:** Upper and lower control radius, thrust and trailing arms, shafts, upper and lower ball joints, steering knuckles, stabilizer shaft, linkage, track bar, kingpin, spindle and spindle supports, torsion bars, coil and leaf springs, and wheel bearings.

**OPTIONAL SURCHARGES**

Coverage only applies if the appropriate surcharge is selected on the Schedule Page and the surcharge is paid.

1. **Convertible Top:** Convertible Top mechanisms (Electronic or Hydraulic). No manual mechanisms, hydraulic lines, or fluids.
2. **Entertainment Package:** GPS, GPS components, radio, CD player, cassette player, speakers, Bluetooth, phones, TV's, LED screens, amplifiers, subwoofer, and all other audio or video products that are installed by the manufacturer or a manufacturer-authorized dealer.
3. **Enhanced Labor Rate:** We will pay an hourly labor rate of up to two hundred five dollars (\$205) per hour of the posted labor rate. Any amount over that rate is the responsibility of the **Agreement Holder**.
4. **Carburetor/CPI Upgrade:** Allows coverage for carburetors and central point injection (CPI) systems to include repairs and rebuilds. **Does not include adjustments.**

**COVERAGE PROVISIONS**

**Limit of Coverage Liability**

- The total limit of liability paid on this **Agreement** will not exceed 100% of the **Vehicle** Purchase Price as stated on the **Schedule Page** or forty thousand dollars (\$40,000), whichever is less. The amount paid per claim shall not exceed \$10,000 (ten thousand dollars).

Replacement of parts and in particular certain automotive components, such as engines, transmissions, differential assemblies, and other components, may be using other than new parts. All parts replaced under this Agreement will be covered under the terms and conditions for the remaining term and/or mileage of this Agreement.

**EXCLUSIONS - WHAT IS NOT COVERED**

**THIS AGREEMENT DOES NOT PROVIDE COVERAGE FOR ANY OF THE FOLLOWING PARTS OR CONDITIONS:**

1. Regular maintenance of Your Vehicle as it applies to but not limited to, oil changes, other fluid changes and or flushes, tune-ups, calibrations and/or recalibrations, software and/or software updates, wheel alignments and wheel balancing, carburetor adjustments, engine adjustments, fuel system cleaning, chassis lubrication, any routine maintenance of vehicle in general.
2. Any damage caused by accident, theft, fire, explosion, terrorism, vandalism, or act of nature whether cosmetic or mechanical.
3. Mechanical failure caused by the breakdown or contamination of fluid or lubricant. Any Vehicle that has or had the presence of sludge.
4. Mechanical failure caused by neglect, abuse, inappropriate use, racing, exhibition of speed, lack of maintenance, substandard maintenance or repair, low or excessive fluid levels, coolant levels, and lubrication levels, sludge, rust, corrosion, acid, dirt, water, chemicals, foreign object or road hazard. Repairs required due to or related to not following the advice given by a Repair Facility or dealership.
5. Any part or component that is or has been under manufacturer's recall, or any part or component that is or has been included in a Class Action Lawsuit. Failures to Your Vehicle if the manufacturer has announced or accepted its responsibility through any means including public recalls, factory service bulletins, service campaigns, warranty extensions, or TSB's that specifically include the manufacturer recognizing the mechanical failure.
6. Mechanical failure caused by continued use of defective vehicle or mechanical failure caused by overheating, freezing, or warping. Please make sure the gauges and/or warning lights work properly at the time of purchase of Vehicle and/or Agreement to prevent mechanical breakdown caused by continued use or overheating. Improperly moving Your Vehicle from one Repair Facility to another constitutes continued use.

7. Except as otherwise provided for in this Agreement, incidental or consequential losses or damages including, but not limited to, property damage, loss of use of the Vehicle, loss of time or wages, inconvenience, commercial loss, lodging and meals or for the breach of any express or implied warranty arising by operation of law, are not covered.
8. Seals or Gaskets unless in conjunction with a repair to a covered component.
9. Mechanical failure and/or repairs involving excessive oil consumption and/or loss of compression due to worn, burnt, carbonated, and/or collapsed pistons rings and/or valve components. Mechanical failure and/or repairs related to fluid intermix.
10. Any pre-existing conditions. Components that are operating at a minimum of 50% of their capacity or a part or component that has reached 100% of its factory recommended specifications or a part or component that has reached its normal life expectancy.

#### **INELIGIBLE VEHICLES**

1. Vehicles with a purchase price of less than ten thousand dollars (\$10,000).
2. Race cars, drag cars, vehicles with more than 775 horsepower,
3. Vehicles with more than eight (8) cylinders.
4. Vehicles that are not American, Asian, or German manufacturers.
5. Vehicles with branded titles.
6. Vehicles that have not been appraised and/or inspected as referenced herein.
7. Commercial Vehicles of any form.
8. Diesel Vehicles.

If We determine that the Vehicle is ineligible as stated above, and if no claim has been made or paid, We may cancel the Agreement and will refund You one hundred percent (100%) of the Agreement Purchase Price.

#### **ADDITIONAL BENEFITS UNDER THIS AGREEMENT**

##### **EMERGENCY ROADSIDE ASSISTANCE SERVICE**

##### **FOR EMERGENCY ROADSIDE ASSISTANCE COVERAGE, YOU MUST CALL (888) 904-2281**

Roadside Assistance is available twenty-four (24) hours a day/three hundred sixty-five (365) days a year anywhere in the United States (including Alaska & Hawaii and Canada).

1. **TOWING ASSISTANCE** - We will pay or reimburse You up to one hundred dollars (\$100) per incident for an aggregate total of two hundred fifty dollars (\$250) to have Your disabled vehicle towed to an authorized **Repair Facility**. **It is Your responsibility to provide us with receipts for all towing fees incurred.**

##### **ROADSIDE ASSISTANCE:**

For all Roadside Assistance benefits please contact **(888) 904-2281** and a service vehicle will be dispatched to Your assistance. **Important:** Please be with Your Vehicle when the service provider arrives, unless it is unsafe to remain with the Vehicle, as the service provider cannot service an unattended Vehicle. If service is not obtainable, You will receive an authorization number to receive a refund of payments made according to Your program benefit and coverage limits for services received independently.

#### **AGREEMENT HOLDER RESPONSIBILITIES**

##### **A. Maintenance Requirements and Service History**

This Agreement only covers vehicles that are at least twenty (20) years old if they were manufactured in 1930 or later. These vehicles no longer have applicable manufacturer-recommended maintenance schedules. Therefore, You are required to maintain the Vehicle pursuant to the following requirements to maintain coverage under this Agreement:

1. Bring all maintenance current.
2. Drive Your Vehicle at least two hundred (200) miles a year.
3. If the Vehicle is driven less than three thousand (3,000) miles a year, change oil once a year or as recommended by Vehicle manufacturer's specifications or upgraded, replaced, or rebuilt motor specifications.
4. If Vehicle is driven more than three thousand (3,000) miles a year, change Your Vehicle's oil as recommended by the specifications listed above.
5. Use fluids, filters, lubricants, and coolants recommended by Your Vehicle's manufacturer.
6. Keep all receipts for purchase of materials used for the routine service and keep records (i.e., logbook) of dates and type of service performed. You may be asked to provide documentation at the time of a claim.
7. Make certain Your odometer functions properly. A faulty or non-working odometer will void this Agreement, and any applicable refund will be paid according to the CANCELLATION section.
8. **Proof of Maintenance:** It is required that You retain "Proof" of maintenance for the service and/or repair work on Your Vehicle. "Proof" means repair orders from a licensed Repair Facility. Repair orders must be readable and understandable with customer complaint and repair diagnosis, parts, labor hours, vehicle identification number, date, vehicle mileage, Your name and signature, repair facility name, address and phone number, repair totals, and method of payment to satisfy the repair order.

##### **B. Filing a Claim**

If Your Vehicle incurs a Breakdown, You must take the following steps to file a claim:

1. **Prevent Further Damage** – Take immediate action to prevent further damage. Do not continue to operate the Vehicle. This Agreement will not cover the damage caused by not securing a prompt repair of the failed component.
2. **Take Your Vehicle to any state licensed Repair Facility** – If Your Vehicle breaks down, return to the Dealer/Seller. If this is not possible, take Your Vehicle to or contact any licensed Repair Facility. If You need assistance in locating a Repair Facility, please contact the Administrator at (888) 964-1899.
3. **Obtain Authorization from the Administrator** – Prior to any repair being made, instruct the service advisor at the licensed Repair

**Facility to contact the Administrator to obtain an authorization for the claim. Any claim for repairs without prior authorization will not be covered.**

The Administrator can be contacted Monday through Friday, 8:00 a.m. to 6:00 p.m. Central Standard Time at (888) 964-1899 or by fax at 800-811-2660. Please have Your last eight (8) of Vehicle Identification Number available. For 24/7 claim assistance, You can email [claims@headstartwarrantygroup.com](mailto:claims@headstartwarrantygroup.com) or visit website, [headstartwarrantygroup.com](http://headstartwarrantygroup.com), select File a Claim tab.

4. After We have approved the repair, We will call the Repair Facility and issue an approval code. We will base Our approval and the amount of the approval on the following criteria:
  - a. **Parts:** OEM parts may not be available for Your vehicle. In these cases, We will quote reproduction parts, remanufactured parts or rebuilt parts. We are under no obligation to replace parts that are not available in OEM, reproduction, remanufactured, or rebuilt form. In addition, when parts are not readily available through the previously mentioned means, We reserve the right to restore mechanical breakdown to proper working order through alternative means. It is necessary that the Repair Facility hold on to the replaced parts until the claim is paid in full. In some cases, We may request visual inspection of the old parts for quality control purposes. We will pay up to \$69.95 for Wheel Alignments in conjunction with covered repairs. We will pay up to \$50 for fluids in conjunction with a covered repair.
  - b. **Labor:** Labor costs will be determined using Mitchell 1. This labor guide is used by mechanics nationwide. In some cases, accurate data for estimated labor time may not be available. In these circumstances We will call the Repair Facility and discuss the anticipated required hours to repair Vehicle. We will then use the information obtained along with any available information in Mitchell 1, to determine the number of hours that will be covered. We pay an hourly labor rate of one hundred eighty-five dollars (\$185) per hour of the posted labor rate, unless the Enhanced Labor Rate surcharge has been selected and paid for. If the Enhanced Labor Rate surcharge has been selected and paid for, We pay an hourly labor rate of two hundred five dollars (\$205) per hour of the posted labor rate. Any amount over that rate is the responsibility of the Agreement Holder.
5. **EMERGENCY REPAIRS (Non-Business Hours Only) – For 24/7 claim assistance, You can email [claims@headstartwarrantygroup.com](mailto:claims@headstartwarrantygroup.com) or visit website, [headstartwarrantygroup.com](http://headstartwarrantygroup.com), select File a Claim tab.**
6. **Authorize Tear-Down and/or Inspection – In some cases, You may need to authorize the licensed Repair Facility to inspect and/or tear down Your Vehicle to determine the cause and cost of the repair. The Repair Facility must save all parts, fluids, and filters, and must not clean any parts without the Administrator’s authorization. You will be responsible for these charges if the failure is not covered under this Agreement. We reserve the right to require an inspection of Your Vehicle prior to any repair being made.**
7. **Review Coverage – After the Administrator has been contacted and provides authorization, review with the Repair Facility what will be covered by this Agreement.**
8. **Pay Any Applicable Deductible – We will reimburse the licensed Repair Facility or You for the cost of the work performed on Your Vehicle that is covered by this Agreement and previously authorized, less any Deductible. Once authorization is obtained, and the repair is completed, all repair orders and documentation must be submitted to the Administrator within sixty (60) days to be eligible for payment.**
9. **Proof of Service and/or Repair – To obtain payment for a covered repair You, or the Repair Facility must submit a legible copy or original repair order to Us. Repair orders must be readable and understandable, with customer complaint and repair diagnosis, parts, labor hours, vehicle identification number, date, vehicle mileage, Your name and signature, Repair Facility name, address and phone number, repair totals, Deductible (if applicable), and method of payment to satisfy the repair order. “Proof” of maintenance and/or Your self-maintained log with corresponding receipts, may be requested by Us for related repairs. In addition (if applicable), all related invoices (i.e., towing, rental, sublets, etc.) must accompany the repair order for consideration of claim reimbursement. All receipts must be legible and verifiable. Handwritten receipts will not be accepted.**

### **AGREEMENT GENERAL PROVISIONS**

#### **TRANSFER OF AGREEMENT**

To transfer this Agreement, contact Administrator at (888) 964-1899 to request a Transfer Form. This Agreement applies only to the Agreement Holder and the described Vehicle listed on the Schedule Page. This Agreement, however, may be assigned or transferred at the request of the Agreement Holder to any new owner of the described Vehicle while the Agreement is still in force by written notification and payment to the Administrator of a fifty-dollar (\$50.00) transfer fee, and providing proof of continuation of the service requirements. Transfer to the new owner must be completed within thirty (30) days of purchase. If any portion of the manufacturer’s warranty is in effect at time of transfer, the transfer of the Agreement will be valid only if the manufacturer’s warranty is also properly transferred. Completed forms or materials evidencing the properly executed transfer of any manufacturer’s warranty coverage in effect on a Vehicle must be received from the Agreement Holder in addition to a copy of the bill of sale which lists the current mileage by Us before this Agreement will be transferred.

#### **CANCELLATION**

- A. **You may cancel this Agreement for any reason by contacting the Dealer/Seller or Administrator ([cancellation@headstartwarranty.com](mailto:cancellation@headstartwarranty.com)).**
- B. **If the Vehicle and this Agreement have been financed, the lienholder may cancel this Agreement for non-payment, or if the Vehicle has been declared a total loss or has been repossessed. The lienholder is also entitled to any refund. If the lienholder cancels this Agreement within thirty (30) days of the Agreement Purchase Date a full refund of the total Agreement Purchase Price, less any claim(s) paid will be provided. If the lienholder cancels this Agreement at any other time, a pro-rata refund of the total Agreement Purchase Price based on the greater of the number of days the Agreement was in force or miles driven, less claim(s) paid and less the applicable cancellation fee in the amount of fifty (\$50.00) dollars. The Term of this Agreement for cancellation purposes will be based on the Agreement Purchase Date and the Vehicle mileage on such date. In the event of lienholder cancellation of this Agreement, any refund owed will be paid or credited no more than thirty (30) days from the date the Obligor, Administrator or Dealer/Seller receives notice of the request to cancel or sooner if required by state law.**
- C. **You may cancel this Agreement within thirty (30) days of the Agreement Purchase Date and receive a full refund of the total Agreement Purchase Price, less any claims paid. If You cancel this Agreement after thirty (30) days, You will receive a pro-rata refund of the total Agreement Purchase Price, based on the greater of the number of days the Agreement was in force or miles driven, less any claims paid**

and less a cancellation fee of fifty (\$50.00) dollars. The **Term** of this **Agreement** for cancellation purposes will be based on the **Agreement** Purchase Date and the **Vehicle** mileage on such date. Refunds will be payable to **You** or the lienholder, if applicable.

In the event of **Your** cancellation of this **Agreement**, any refund owed will be paid or credited no more than thirty (30) days from the date the **Obligor, Administrator** or **Dealer/Seller** receives notice of the request to cancel or sooner if required by state law.

D. All refunds will be issued through the **Dealer/Seller** from whom the **Agreement** was purchased.

E. **We** reserve the right to cancel this **Agreement** upon the occurrence of any of the following:

- Failure by **You** to pay an amount when due.
- Conviction of the **Agreement Holder** of a crime, which results in an increase in the service required under this **Agreement**.
- Discovery of fraud or material misrepresentation by the **Agreement Holder** in obtaining this **Agreement** or in presenting a claim for service here under.
- Discovery of an act or omission by the **Agreement Holder**, or a violation by the **Agreement Holder** of any condition of this **Agreement**, which occurred after the **Agreement** Purchase Date and which substantially and materially increases the service required under this **Agreement**, including but not limited to failure of the odometer of the **Vehicle** or if for any reason it does not record the actual mileage of the **Vehicle** after the **Agreement** Purchase Date and the actual mileage of the **Vehicle** cannot be established to a reasonable degree of certainty.
- A material change in the nature or extent of the required service or repair which occurs after the **Agreement** Purchase Date and which causes the required service or repair to be substantially and materially increased beyond that contemplated at the time this **Agreement** was issued or sold.

No cancellation of this **Agreement** by **Us** shall become effective until fifteen (15) days after the notice of cancellation is mailed to **You**. The **Administrator** will not charge a cancellation fee if this **Agreement** is cancelled by **Us**.

If **We** cancel this **Agreement** within thirty (30) days of the **Agreement** Purchase Date, a full refund of the total **Agreement** Purchase Price, less any claims paid, will be issued. If **We** cancel this **Agreement** after thirty (30) days, a pro-rata refund of the total **Agreement** Purchase Price based on the greater of the number of days the **Agreement** was in force or the miles driven compared to the total **Agreement** Term will be issued, less any claims paid.

In the event of **Our** cancellation of this **Agreement**, any refund owed will be paid or credited no more than thirty (30) days from the effective date of **Our** cancellation or sooner if required by state law.

If a **Waiting Period** applies, the full refund period is extended to thirty (30) days from the date coverage begins. Coverage begins on the day following the **Waiting Period**.

#### **RIGHT OF REMOVAL**

In the event of any dispute between **Us** and the licensed **Repair Facility**, **We** shall have the right, with **Your** permission, to remove the **Vehicle** to a licensed **Repair Facility** of **Our** choice and at **Our** expense.

#### **LIMITED APPLICABILITY OF THE FEDERAL MAGNUSON MOSS WARRANTY ACT**

**You** agree and acknowledge that **You** have paid an additional fee for this **Agreement** that is separate and apart from the purchase price **You** paid for the **Vehicle**. Because of that separability stated consideration, **You** agree and acknowledge that this **Agreement** is not part of the basis of the bargain for **Your** purchase of the **Vehicle**. **You** further agree and acknowledge that, the **Administrator** or **Obligor** under this **Agreement**, are not the supplier of the **Vehicle**. Consequently, this **Agreement** is not a "written warranty" under the federal Magnuson Moss Warranty Act. As a result, this **Agreement** is not subject to the provisions of the Magnuson Moss Warranty Act that apply only to a "written warranty."

#### **LIMITATION OF LIABILITY**

**IN NO EVENT WILL WE BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL LOSS OR DAMAGE UNDER THIS AGREEMENT INCLUDING, BUT NOT LIMITED TO, LIABILITY FOR INJURY, LOSS OF LIFE, PROPERTY DAMAGE, LOSS OF USE, LOSS OF TIME, INCONVENIENCE OR COMMERCIAL LOSS, TO THE EXTENT PERMITTED BY LAW, WE DISCLAIM ANY WARRANTY THAT REPAIRS OR PERFORMANCE WILL BE OF ANY PARTICULAR STANDARD OR QUALITY.**

#### **INSURANCE STATEMENT**

**Our** obligations under this **Agreement** are insured by Dealers Assurance Company, 15920 Addison Rd., Addison, TX 75001. In the event **We** cease to operate, become bankrupt or fail to pay any valid claim within sixty (60) days after proof of loss has been filed, **You** may make a direct claim to the insurer at the above address.

#### **DISPUTE RESOLUTION/ARBITRATION AGREEMENT AND CLASS ACTION WAIVER**

**PLEASE READ THIS DISPUTE RESOLUTION/ARBITRATION AGREEMENT AND CLASS ACTION WAIVER, INCLUDING THE OPT-OUT PROVISION, CAREFULLY TO UNDERSTAND YOUR RIGHTS. IT REQUIRES THAT CLAIMS (AS DEFINED BELOW) BE RESOLVED SOLELY THROUGH BINDING ARBITRATION ON AN INDIVIDUAL BASIS, RATHER THAN BY A JURY OR IN A CLASS ACTION.**

Arbitration is a method of resolving any Claim without filing a lawsuit. In this Arbitration Agreement and Class Action Waiver (collectively including all of this section of this Agreement), **You, We**, and the **Administrator** (the "Parties") are agreeing to submit any and all Claims to binding arbitration on an individual basis for resolution. This Arbitration Agreement and Class Action Waiver sets forth the terms and conditions of our agreement to binding arbitration. The Parties agree that any and all claims, disputes and controversies related in any way to this **Agreement**, including but not limited to claims related to the underlying transaction giving rise to this Agreement, or claims related to the sale, financing or fulfillment of this **Agreement** (collectively, "Claims"), shall be resolved by final and binding arbitration. "Claims" shall be given the broadest meaning possible and includes, without limitation, Claims arising under Agreement, tort, statute, regulation, rule, ordinance or other rule of law or equity, and Claims against any of **Our** or the **Administrator's** owners, shareholders, members, affiliates, subsidiaries,

divisions, directors, officers, employees, representatives, agents, successors, or assigns. In arbitration, Claims are resolved by an arbitrator and not by a judge or jury. **THE PARTIES, INCLUDING YOU, WAIVE ANY RIGHT TO HAVE CLAIMS DECIDED BY A JUDGE OR JURY.**

In addition, except as expressly stated in the Class Action Waiver or otherwise expressly stated herein, the arbitrator shall have exclusive authority to decide all issues related to the enforcement, applicability, scope, validity, and interpretation of this Arbitration Agreement, including but not limited to any unconscionability challenge or any other challenge that the Arbitration Agreement is void, voidable or otherwise invalid. Notwithstanding this Agreement to arbitrate, each of the Parties retains the right to seek remedies in small claims court to resolve any Claim, on an individual basis, within the jurisdiction of small claims court. You acknowledge Your understanding that all Parties hereunder are waiving their rights to go to court, except for small claims court, to resolve any Claims arising under or related to this Agreement. The Parties agree and acknowledge that the transaction evidenced by this Agreement affects interstate commerce. The Parties further agree that all issues relating to this Arbitration Agreement and Class Action Waiver, including its enforcement, scope, validity, interpretation, and implementation, will be determined pursuant to federal substantive law and the substantive and procedural provisions of the Federal Arbitration Act (“Act”), 9 U.S.C. §§ 1-16. If federal substantive law holds that state law should apply to any issue relating to this Arbitration Agreement and Class Action Waiver, then the law of the state where You purchased the Agreement shall apply, without regards to conflicts of law.

**CLASS ACTION WAIVER.** All Claims must be brought solely in an individual capacity, and not as a plaintiff or class member in any purported class action, collective action, representative action, mass action, private attorney general action or action on behalf of the general public, or similar proceeding (any such action is referred to herein as a “Class Action”). **NO CLAIM WILL BE ARBITRATED ON A CLASS ACTION BASIS.** The Parties, including You, expressly waive any right or ability to bring, assert, maintain, or participate as a class member in any Class Action in court, arbitration, or any other forum, and the right for anyone to do so on Your behalf. The arbitrator may not consolidate more than one person or entity’s claims, and may not otherwise preside over any Class Action. The arbitrator shall not have the authority to combine or aggregate multiple persons’ or entities’ Claims or discovery, to conduct a Class Action or to make an award to any person or entity not a party to the arbitration. Notwithstanding anything to the contrary, the Parties agree that the enforcement, applicability, scope, validity, and/or interpretation of this Class Action Waiver shall be decided by a court of competent jurisdiction and not by an arbitrator. If this Class Action Waiver is ruled unenforceable or is interpreted to not prevent a Class Action, then the Arbitration Agreement shall be null and void, and any Claims shall proceed in a court of law and not in arbitration. The Parties agree that if an arbitrator renders a decision regarding the enforcement, applicability, scope, validity, and/or interpretation of this Class Action Waiver, or determines that a Class Action may proceed in arbitration, then: (1) the arbitrator has exceeded his powers, pursuant to §10(a)(4) of the FAA, by taking such action; (2) either party may seek immediate review of that decision by a court of competent jurisdiction; and (3) a court of competent jurisdiction shall apply a “de novo” standard of review of that decision if such standard of review is allowed by the common law or statutes of that state. The Parties, including You, agree that if for any reason a Claim proceeds to Court, rather than arbitration, (1) the Claim will proceed solely on an individual, non-class, non-representative basis, and (2) no Party may be a class representative or class member or otherwise participate in any **Class Action.**

The arbitration shall be administered by the American Arbitration Association (“AAA”). The arbitration shall be conducted pursuant to the AAA Consumer Arbitration Rules (the “Code”). Information on AAA and a copy of the Code may be found at URL: American Arbitration Association, [www.adr.org](http://www.adr.org). The arbitration will be governed by federal substantive law and the substantive and procedural provisions of the Federal Arbitration Act (“Act”), 9 U.S.C. §§ 1-16. If federal substantive law holds that state law should apply to any issue relating to the arbitration, then the law of the state where You purchased the **Agreement** shall apply, without regards to conflicts of law. The arbitration will occur before a single, neutral arbitrator selected in accordance with the Code in effect at the time the arbitration is commenced. If Your total damage claims (not including attorney’s fees) do not exceed \$25,000, then all Claims shall be resolved by the Code’s Procedures for the Resolution of Disputes through Document Submission, except that a Party may ask for a hearing or the arbitrator may decide that a hearing is necessary. If a hearing is held, You have a right to attend the arbitration hearing in person, and You may choose to have any arbitration hearing held in the county in which You live, the closest AAA location to Your residence, or via telephone. In the event that the specified arbitration forum is unavailable, the Parties may agree on a substitute arbitration forum. If the Parties cannot agree, a court of competent jurisdiction may appoint a substitute arbitration forum. For information about how to initiate arbitration with the AAA, the Parties may refer to the AAA Code and forms at [www.adr.org](http://www.adr.org). If You initiate arbitration with AAA, You must pay the AAA filing fee in an amount no greater than the fee You would have to pay if You filed a complaint in federal court. We will pay any remaining Costs of arbitration required by the Code (“Arbitration Costs”); however, if the arbitrator determines that any of Your claims are frivolous, You shall bear all of the Arbitration Costs. If We initiate arbitration against You, We will pay the AAA filing fee and the Arbitration Costs. Each party will pay his/her/its own attorney’s fees, as well as costs relating to proof and witnesses, regardless of who prevails, unless applicable law and/or the Code gives a party the right to recover any of those fees from the other party. An arbitration award may not be set aside except upon the limited circumstances set forth in the Federal Arbitration Act. An award in arbitration will be enforceable under the Federal Arbitration Act by any court having jurisdiction. The time for commencing an arbitration asserting any Claim shall be determined by reference to the applicable statute(s) of limitations, including the applicable rules governing the commencement of the limitations period, and a Claim in arbitration is barred to the same extent it would be barred if it were asserted in court of law or equity rather than in arbitration.

If any portion of this Arbitration Agreement is deemed invalid or unenforceable, all the remaining portions of this Arbitration Agreement shall nevertheless remain valid and enforceable, provided, however, that if any portion of the Class Action Waiver is deemed invalid or unenforceable, then this Arbitration Agreement shall be invalidated and unenforceable in its entirety. In the event of a conflict or inconsistency between this Arbitration Agreement and Class Action Waiver and the other provisions of this Agreement or any other Agreement, this Arbitration Agreement and Class Action Waiver governs.

**OPT-OUT PROVISION. YOU SHALL HAVE THE RIGHT TO OPT OUT OF THIS ARBITRATION AGREEMENT AND CLASS ACTION WAIVER BY PROVIDING WRITTEN NOTICE OF YOUR INTENTION TO DO SO TO US WITHIN THIRTY (30) DAYS OF THE PURCHASE OF THIS AGREEMENT (THE DATE OF PURCHASE BEING INDICATED ON YOUR AGREEMENT).**

To opt out, You must send written notice to Headstart Warranty Group LLC, 14114 North Dallas Pkwy., Ste. 600, Dallas, Texas 75254. You must include in Your opt out notice: (a) Your name and address; (b) the date You purchased Your Agreement; and (c) the Dealer/Seller. If You properly and timely opt out, then all Claims will be resolved in court rather than arbitration.

## PRIVACY

It is **Our** privacy to respect the privacy of **Our** customers. For information on **Our** privacy practices, please review **Our** privacy policy at [www.headstartwarrantygroup.com](http://www.headstartwarrantygroup.com).

## SPECIAL STATE REQUIREMENTS

The following Special State Requirements and/or Disclosures apply if this **Agreement** was purchased in one of the following states and supersede any other provision herein to the contrary:

### ARIZONA

**CANCELLATION, C.**, is amended as follows: **You** may cancel this **Agreement** by submitting a written request containing a copy of **Your Agreement** and the current mileage on **Your Vehicle**. During the first thirty (30) days from the **Agreement** Purchase Date, **We** will refund **You** one hundred percent (100%) of the **Agreement** Purchase Price with no deductions for any claims or pending claims. After the first thirty (30) days from the **Agreement** Purchase Date, **We** will refund **You** a pro-rated amount of the **Agreement** Purchase Price, based on the greater of the number of days the **Agreement** was in force or miles driven, less claims paid and less a cancellation fee of fifty dollars (\$50.00) or ten percent (10%) of the unearned **Agreement** pro-rata purchase price, whichever is less.

**CANCELLATION, E.**, is amended as follows: **We** may not cancel or void this **Agreement** or any provisions of this **Agreement** due to acts or omissions by **Us**, **Our** assignees or subcontractors for their failure to provide correct information or to perform services or repairs in a timely, competent, and workman like manner. This **Agreement** will be cancelled or voided by **Us** or **Our** representatives for the following material acts or omissions after the **Agreement** Purchase Date: (a) fraudulent or unlawful acts by **You** arising out of or relating to the **Agreement**; (b) **You** use a covered consumer product in a manner other than as intended by the manufacturer that is likely to increase the likelihood that the consumer product will be damaged or require repairs. Consequential damages are excluded under this **Agreement**. **Parts or components repaired or replaced under the Agreement will not be excluded from coverage.**

**We will not deny a claim hereunder solely because of Your failure to have manufacturer recommended vehicle maintenance services performed.**

**We will not deny a claim hereunder for damage caused by negligence, misuse, improper servicing, or improper previous repair occurring prior to Your purchase of the Vehicle.**

**Parts or components repaired or replaced under this Agreement are not excluded from coverage.**

**Coverage under this Agreement begins on the Agreement Purchase Date. This Agreement cannot be deemed ineligible subsequent to the Agreement Purchase Date.**

**We will not deny coverage hereunder because of the Vehicle's ineligibility (e.g., gray market vehicles, salvage or branded titles, vehicles which have been declared a total loss).**

**We will not deny coverage hereunder because of modifications or alterations to the Vehicle which were made prior to Your ownership of the Vehicle.**

The **DISPUTE RESOLUTION/ARBITRATION AGREEMENT AND CLASS ACTION WAIVER** is amended to include: Arbitration cannot be an absolute dispute remedy and both parties must agree to arbitration. This arbitration provision does not prohibit an Arizona resident from following the process to resolve complaints under the provisions of A.R.S. §20-1095.09, Unfair trade Practices as outlined by the Arizona Department of Insurance and Financial Institutions. To learn more about this process, **You** may contact the Arizona Department of Insurance and Financial Institutions at 100 N. 15th Ave., Suite 261, Phoenix, AZ 85007-2630, Attn: Consumer Protection.

**You** may directly file any complaint with the Arizona Department of Insurance and Financial Institutions (A.D.I.F.I.) against a Service Company issuing an approved Service Contract under the provisions of A.R.S. §§ 20-1095.04 and/or 20-1095.09 by contacting the Consumer Protection Division of the A.D.I.F.I. at 602-364-2499 or [difi.az.gov](http://difi.az.gov).

### GEORGIA

**If applicable, the Waiting Period will not exceed thirty (30) days and three hundred (300) miles.**

**If applicable, thirty (30) days and three hundred (300) miles will be added to the Agreement term at expiration if there is a Waiting Period.**

**CANCELLATION, B.**, is amended as follows: If the lienholder cancels the **Agreement** after thirty (30) days of the **Agreement** Purchase Date, the cancellation fee is fifty dollars (\$50) or ten (10%) percent of the pro rata refund amount, whichever is less.

**CANCELLATION, C.**, is amended to read as follows: If **You** cancel the **Agreement** within thirty (30) days of the **Agreement** Purchase Date, the cancellation fee will not be charged. A ten percent (10%) penalty per month shall be added to a refund that is not paid or credited within forty-five (45) days of the return of this **Agreement** to **Us**. If cancelled after thirty (30) days, the cancellation fee will be fifty dollars (\$50) or ten percent (10%) of the pro rata refund amount, whichever is less. If **You** cancel this **Agreement** and have not received a refund from **Us** or the **Administrator** within sixty (60) days of such cancellation, **You** may contact the Insurance Company identified in the **INSURANCE STATEMENT**. In the event of cancellation, **You** will not be charged for claims paid or repair service fees.

**CANCELLATION, E.**, is amended as follows: **We** may cancel this **Agreement** for non-payment of the **Agreement** Purchase Price or for material misrepresentation, or for fraud and no cancellation fee will be charged. The cancellation shall be in writing and shall not be less than thirty (30) days from the date of mailing or delivery in person of such notice of cancellation. If this **Agreement** is cancelled after thirty (30) days or a claim has been filed, **We** will refund an amount of the **Agreement** Purchase Price according to the pro rata method reflecting the greater of the days in force or the miles driven based on the **Term** of the plan selected and the **Agreement** Purchase Date.

Pre-existing conditions known to **You** are not covered, including any covered part that was broken, worn beyond serviceable limits, or making noise at the time of purchase, or any component or system that was not functioning properly upon the first attempt to operate.

**EXCLUSIONS – WHAT IS NOT COVERED** is amended as follows: “Sludge” references are deleted in their entirety.

**DISPUTE RESOLUTION/ARBITRATION AND CLASS ACTION WAIVER** provision is deleted in its entirety. Arbitration does not apply in Georgia. The **OPT-OUT PROVISION** only applies to the **CLASS ACTION WAIVER**.

The funding party and lienholder may only cancel for nonpayment in the event of a total loss or repossession of the **Vehicle**.

### NORTH CAROLINA

**CANCELLATION** is amended as follows: A twenty-five-dollar (\$25) cancellation fee or ten percent (10%) of the pro-rata refund amount, whichever is less, is applicable.

**CANCELLATION, E.**, is amended as follows: **We** may only cancel this **Agreement** for non-payment of premium or for a direct violation of the **Agreement** by **You**.

## **SOUTH CAROLINA**

If **You** have any questions regarding this **Agreement**, or a complaint against **Us**, **You** may contact the South Carolina Department of Insurance, Capital Center, 1201 Main Street, Ste. 1000, Columbia, SC 29202-3105, (800) 768-3467.

**CANCELLATION, C.**, is amended to include the following: A ten (10%) percent penalty per month shall be added to a refund that is not paid or credited within forty-five (45) days after return of the **Agreement to Us**.

**CANCELLATION, E.**, is amended as follows: If **We** cancel this **Agreement** for any reason, **We** will mail written notice to **You** at least fifteen (15) days prior to cancellation by **Us**. The notice of cancellation will state the effective date and reason for the cancellation. The lienholder, if any, will be named on a cancellation refund check as their interest may appear.

## **TEXAS**

**CANCELLATION, C.**, is deleted in its entirety and replaced with the following: If the **Agreement Holder** cancels this **Agreement** before the thirty-first (31) day of the **Agreement Purchase Date**, the **Agreement Holder** will receive a full refund of the total **Agreement Purchase Price**. If a claim has been incurred before the thirty-first (31) day, the **Agreement Holder** shall receive a full refund of the **Agreement Purchase Price** less claims paid. If the **Agreement Holder** cancels this **Agreement** after the thirty-first (31) day, the **Agreement Holder** will receive a pro rata refund of the total **Agreement Purchase Price**, based on the greater of the number of days the **Agreement** was in force or miles driven, less claims paid and the applicable cancellation fee in the amount of fifty dollars (\$50). The **Term** of this **Agreement** for cancellation purposes will be based on the **Agreement Purchase Date** and the **Vehicle** mileage on such date. If a refund is owed, the refund will be paid or credited within thirty (30) days from the date the **Obligor** or **Dealer/Seller** receives notice of cancellation from the **Agreement Holder**. A ten percent (10%) penalty per month shall be added to a refund that is not made within forty-five (45) days after return of this **Agreement to Us**.

**CANCELLATION, E.**, is amended as follows: If **We** cancel this **Agreement** for any reason other than non-payment of the **Agreement Purchase Price** or material misrepresentation by **You to Us**, **We** shall mail a written notice of cancellation to **You** at the last known address before the fifth (5<sup>th</sup>) day preceding the effective date of cancellation. The notice will state the effective date of cancellation and reason for cancellation. If a covered claim is not paid or a refund not provided within forty-five (45) days after **You** have filed proof of loss with **Us**, **You** may contact or file a claim directly with the insurance company listed in the **INSURANCE STATEMENT** section of this **Agreement**.

If **You** have any questions regarding the regulation of this **Agreement** or a complaint against **Us**, **You** may contact the Texas Department of Licensing and Regulation, 920 Colorado, Austin, Texas 78701, or P.O. Box 12157, Austin, Texas 78711, (800) 803-9202.

**Our** service contract provider license number is: **799**.