

# Direct Buy Auto Warranty

1-888-865-4484

## **I. COVERAGE PERIOD/COVERAGE:**

A. Coverage begins 30 days and 50 miles after acceptance of applicable contract fees and proceeds for term that you purchased as stated on your policy. Your coverage may begin before 30 days if DBW receives proof of prior coverage showing no lapse in coverage from another carrier within 15 days of purchase date. Any claim made before the 30 days (pre-existing) will not be covered by this contract.

B. DBW will pay any authorized claim directly to the ASE licensed servicing center for the costs to repair or replace covered parts that fail, less the applicable deductible if there is any.

C. DBW does not cover any Vehicle that is used as a commercial vehicle, or is used for rental, taxi, limousine or shuttle, delivery, towing, road repair operations, construction, job site activities, commercial hauling, police or emergency service, principally off-road use, racing or competitive driving, or snow removal.

D. This contract describes the basic coverage and options available. Coverage includes only the items selected as covered and excludes all others. Coverage is subject to limitations and conditions specified in this contract. Contract is subject to change at any time. Please read your contract carefully. It is understood that DBW IS NOT A SERVICE PROVIDER and is not itself undertaking to repair or replace any such Components and Parts. NOTE: This is not a contract of insurance, vehicle service, warranty, extended warranty, or implied warranty.

## **II. FILING A CLAIM:**

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

A. Prevent further damage - Take immediate action to prevent further damage. This contract will not cover the damage caused by not securing a timely repair of the failed component.

B. Call the Administrator to notify of Your issue and what repair facility You will be sending Your vehicle to.

C. Provide Evidence of Coverage - Provide the repair facility with a copy of Your ID card that was received after the purchase of Your policy.

D. You may take Your vehicle to the ASE Licenses repair facility of your choice, if you do not have a repair facility to take Your vehicle to, DBW can direct you to a proper repair facility.

In the event that any repair facility engaged to perform repairs contemplated by the service contract charges for parts and labor in excess of amounts published in industry manuals published by Chilton Motors, Mitchell, All Data and any other such manuals used by the administrator to determine reasonable costs of repair.

E. Obtain claim payment authorization from the administrator - Prior to any repair being made, instructs the service manager at the Repair Facility to contact the Administrator to obtain an authorization for the claim. Any covered claim authorized by DBW will be paid prior to any repair being made. Any claim for repairs without prior authorization will not be covered except as provided for under Item H "Emergency Repairs". The amount

authorized by the administrator is the maximum amount that will be paid for any repairs covered under the terms of this Contract. Any additional amount must receive prior approval from the administrator.

F. Authorize tear-down and or inspection - In some cases, You may need to authorize the repair facility to inspect and/or tear-down Your vehicle in order to determine the cause and cost of the repair. You will be responsible for these charges. We reserve the right to require an inspection of Your vehicle prior to any repair being made.

G. Review coverage - After the administrator has been contacted, review with the service manager what will be covered by this contract.

H. Emergency Repairs - Should an emergency occur which requires a Breakdown repair to be made at a time when the administrator's office is closed; You must call the administrator office within three (3) days from the date of repair to determine if such repair will be covered. If it is determined that the repair is to be covered by this contract, You will be reimbursed for the repair. Reimbursement is based on the manufacturer's suggested retail price for parts and the labor is based on a nationally recognized labor manual. Note: Emergency repairs exceeding one hundred and fifty dollars (\$150) in cost must always be preauthorized by the administrator. You assume all liability for payment of repairs that are not authorized to the repair facility.

## **III. THE BENEFITS ARE NOT SUBJECT TO A DEDUCTIBLE:**

A. Towing - We will reimburse You for Your actual towing cost up to a maximum of \$60 per occurrence, if the tow was necessary because of a Mechanical Breakdown of a part covered under the Contract. Any payment shall be for actual towing or roadside charges in excess of any applicable reimbursement from the manufacturer or any other towing or road service Coverage.

B. Rental Car - We will reimburse You for rental of a replacement vehicle for substitute transportation if there is a Breakdown of a covered part under this Contract and the approved labor repair time is a minimum of 4 hours. Our cost is limited to \$30 per day. Each 8 hours of approved labor time Counts as 1 day, up to a maximum of 3 days. The substitute transportation must be supplied by a duly licensed Rental Agency and is in excess of any applicable reimbursement from the manufacturer or any other substitute transportation coverage.

C. Locksmith Service - If You lock Your keys in Your vehicle or lose Your keys, You will be reimbursed up to \$40 for the service call of a locksmith to open Your vehicle. Key cutting or other labor/parts are not covered by this benefit.

D. Out of Gas/Dead Battery - You will be reimbursed up to \$40 for a service call to jump-start or deliver emergency fuel to Your vehicle. The cost of the fuel is not reimbursable.

E. Trip Interruption - Trip interruption occurs when a Breakdown

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disables Your vehicle more than 100 miles from Your home, You are stranded overnight and covered repairs are not completed. Trip interruption benefits are for motel and restaurant expenses incurred by You during the repair period. When such a Breakdown occurs, You will be reimbursed up to \$50.00 per day of trip interruption benefits for each 8 hours of approved labor time, up to a maximum of 3 days.

#### IV. WHAT IS COVERED:

A. Gasoline/Diesel Engine: Cylinder block, cylinder head(s) if damage by internally lubricated parts. All internally lubricated parts including: pistons, piston rings and pins, crankshaft and main bearings, connecting rods and rod bearings, camshaft and bearings, pushrods, rocker arms, valves, valve springs, seats and guides, lifters, followers, oil pump, timing chain, timing belt and gear. Harmonic balancer, dip stick & tube. Valve covers, timing cover, and oil pan if damaged by internally lubricated parts; vacuum pump, engine mounts.

B. Transmission: Transmission case, transfer case and pan if damage by internally lubricated parts. All internally lubricated parts including: torque converter, vacuum modulator, internal linkage, and transmission mounts.

C. Drive Axle: Housing(s) and cover if damage by internally lubricated parts. All internally lubricated parts including: axle shafts, universal joints and yokes, constant velocity boot or joint or both, wheel bearings/hubs, drive shaft center bearings, supports, propeller shafts, locking hub mechanisms.

D. Steering: Steering box and rack and pinion unit and all their internal lubricated parts including: power steering pump and cylinder, main and intermediate steering shafts and couplings, steering knuckles; pitman arm, idler arm, tie rod ends and drag link.

E. Brakes: Non - ABS master cylinder, power booster, calipers, wheel cylinders, hydraulic lines and fittings; proportioning valve, backing plates, springs, clips and retainers, self-adjusters, parking brake linkage and cables.

F. Electrical: Alternator, voltage regulator, starter motor, starter solenoid, distributor (excludes cap, rotor and wires), window regulator, heater A/C blower motor.

G. Heater and Air Conditioning: Evaporator, condenser, compressor, compressor clutch, receiver/drier, field coil, accumulator, A/C high/low pressure compressor cutoff switches and heater core.

H. Front/Rear Suspension: Upper and lower control arms, control arm shafts and bushings, spindle supports, stabilizer shaft, stabilizer linkage, bushings, ball joints, spindles, wheel bearings.

I. Cooling: Radiator, radiator fan blade and motor, fan clutch, water pump.

J. Fuel: Fuel pump, metal fuel injection lines/rails, fuel tank and metal fuel internal lubricated parts including: waste-gate, vanes, shafts and bearing.

K. Hi-Tech: Electronic shift control unit; ABS master cylinder,

ABS processor, hydraulic pump motor, pressure modulator valve, sensors; temperature control programmer, fuel management controls, modules and sensors, fuel injector(s), fuel injection pump, ignition management controls, ignition coils, wiper motor(s), power window motors, power door locks, automatic temperature control, keyless entry system excluding remote, power antenna, speed control, electronic level control compressor.

L. ABS-Brakes: Wheel Speed Sensors, Hydraulic Pump/Motor Assembly, Pressure Modulator Valve/ Isolation Dump Valve, Accumulator, A.B.S. Master Cylinder, Hydro Boost and Electronic Control Processor.

M. Differential Assembly: (Front and Rear) Differential Housing (if damaged by internally lubricated parts), Axle Shaft, Ring and Pinion, Bearings, Bushings, Washers, all other internal parts contained with the differential assembly.

N. Super/Turbo Charger: All internal parts; Housing is covered if damaged by the failure of an internally lubricated moving part.

O. 4x4/AWD: All components in the Differential Assembly and Transfer Case including: Drive Chain, Drive Chain Gears, Planetary Gears, Ring Shift Forks, Bearing, Bushing, Oil Pump Output Shaft, Main Shaft Washers and all other internal lubricated parts, Seals and Gaskets, Differential Housing, Axle Shaft, Ring and Pinion, Bearing, Bushing, Washers, Differential Cover, 4 Wheel Drive Actuator, Locking Hubs and all other internal parts contained with the differential assembly.

P. Seals & Gaskets: Are covered for the following assemblies; engine; super/turbocharger; transmission; drive axle(s), brakes, and air conditioning.

#### V. WHAT IS NOT COVERED:

A. Non-Covered Parts - Leak detections and/or any of the following parts: carburetor; throttle body; battery; battery cables; shock absorbers; struts; manual transmission clutch friction, clutch disc and pressure plate; throw out bearing; pilot bearing; clutch master and slave cylinder; manual and hydraulic linkages; distributor cap and rotor; wires; safety restraint systems (including air bags); glass; lenses; head lamp and projection lamp assemblies; sealed beams; light bulbs; fuses; circuit breakers; telephones; television / vcr; electronic and satellite transmitting / receiving devices; brake rotors and drums; exhaust system; evaporative and exhaust emission systems; oxygen sensors; weather stripping; trim; moldings; bright metal; chrome; upholstery; carpet ; zippers; nuts, bolts, and fasteners; cup holders; dash pad and vents; seat frame; seat frame recliner mechanism; paint; outside ornamentation; inside and outside door handles; mirrors; hinges; lift gate and hood supports; hubcaps/wheel covers; bumpers; body sheet metal and panels; body parts; frame and engine cradles; body mounts; mounting brackets and structural body parts; vinyl and convertible tops; tires; wheels/rims. speakers and wiring.

B. Scheduled Maintenance Service and Adjustments - Maintenance services and parts recommended in the Vehicle

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Manufacturer's Maintenance Schedule. Unless required in conjunction with a covered repair, the following are not covered under this agreement: mechanical adjustments filters; lubricants; coolants; fluids; refrigerants and the service operations necessary to replace them. Other normal maintenance services and parts, including, but not limited to: alignments; wheel balance; tune ups; sparkplugs; spark plug wires; hoses, belts; brake pads; brake lining; brake shoes; wiper blades; squeaks and rattles; water leaks; wind noise; thermostat are not covered.

## VI. LIMITATIONS OF LIABILITY:

A. Any repair or replacement made without prior authorization from the Administrator to the repair facility will result in a claim denial.

B. The damage of a non-covered part resulting from the failure of a covered part or damage to a covered part by a non-covered part will result in a claim denial.

C. Any Breakdown resulting from an outside force including collision, fire, theft, vandalism, riot explosion, lightning, earthquake, freezing, rust or corrosion, windstorm, hail, water or flood, acts of God, salt, environmental damage, introduction of foreign objects, contamination of fluids, fuels, coolants or lubricants, or any hazard insurable under standard physical damage insurance policies regardless of whether such insurance is in force, or any consequential damage or diminution in value resulting from the failure of a covered or non-covered part will result in a claim denial.

D. DBW is not responsible for any Breakdown caused by misuse, abuse, negligence, lack of normal maintenance scheduled for Your vehicle. For example, some Vehicle manufacturers require the timing belt to be replaced at specific intervals. DBW reserves to the right to request maintenance records at any time. Maintenance must have been performed by a ASE licensed mechanic Failure to perform specified maintenance will result in claim denial.

E. Any Breakdown caused by oil sludge, rust and/or carbon build-up or the failure to maintain proper levels of lubricants and/or coolants or failure to protect Your vehicle from further damage when a Breakdown has occurred, including failure to replace leaking seals and/or gaskets in a timely manner will result in a claim denial.

F. DBW is not liable for any repair or replacement of a covered part when those parts are not necessary for the completion of the covered repair, and/or is considered an improvement to Your vehicle and is not covered by this Contract.

G. Per incident Liability price is based upon nationally recognized flat rate and/or factory manuals. In no event will the liability for each mechanical Breakdown or failure under this agreement exceed the trade-in allowance of the vehicle established by the current NADA official used car guide at the time immediately preceding the mechanical Breakdown or failure.

H. DBW will not be liable to You for consequential/secondary

damages or injuries, not for any costs or expenses that provide betterment, upgrade or enhancement to You or Your vehicle.

This limit of liability applies regardless of the cause and regardless of any legal theory asserted. There are no warranties expressed or implied that extend beyond the description on the face hereof. The warranties of merchantability and fitness for a particular purpose are expressly excluded and disclaimed.

I. Transfer of Your policy. This contract applies only to You and the vehicle listed on the Registration Page. This contract may be transferred one time only, at Your request, the next owner (private party only) of the vehicle while the contract is in force. This contract may be transferred by contacting the administrator within 30 days of the transfer date. After 30 days the contract is forfeited.

J. Section IV Coverage is dependent on plan selected. Refer to your Coverage Chart to view the selected items under the plan mentioned on your welcome packet.

K. DBW is not liable for any Breakdown caused by gradual reduction in operating performance due to normal wear & tear. Wear & Tear is defined a component that has not failed but does not meet the manufacturer's specifications.

L. DBW is not liable for any repair for the purpose of correcting engine compression or oil consumption when a Breakdown has not occurred, including but not limited to, Burnt valves, valve grinding, stuck or carboned piston rings are not covered.

M. If Your vehicle does not meet manufacturer's specifications, including but not limited to, any custom or add-on part, all frame or suspension modifications, lift kits, oversized/undersized tires, emissions and/or exhaust systems modifications, or power train modifications will result in a claim denial.

N. If Your odometer has ceased to operate and odometer repairs have not been made immediately, or the odometer has been altered in any way since You have had title to Your vehicle will result in a claim denial.

O. DBW cannot be held for any liability to property damage, or for injury to or death of any person or for loss of use, time, profit, inconvenience arising out of the operation, maintenance or use of Your vehicle described in this Contract whether or not related to the covered parts.

P. When the responsibility for a repair is covered by an insurance policy, or a repairer's guarantee/warranty, or any warranty from the manufacturer, or if the manufacturer has announced its responsibility by any means, including but not limited to, public recalls, factory service bulletins, or programming of modules; even if the manufacturers no longer honors their own warranty will result in a claim denial.

Q. Any known or unknown pre-existing conditions with Your vehicle will result in a claim denial.

R. Any Breakdown caused by being towed, or towing a trailer, another vehicle or any other object, unless Your vehicle is equipped for this use as recommended by the manufacturer will result in a claim denial.

S. DBW is not liable for any Breakdown that occurs and/or

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repairs made outside of the continental United States, Alaska, and Hawaii.

T. For any part not covered or excluded by the original vehicle manufacturer's warranty, or any maintenance services and parts described in the owner's manual for Your vehicle.

## VII. MEDIATION:

**In the event of a dispute over claims or coverage You agree to file a written claim with Direct Buy Warranty and allow DBW thirty (30) calendar days to respond to the claim. The parties agree to mediate in good faith before resorting to mandatory arbitration..**

A. If a dispute arises from or relates to this Agreement or its breach, and if the dispute cannot be settled through direct discussions, the parties agree to try first to settle the dispute by mediation administered by the American Arbitration Association Commercial Mediation Rules. If they are unable to do so, they agree to submit all disputes that are not resolved to arbitration before the American Arbitration Association in accordance with its Commercial Arbitration Rules. If the parties agree, the mediator involved in the parties' mediation can serve as the arbitrator. Any award of the arbitrator against DBW cannot exceed \$1500 per contract term or aggregate. You expressly waive all claims in excess of, and agree that its recovery shall not exceed, these amounts. Any such award shall be in satisfaction of all claims by You against DBW. If either party is required to defend itself in litigation, arbitration, or otherwise, then the defending party is entitled to recover from the instigating party the amount of attorneys' fees and expenses the defending party incurs in defending the litigation, arbitration, or other proceeding unless the instigating party substantially prevails in the litigation, arbitration, or other proceeding. To the extent that the instigating party seeks monetary relief, to substantially prevail means that the instigating party must recover at least 50% of whatever that party is seeking.

## VIII. CANCELTION:

A. If You have received any type of gift card or promotion under this contract and choose to cancel within the first year, Your refund will be less the gift card or promotion and any other fees mentioned in this contract.

B. If no claim has been made under this contract, You may return this contract within the first thirty (30) days. The contract will be void and we will refund You the full amount of Money paid by You. The right to void the contract is not transferable.

1. If You make a claim within the 30 day wait/review period (pre-existing) and choose to cancel, the policy holder is subject to a full refund less \$50 dollar administration fee per year.

C. If You cancel this contract after the first thirty (30) days or anytime after a claim has been authorized or paid on Your behalf, WE will refund an amount of the contract price according to the pro-rata method which reflects the greater of the days in force or the miles driven based on the term of the coverage

selected and the date coverage began, less 20% of the total amount paid in by You and any claims authorized or paid on the contract where applicable by law. In the event that the dollar amount of claim/claims paid for Your vehicle exceed the amount of Your refund (less fees), You will be responsible to reimburse the administrator.

D. After this contract has been in force for more than thirty (30) days. We may cancel this contract for any or all of the following;

1. Nonpayment of the contract price;
2. Intentional misrepresentation in obtaining the contract;
3. Intentional misrepresentation in the submission of a claim;
4. Discovery of an act or omission by You or a violation of any of the conditions of this contract which occur after the purchase date of this contract and which substantially and materially increase the service required under this contract. An act of willful misrepresentation may be determined as fraud, and we may bring an action against You with Your local authorities for full prosecution under the laws in Your respective state. We reserve the right to cancel this contract by mailing/emailing written notice to You at Your last known contact information You have provided to DBAW with ten days of our receipt of Your signed contract prior to the effective date of cancellation with the reason for the cancellation of the notice.

E. Your contract may be cancelled for non- payment of the contract price or if Your vehicle is declared a total loss or is repossessed.

F. OUR RIGHTS TO RECOVERY OF PAYMENTS - We have a right to recover payment or payments to another party for anything we have paid under this contract, Your rights shall become our rights. You shall do whatever is necessary to enable US to enforce these rights. We shall recover excess after You are full compensated for Your loss, less the deductible.



*Giving Drivers Peace of Mind*

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