

Service Contract Administrator/Obligor:
Warrantech Consumer Product Services, Inc.
P.O. Box 1189
Bedford, TX 76095
Telephone: (800) 327-8721

CONGRATULATIONS

You have just made a smart decision to protect yourself from future labor costs associated with your recent repair(s) by purchasing a Pep Boys Labor Extended Warranty (the "Plan"). Please keep this document in a safe place along with your proof of purchase received when you purchased this Plan. This document will serve as a valuable reference guide and will help you determine what is covered by the Plan.

In addition to the security offered by dealing with a leader in the industry, the obligations assumed under the terms of this Plan are fully insured by an insurance carrier rated "Excellent" by A.M. Best.

PRODUCT ELIGIBILITY, COVERAGE AND TERM

This Plan covers the labor, up to the amount shown on your Invoice, to repair or replace parts installed or services performed by Pep Boys as indicated on your Invoice. The labor coverage under this Plan extends the labor for our limited Warranty for Service from our standard 3 or 6 months to 12-months from the Plan purchase date as shown on your receipt.

This Plan is only valid on repairs made or service to parts associated with the purchase of the Plan and only up to the amount indicated under the Plan purchased. Maximum liability has been met under this Plan once a claim has been filed. Coverage only applies to personal vehicles used non-commercially or to other vehicles used in light commercial operations except as defined in the "Exclusions" section.

If repairs made or services performed require specific maintenance, that maintenance must be performed and proof of maintenance as applicable must be presented at time of failure in order for the Plan to be valid.

IMPORTANT CONSUMER INFORMATION

This Plan covers only the original purchaser and cannot be transferred. To obtain service under the Plan, return the automobile on which the service was performed, within the applicable time period, with the original Invoice and this Plan to any Pep Boys location during normal business hours. Coverage under the Plan is available only at any Pep Boys location, and will not be honored for repairs or service performed at any other facility or store.

If we fail to pay or provide service on a claim within 60 days after proof of loss has been filed, you are entitled to make a written claim directly against the Insurer, Wesco Insurance Company, 59 Maiden Lane, New York, NY 10038, 1-877-528-7878. Please enclose a copy of your original Invoice and proof of Plan purchase. *For residents of the State of Washington, if we fail to pay or provide service on a claim, you may make an immediate and direct claim to the insurer.*

This Plan is an agreement between the Administrator/Obligor, Warrantech Consumer Product Services, Inc. (WCPS), 2200 Highway 121, Bedford, TX 76021, and you, the purchaser. However, if you are a resident of **Maine, Missouri or New Jersey**, this Plan is an agreement between the Obligor/Provider of this Plan, Pep Boys, and you, the purchaser. If you are a resident of **California**, this Plan is an agreement between the Obligor/Provider of this Plan, Butler Financial Solutions, LLC ("Butler"), 1854-A Hendersonville Road, PMB 6, Asheville, NC 28803, and you, the purchaser. Customers having questions regarding coverage under this Plan should call the Administrator at 1-800-327-8721. This document, including the terms, conditions, limitations, exceptions and exclusions, and the Invoice for your labor coverage, constitutes, the entire agreement and no representation, promise of conditions not contained herein shall modify these items, except as required by law.

EXCLUSIONS

This Plan provides no coverage for: any parts; any labor associated with any part that is not specifically listed on the Invoice for which coverage under this Plan was purchased; any other services other than the extended labor as described on your Invoice; for any breakdown caused by misuse, abuse, negligence, lack of normal maintenance required by the manufacturer's maintenance schedule for your vehicle, or improper servicing or repairs subsequent to purchase. For any breakdown caused by sludge build-up resulting from your failure to perform recommended maintenance services, or failure to maintain proper levels of lubricants and/or coolants, or failure to protect your vehicle from further damage when a breakdown has occurred or failure to have your vehicle towed to the service facility when continued operation may result in further damage; for any repair or replacement of any covered part if a breakdown has not occurred; for any alterations made to your vehicle or if you are using or have used your vehicle in a manner not recommended by the manufacturer, including but not limited to, the failure of any custom or add-on part, all frame or suspension modifications, lift kits, any tire that is not recommended by the original manufacturer. When the responsibility for the repair is covered by an insurance policy, manufacturer and/or dealer customer assistance program, or any warranty from the manufacturer, such as extended drive train, major component or full coverage warranties (regardless of the remaining manufacturer's warranty when you purchased this contract), or a repairer's guarantee/warranty. If your vehicle is used for towing (unless your vehicle is equipped with factory-installed or factory-authorized tow package), or is used in a commercial venture, and is classed as any kind of truck, van or utility vehicle greater than 13,500 pounds GVW (Gross Vehicle Weight), is a municipal vehicle used by a governmental or municipal agency, a for hire vehicle such as rental, taxi, limousine or shuttle, a towing/wrecker service vehicle, a vehicle with dumping (dump beds) capability, cherry pickers, lifting or hoisting vehicles, police or emergency service vehicles, or vehicles used principally for off-road use, or for vehicles including but not limited to those vehicles used for racing (non-competitive or competitive), or if the information provided by you cannot be verified as accurate or is found to be deceptively inaccurate; for breakdowns that occur and/or repairs made outside of the United States of America and Canada.

DISCLAIMER OF CERTAIN LIABILITIES

This Plan does not apply to service or repairs performed on parts installed in vehicles used commercially, for racing, or for off-road purposes, etc. as defined in the "Exclusions" section. This Plan will be void if the parts are modified, altered, abused, unreasonably used, or damaged by accident, negligence or misuse.

This Plan excludes transportation expense of a defective product or part to or from a Pep Boys location, compensation for inconvenience or loss of use while the service or repairs, product or part is being replaced, the cost of a rental car, reimbursement for time off work, loss of income, towing charges, telephone calls, property damage, loss of revenue, legal fees and costs, or other consequential or incidental damages. No employee of Pep Boys is authorized to extend or enlarge this extended labor Plan. This Plan will not cover any defects that are subject to a manufacturer's program of reimbursement. This Plan is not a warranty or insurance policy; it is a Service Contract. This Service Contract is not intended to create or limit any implied warranties concerning your repairs or service, which may or may not exist under applicable law.

Liability under this extended labor Plan is limited to the labor associated with the covered repair.

CANCELLATION

You may cancel this Plan by informing Pep Boys or the Administrator of your cancellation request in writing within 30 days of receiving the Plan. The Plan is non-cancellable after 30 days from the date of purchase. For those states that do not permit non-cancellation of your Plan, the law of that state shall apply to residents requesting cancellation.

If we cancel this Plan, we must provide you with a written notice at least 15 days prior to cancellation at your last known address, with the effective date for the cancellation and the reason for cancellation. Return of the premium is based upon 100% of the unearned pro-rata premium.

SPECIAL STATE REQUIREMENTS - State amendments to specific provisions of the terms of cancellation are as follows:

Arizona: Our obligations under this Contract are insured by a policy issued by the Insurance Company as stated in the Contract. If a covered claim is not paid within 30-days after proof of loss has been filed, you may file a claim directly with the Insurance Company. **CANCELLATION** - You may also cancel this contract by returning it to the Administrator, Warrantech Automotive, Inc., as listed in this Contract.

California: **CANCELLATION** - If this Contract is cancelled within the first 30-days, we will refund the entire Contract charge paid. If this Contract is cancelled after the first 30-days and no claim has been filed, we will refund an amount of the Contract charge according to the pro-rata method reflecting the greater of the days in force based on the term of the plan selected and the date Coverage begins, less an administration fee of \$5.00 or 10% of the Contract charge, whichever is less.

Georgia: Our obligations under this Service Contract are insured by a policy issued by the Insurance Company as stated in this Contract. If a covered claim is not paid within 60-days after proof of loss has been filed, you may file a claim directly with the Insurance Company. **CANCELLATION** - If this Contract is cancelled within the first 30-days, we will refund the entire Contract charge paid. If this Contract is cancelled after the first 30-days and no claim has been filed, we will refund an amount of the Contract charge according to the pro-rata method reflecting the greater of the days in force based on the term of the plan selected and the date Coverage begins. An administration fee of 10% of the pro-rata refund amount will be applied if this Contract is cancelled by you. If you have cancelled this Contract and have not received the refund from us or the Administrator within 60-days of such cancellation, you may contact the Insurance Company identified in this Contract.

Idaho: Notice – Coverage afforded under this Contract is not guaranteed by the Idaho Insurance Guarantee Association.

Illinois: **CANCELLATION** - If this Contract is cancelled within the first 30-days, we will refund the entire Contract charge paid. If this Contract is cancelled after the first 30-days and no claim has been filed, we will refund an amount of the Contract charge according to the pro-rata method reflecting the greater of the days in force based on the term of the plan selected and the date Coverage begins. The Vehicle Service Contract provider may retain a cancellation fee not to exceed the lesser of 10% of the Vehicle Service Contract price or \$5.00.

Indiana: Your proof of payment to the issuing dealer for this Contract shall be considered proof of payment to the Insurance Company which guarantees our obligations to you, providing such insurance was in effect at the time you purchased this Contract.

Iowa: If you have any questions regarding this Contract, you may contact the Administrator by mail or by phone. Refer to this Contract for the Administrator's address and toll free telephone number. Iowa residents only may also contact the Iowa Insurance Commissioner at the following address: Iowa Insurance Department, 6th floor, Lucas State Office Building, Des Moines, Iowa 50319.

Minnesota: **CANCELLATION** - If you have cancelled this Contract and have not received the refund from us or the Administrator within 60-days of such cancellation, you may contact the Insurance Company identified in this Contract.

Nevada: **CANCELLATION** - We may cancel this Contract within 70-days from the date of purchase for any reason. After 70-days, we may only cancel this Service Contract for fraud, material misrepresentation, nonpayment by you or a substantial breach of duties by you relating to the covered property or its use. We may cancel this Contract if your vehicle is found to be modified in a manner not recommended by the manufacturer, or if your vehicle is found to be used as a Commercial vehicle. If we cancel your Contract, you will be entitled to a refund on the unearned Contract fee according to the pro-rata method reflecting the greater of the days in force based on the term of the plan selected and the date Coverage begins, no administrative fee will be deducted. In the event we cancel this Contract, written notice will be sent to your last known address at least 15 days prior to cancellation with the effective date of the cancellation. You may cancel this Contract at anytime. If your request for cancellation is within 30-days, the full price you paid for the Service Contract will be refunded and no administrative fee will be deducted. If your request is beyond the first 30-days, we will refund to you an amount based on the pro-rata method, less a \$5.00 administrative fee. If you cancel this Contract and the refund is not processed within 45-days, a 10% penalty will be added to the refund for every 30-days the refund is not paid.

New Hampshire: **CANCELLATION** - If this Contract is cancelled within the first 30-days, we will refund the entire Contract charge paid. If this Contract is cancelled after the first 30-days and no claim has been filed, we will refund an amount of the Contract charge according to the pro-rata method reflecting the greater of the days in force based on the term of the plan selected and the date Coverage begins.

North Carolina: **CANCELLATION** - If this Contract is cancelled within the first 30-days, we will refund the entire Contract charge paid. If this Contract is cancelled after the first 30-days and no claim has been filed, we will refund an amount of the Contract charge according to the pro-rata method reflecting the greater of the days in force based on the term of the plan selected and the date Coverage begins, less an administration fee of \$5.00 or 10% of the pro-rata refund amount, whichever is less.

Oklahoma: **CANCELLATION** - If this Contract is cancelled within the first 30-days, we will refund the entire Contract charge paid. If this Contract is cancelled after the first 30-days and no claim has been filed, we will refund an amount of the Contract charge according to the pro-rata method reflecting the greater of the days in force based on the term of the plan selected and the date Coverage begins. An administration fee of 10% of the pro-rata refund amount will be applied if this Contract is cancelled by you.

South Carolina: If you have any questions regarding this Contract, or a complaint against the Obligor, you may contact the South Carolina Department of Insurance at 300 Arbor Lake Drive, Columbia, South Carolina 29223, (803)-737-6180. **CANCELLATION** - If this Contract is cancelled within the first 30-days we will refund the entire Contract charge paid. If this Contract is cancelled after the first 30-days and no claim has been filed, we will refund an amount of the Contract charge according to the pro-rata method reflecting the greater of the days in force based on the term of the plan selected and the date Coverage begins, less a \$5.00 dollar administrative fee. A 10% penalty per month shall be added to a refund that is not paid or credited within 45-days after return of the Service Contract to the provider. If we cancel this Contract we shall mail a written notice to you at the last known address held by us at least 15-days prior to cancellation, providing you with notice of cancellation date and the reason for cancellation. However, prior notice is not required if the reason for cancellation is nonpayment of the provider fee, a material misrepresentation by the Service Contract holder to the provider, or a substantial breach of duties by the Service Contract holder relating to the covered product or its use.

Texas: If You have any questions regarding the regulation of the Service Contract provider or a complaint against the obligor, you may contact the Texas Department of Licensing & Regulation, 920 Colorado, P.O. Box 12157, Austin, Texas 78711, (800) 803-9202. **CANCELLATION** - If we cancel this Contract we shall mail a written notice to you at the last known address held by us before the fifth day preceding the effective date of cancellation. The notice will state the effective date and the reason for the cancellation. However, prior notice is not required if the reason for cancellation is nonpayment of the provider fee, a material misrepresentation by the Service Contract holder to the provider, or a substantial breach of duties by the Service Contract holder relating to the covered product or its use. If a Service Contract is cancelled under this section and the provider does not pay the refund or credit the Service Contract holder's account before the 46th day after the date of the return of the Service Contract to the provider, the provider is liable to the Contract holder for a penalty in an amount not to exceed 10 percent of the amount outstanding per month.

Utah: Note: Coverage afforded under this Contract is not guaranteed by the Property and Casualty Guarantee Association. **CANCELLATION** - We may cancel this Contract for the following reasons by sending to you notice of cancellation and the reason for cancellation, via first class mail, to your last known address: 1. We may cancel this Contract for non-payment of the Contract charge. Such cancellation will be effective 10-days after mailing of notice. 2. We may cancel this Contract for misrepresentation of a claim, if your vehicle is found to be modified in a manner not recommended by the manufacturer, or if your vehicle is found to be used as a Commercial vehicle. Such cancellation will be effective 30-days after mailing of notice.

Washington: **CANCELLATION** - You may cancel this Contract by returning it to the Administrator. An odometer statement indicating the odometer reading at the date of the request will be required. A 10% penalty will be added to any refund that is not paid within 30-days of return of the Contract to the Administrator. b. We may cancel this Contract for non-payment of the Contract Charge, or for misrepresentation in obtaining this Contract or in the submission of a claim. If cancelled, written notice of cancellation, including the actual reason for the cancellation, will be mailed to the last mailing address known to the Administrator at least: (1) 10-days before the effective date of cancellation if cancelled for non-payment of the Contract charge; (2) 45-days before the effective date of cancellation if cancelled for any other reason.

Wisconsin: THIS WARRANTY IS SUBJECT TO LIMITED REGULATION BY THE OFFICE OF THE COMMISSIONER OF INSURANCE.