

INBOARD AND STERN DRIVE - SERVICE AGREEMENT

TERMS AND CONDITIONS:

Upon payment of the applicable deductible as shown on the front of this Extended Service Agreement in Section 2 and subject to the terms set forth in this Agreement, American Guardian Warranty Services (AGWS) will authorize necessary repairs to the specific components described herein when a mechanical failure has occurred. A mechanical failure is determined to have occurred when a covered component is no longer able to perform in normal service providing that it has received customary maintenance as recommended by the manufacturer and/or when wear on the covered component exceeds the manufacturer tolerances. Replacement of any covered part may be made with new, remanufactured or like kind and quality at the time of breakdown. Parts Reimbursement is based on Manufacturer's Suggested List Price. Labor will be reimbursed at the repairer's posted Labor Rate as authorized by AGWS. AGWS reserves the right to inspect a failed component to determine coverage at the repair site.

COVERED COMPONENTS:

ENGINE: All internal lubricated parts contained within the block to include pistons, piston rings, pins, connecting rods, rod and main bearings, crankshaft and bearings, followers/lifters, push rods, rocker arms, rocker shafts and bushings, rocker arm cover(s), oil pump and pickup, oil pan, engine mounts, flywheel and ring gear, timing chain and gears or belt, timing chain tensioner(s), balance shaft(s), valves, valve guides and seats, valve springs and retainers, reeds and reed blocks. Engine block, cylinder heads, cylinder barrels, intake manifolds if damaged by a failure of a covered component.

CLOSED COOLING SYSTEM: Engine Water/Coolant circulating pump, oil cooler, heat exchangers for closed cooling system only.

STERN DRIVE UPPER GEAR CASE: Internal lubricated parts contained within the gear case including upper drive gear set, clutch dogs and cones, shift cams, bearings, bearing carriers, upper driveshaft. Gear case if damaged by a covered component.

TRANSMISSION: Internal lubricated parts contained within the transmission housing. Clutch plates and clutch drums, thrust plates, planetary gears, shift bands, reduction gears and bearings, shafts, bearings, hydraulic pump, hydraulic pistons, valve body, transmission mounts, oil pan. Transmission case only if damaged by a failure of a covered component.

INTERMEDIATE HOUSING: Intermediate shaft, universal joints, gimbal bearings, engine coupler. Intermediate housing case if damaged by a failure of a covered component.

LOWER UNIT: Internally lubricated parts contained within gear case. Forward gear, reverse gear, pinion gear, clutch dog, dog pin, cam follower, prop shaft, driveshaft, bearing carriers, bearings and shims. Gear housing if damaged by a failure of a covered component.

V-DRIVE: Internal lubricated parts including contained within the drive housing. Bearings, bevel gears, shafts, shims, bearing carriers. V-drive case only if damaged by a failure of a covered component.

IGNITION: Power pack/switch box, ignition coil, ignition amplifier/module, ignition trigger and pick-up sensor, ignition switch, rev limiter.

ELECTRICAL: Alternator/stator, starter, starter solenoid, voltage regulator/rectifier, engine mounted wiring harness and terminal blocks, starter switch, windshield wiper motor. Excludes Wiring or Wiring Harnesses unless specifically named as covered or damaged as a result of a covered component.

POWER TRIM: Trim and/or tilt motor, trim cylinders, cylinder rams, cylinder mounts and pivots, trim motor actuator solenoids, control valves, reverse lock valve, trim and/or tilt wiring harnesses, trim and/or tilt master control switches, manual trim cylinder and manual trim cable.

CONTROLS: Shift and throttle control box parts to include: Cams, eccentrics, shafts pivots, bushings, housing, control arms/levers or knobs, engine mounted shift control cable and throttle control cable. Neutral switch, starter/stop switch (excluding key/lock), trim and/or tilt switch, horn button, windshield wiper switch.

FUEL DELIVERY: Fuel injectors, fuel distributor(s), fuel injection pump, fuel delivery pump, ECU (Electronic Control Unit) throttle position sensor, idle speed control, air flow sensor, detonation sensor, coolant sensor, ignition pick up sensor, carburetor body, air box (silencer/flame arrestor).

STEERING: Control helm assembly, control rack and yoke assembly, power steering pump, power steering cylinder, steering main and intermediate shaft, U-joint, wheel hub mount, steering gate, nozzle or rudder, hydraulic steering head, pressure lines and hoses, hydraulic cylinders and flow valves. Note-coverage not included for pulleys or cables.

SEALS AND GASKETS: Are covered in conjunction with the mechanical failure of named components.

TAXES AND FLUIDS: State and local taxes where applicable to a covered repair, fluids that are required to complete covered repairs.

ADDITIONAL BENEFITS:

Towing Assistance: If towing becomes necessary due to the breakdown of a covered component, either on land or water, charges will be covered up to \$100.00 per occurrence.

Pick Up & Delivery Assistance: If pick up or delivery assistance becomes necessary due to the breakdown of a covered component, either on land or water, charges will be covered up to fifty (\$50.00) dollars per occurrence.

Hoist/Lift Out Assistance: In the event that it becomes necessary to hoist/lift out the covered boat due to the failure of a covered component, charges will be covered for fifty (\$50.00) dollars per occurrence. Any reimbursement shall be for actual hoist/lift-out charges only.

Future Contract Guarantee: The Agreement holder may purchase another Service Agreement prior to the expiration of their current Agreement under the following conditions: The watercraft is not used in a commercial/business capacity. The watercraft qualifies for an Agreement under the administrator's current underwriting guidelines. The future Agreement purchase is made at least thirty (30) days before the expiration of the existing Agreement. Verifiable service records may be requested to show compliance with scheduled maintenance.

Transferable Contract: The Agreement holder may transfer the Service Agreement to another party prior to the expiration of the current Agreement under the following conditions: The Agreement is transferred within thirty (30) days of the sale date. The engine/jet watercraft is not used in a commercial/business capacity. Verifiable service records may be requested to show compliance with the continuance of scheduled maintenance.

Toll Free Claim Assistance: Contact our claim administrator to obtain authorization for covered repairs.

Direct Claim Payment: Upon repair authorization AGWS will attempt to arrange direct payment to the repair facility to reduce your inconvenience.

OPTIONAL COVERAGE: Available for NEW Watercraft ONLY-when an additional coverage is checked in Section 3 and a surcharge has been reported and paid by the selling dealer for this coverage to apply.

SPORTS FISHING PACKAGE: Battery main switch, battery isolator, battery selector switch, battery box, fuse block, volt meter, battery charger, electric horn, Electric Trolling Motor and the foot control unit and control switches (applies to one unit only). Power transom/manual transom lift motor, its slides, jack screws, hydraulic cylinder, and control panel. Anchor, its winch and guide (excludes rope, cable or chain). Fish finder, it's transducer, speed and temperature sensors. Digital depth finder readout and sensor. Lake water temperature gauge and sensor (hull mounted only). Compass head including digital display. Speedometer head, speed log, and cable. **Sports Fishing-Trailer Coverage (New Trailers Only):** Axle(s), brackets, bunks, couplers, fenders, hubs, roller cradles, spring hangers, winch stand and suspension springs.

CRUISER PACKAGE: Auxiliary Powerplant/Generator

Components: All internal lubricated parts of the powerplant engine, it's starter motor and switch, power inverter/converter. **Air Conditioner/Heat Exchange System Components:** Compressor, evaporator, capacitors, relays, thermostats, fan motors, control panel, expansion valve, temperature control programmer, receiver dryer, and heating element. **Fresh Water System Components:** Water pump, compressor, fresh water tank, water lines, traps fittings, faucets. **Hot Water System Components:** Thermostat, relays, water heater unit. **Waste System Components:** Shower, toilet(s), sinks, fixtures and traps, gate valves and connections, holding tanks. **Appliances:** Range/cook top, oven, microwave, refrigerator, icemaker, trash compactor, central vacuum system. **12 Volt/24 Volt/110 Volt Shore Power Components:** Battery charger/converter onboard receptacle, shore power main switch, circuit panel and circuit breakers (shore power cables excluded). **Electrical Components:** Battery main switch, battery isolator, battery selector switch, remote spotlight, bow, marker and running light assemblies (light bulbs are excluded) control panel and switches. **Dual Station/Tower Control Components:** Helm control, throttle speed control box, speedometer head, tachometer head, speed log and speed sensor. **Gauges:** Voltmeter, fuel gauge, trim position gauge, oil pressure gauge, water pressure gauge, engine water temperature gauge and depth gauge. **Bilge Components:** Pump, manual control panel, bilge blower and sensor, control switches.

CRUISER/TROPHY FISHING PACKAGE: Auxiliary

Powerplant/Generator Components: All internal lubricated parts of the powerplant engine, it's starter motor and switch, power inverter/converter. **Air Conditioner/Heat Exchange System Components:** Compressor, evaporator, capacitors, relays, thermostats, fan motors, control panel, expansion valve, temperature control programmer, receiver dryer, and heating element. **Fresh Water System Components:** Water pump, compressor, fresh water tank, water lines, traps fittings, faucets. **Hot Water System Components:** Thermostat, relays, water heater unit. **Waste System Components:** Shower, toilet(s), sinks, fixtures and traps, gate valves and connections, holding tanks. **Appliances:** Range/cook top, oven, microwave, refrigerator, icemaker, trash compactor, central vacuum system. **12 Volt/24 Volt/110 Volt Shore Power Components:** Battery charger/converter onboard receptacle, shore power main switch, circuit panel and circuit breakers (shore power cables excluded). **Electrical Components:** Battery main switch, battery isolator, battery selector switch, remote spotlight, bow, marker and running light assemblies (light bulbs are excluded) control panel and switches. **Dual Station/Tower Control Components:** Helm control, throttle speed control box, speedometer head, tachometer head, speed log and speed sensor, Compass head including digital display. **Gauges:** Voltmeter, fuel gauge, trim position gauge, oil pressure gauge, water pressure gauge, engine water temperature gauge, depth gauge, Planing/Trim Tabs. **System Monitors:** Fume detector, Carbon Monoxide (CO), Fuel Vapor, High Bilge sensor. **Anchor Control System:** Winch, electric windless motor bow pulpit guide and switches. **Fish Finder Components:** Monitor, transducer, speed and temperature sensors. Digital depth finder readout and sensor. Lake water temperature gauge and sensor (hull mounted only). **Live Well:** Washdown pump, and live well pump. Bait Well Oxygenator Pump. **Bilge Components:** Pump, manual control panel, bilge blower and sensor (sniffer), control switches.

TRAILER: For NEW Trailers purchased in conjunction with a NEW Watercraft. Brake hardware, drums and backing plates, master cylinder, hydraulic brake actuator, frame rails, wheel bearings, spindles, springs, winch stand, axle(s), hubs coupler, bunk and roller cradles, welds. Note-coverage is excluded due to overloading and bending, bearing failures due to water intrusion or debris. Trailers are excluded on USED coverage plans.

New Trailer Road Hazard/Tire Assistance: Damage caused by a road hazard to your covered trailer's tires. Original vehicle manufacturer installed tires properly mounted on the covered trailer. Reimbursement is based on the original tire delivered on the covered trailer with up to 2/32 of tread remaining.

YOUR RESPONSIBILITIES:

1. To perform the manufacturer's recommended maintenance including keeping receipts for services from the date of watercraft purchase. The required receipts would include date, service performed and service provider. These records may be requested by the administrator for the investigation of a claim.
2. Damage when a failure occurs and to obtain authorization from American Guardian Warranty Services, Inc. prior to the repair of a covered component. **You must contact American Guardian Warranty Services, Inc.**

WHAT TO DO IN THE EVENT OF A BREAKDOWN:

1. Protect your watercraft from further damage.
2. Deliver your watercraft to a repair facility that can service it.
3. If the watercraft needs to be towed either on land or water, arrange to obtain the tow and save all receipts for submission to the administrator.
4. Authorize the repairer to perform the diagnosis for the mechanical breakdown.
5. **Obtain repair authorization prior to the repair of a covered component. Have the repair facility contact American Guardian Warranty Services, Inc.**
6. To receive payment for your claim, submit within sixty (60) days of authorization: A. Completed and signed original repair order. B. Proof of payment with cash register receipt, credit card slip or copy of endorsed personal check. C. Original copies of Towing, Pick Up and Delivery, and Hoist/Lift Out-charges.

LIMIT OF LIABILITY:

The administrator's aggregate limit of liability for benefits paid or payable under this service agreement shall not exceed the retail price you paid for your watercraft (excluding tax, title, license fees) or \$20,000.00, whichever is less.

Financial Agreement: If this extended service agreement is financed, failure to make timely payments while the agreement is in force will result in cancellation with no refund unless State Law mandates otherwise. Should a claim arise before this agreement is paid in full, the balance owed will be deducted from the claim payment.

WHAT IS NOT COVERED:

This Extended Service Agreement will cover only those items included under "Covered Components". The following are not covered:

1. Pre-existing conditions, incidental or consequential damage or loss caused by a breakdown of covered components including property damage, physical damage, death, personal injury, inconvenience, loss of use or time, loss of profits or wages, travel expense, commercial loss, punitive or exemplary damage, attorney fees.
2. Repairs covered under the original manufacturer's warranty (regardless of whether the manufacturer is an ongoing enterprise).
3. For a loss covered under a manufacturer's recall, factory notice or update program, or, if the watercraft is covered under another valid service agreement, insurance policy, or a repairer's guarantee.
4. Repairs required because of collision, impact, grounding, abuse, neglect, negligence, misuse, modification, alteration, explosion, vandalism, riot, upset, windstorm, environmental damage, debris, animal/insect damage, aquatic growth, seaweed, algae, barnacles or zebra mussels, salt, sand, dirt, flooding, condensation, mold, lightning, hail, theft, fraud, fire, war, acts of God, or, loss that is normally covered by Casualty Insurance.
5. Watercraft that have been modified, or used for competition or racing, or, operated for commercial or business use.
6. For mechanical breakdowns resulting from chemicals, smoke, soot, sludge, carbon or "coking", corrosion, rust, electrolysis, freezing, contamination, overheating, or, operation of the watercraft without the proper levels of lubrication or fluid type.
7. Failure to perform the manufacturer's recommended maintenance.
8. Excessive oil consumption, loss of compression and the gradual reduction in operating performance in covered components due to normal wear and use when the component is within manufacturer's specifications.
9. Damage caused by continued use in a failed state whether or not the original failure is covered by the agreement, or, overloading beyond the manufacturer's recommendation.
10. Loss caused by detonation, pre-ignition, lean or improper fuel mixture unless caused by the failure of the oil injection system, clogged filters, contaminants or foreign substances, or improper fuel.
11. Any failure resulting from the submersion or ingestion of water entering the engine through the air induction system or exhaust system including the failure of exhaust flapper valves, cracked or corroded manifolds or risers. Loss caused by external water inlets or outlets and internal water passages being restricted or motor/drive mounted too high.
12. Any jet drive component failure resulting from foreign debris.
13. Service adjustments and cleaning, reverse polarity, reprogramming (not related to a covered failure), refrigerant, coolant, lubricants, fluids, miscellaneous charges, shop supplies, hazardous waste removal charges, fasteners or loosening of external fasteners and bolts, batteries, belts, hoses, clamps, filters, ignition wires, spark/glow plugs, tune up, wiper blades, light bulbs, sealed beams, lenses, lines, cables, chains, delamination, cosmetic imperfections, repairs to retrofit or replace components arising out of a defect in design, manufacture, materials or workmanship, or, due to compliance with any law or legislation.
14. Replacement of Seals and Gaskets due to seepage or overheating.
15. Any failure caused by bellows and/or sealing boot rupture.
16. Repairs beyond those required to correct a covered failure.
17. Any claim not authorized in advance by American Guardian Warranty Services, Inc.
18. Repairs made outside the boundaries and territorial waters of the United States and Canada.

19. Warranty of Merchantability or Warranty of Fitness for a particular purpose is expressly excluded.
20. Propeller(s) and any damage to covered components, if damage was caused by the propeller(s).
21. Removal and/or replacement of bulkheads, deck, hull, gear, equipment, or, any material for the necessary access to the watercraft/engine.
22. Use of equipment and accessories not installed by the manufacturer or dealer, or improper installation of these items by the manufacturer or dealer.
23. Additional service work requested by the agreement holder or the repairer other than necessary to satisfy covered repairs under this agreement.
24. Inadequate or improper haul out, launch, towing, or storage.
25. Replacement or rearrangement of trailer roller cradles and bunks to accommodate watercraft size.
26. Any damage to the watercraft/engine arising from the failure of a covered component of the trailer.

CANCELLATION:

In the event the covered watercraft is repossessed, declared a total loss, or you give notice of cancellation, this Extended Service Agreement shall terminate. Submit immediately to the selling dealer in writing the following: the Extended Service Agreement number, vehicle identification number. If cancelled within thirty (30) days and no claims have been paid, the amount of the refund shall equal to the full amount paid for this Agreement. If the Agreement is cancelled after the first thirty (30) days or a claim has been filed, the refund will be made on an amount of the Agreement charge according to the pro-rata method reflecting the greater of days in force based on the term of the plan selected and the date coverage begins, less a fifty (\$50.00) dollar administrative fee. In the event of cancellation, the lienholder if any, will be named on the refund check. In Georgia, the cancellation fee will be based on the customary "Short Rate" to figure cancellation. In New Hampshire, there is no cancellation fee.

American Guardian Warranty Services, Inc. reserves the right to cancel the agreement in case of material misrepresentation, fraud or failure to pay the agreement charge.

AGREEMENT TRANSFER: In the event you sell the covered watercraft, this Extended Service Agreement shall terminate. The agreement holder may apply for a transfer to a new owner. The subsequent owner must submit within thirty (30) days from the date of sale along with a fifty (\$50.00) dollar transfer fee the following: a copy of the front page of this Extended Service Agreement, their name and address, date of sale and a copy of the bill of sale. Proof of continuation of regular maintenance is necessary in the event of a claim.

This Extended Service Agreement may not be assigned separately from the covered watercraft, nor can it be assigned to a retail dealership or anyone other than an individual person that purchased your watercraft. In the event that this Extended Service Agreement is properly transferred to an individual person purchasing the covered watercraft in accordance with the terms and conditions above, this Agreement may not be transferred by the second owner of the covered watercraft to any subsequent owner under any circumstances. In the state of New Hampshire, transfer fees are not permitted.

STATE GUIDELINES:

IMPORTANT: The State Guidelines listed below and on the following page provide you with rights, privileges and conditions governing this Extended Service Agreement in your state.

If this Agreement was purchased in any of the following states, the Agreement is amended as indicated below. The Administrator of this Extended Service Agreement makes diligent effort to include all state notices as they become effective, but in cases where a state's notice is not present on this printing of the Agreement, state law will take precedence over the terms and conditions of this Extended Service Agreement.

Arkansas-Notice to Purchaser: The purchase of this service contract is not required in order to purchase or obtain financing for a watercraft.
California- If the Extended Service Agreement is cancelled within 60 days of your receipt of this agreement (the Initial Period) and no claims have been made under the agreement, the amount of the refund shall be equal to the full amount paid for this agreement. After the Initial Period, or if a claim has been made under this agreement, the amount of the refund shall be a pro rata share of the selling price of the agreement as calculated under "Cancellation" above.

Georgia- If you bought this in Georgia and desire to cancel this agreement, you must: a) mail this agreement to the obligor along with a notarized affidavit that states the date of your request. If this agreement was financed, the obligor will pay the refund to the lender unless you provide proof that the loan has been paid; b) if you make your request in the first 30 days, the seller will refund the entire price of this agreement. After the first 30 days, the seller will keep a pro rata portion of the price based on the time expired on this agreement as compared to the agreement term. Cancellation fees are not permissible. The maximum retention of unearned consideration cannot exceed the short rate; c) the obligor cannot cancel this agreement except for fraud, material misrepresentation, or failure to pay premium. Any cancellation will comply with OCGA section - 24-44; d) if obligor fails to pay any refund within 60 days after written request for cancellation, you may make a direct written claim to the insurer; e) the transfer and cancellation provisions are amended to allow the transferee the same cancellation rights provided to the original holder of the contract.

Idaho-Notice to Purchaser: The coverage you are buying is not required to register or finance a vehicle. Coverage afforded under this watercraft service contract is not guaranteed by the Idaho Insurance Guarantee Association.

Iowa-Pursuant to the Iowa Vehicle Service Contract Acts, you may also contact the Iowa Insurance Commissioner at the following address: Iowa

Insurance Department, 6th Floor, Lucas State Office Building, Des Moines, IA 50319.

Massachusetts-Notice to Purchaser: The coverage you are buying is not required in order to register or finance a watercraft. The benefits provided may duplicate express manufacturer's or seller's warranties that come automatically with every sale. You can be required by the seller of this coverage to pursue those warranties which are available to you without this contract.

Minnesota-Minnesota Amendment: Minnesota statute 325F.662 requires that every watercraft sold by a dealer is covered by an express warranty which the dealer shall provide the consumer. Covered parts listed on this contract may be covered by the required express warranty and are covered by this contract only after expiration of the express warranty.

New Hampshire-We will give you at least 45 days notice of cancellation. We will not charge any transfer or cancellation fees.

North Carolina-The purchase of this watercraft service contract is not required in order to purchase or obtain financing for a motor vehicle.

Oklahoma-Notice to Purchaser: This service warranty is not issued by the manufacturer or wholesale company marketing the product. This warranty will not be honored by such manufacturer or wholesale company.

Rhode Island-In the event of a disputed claim, watercraft service agreement holder may contact Saint Charles Insurance Company, R.R.G., 40 Calhoun, Ste. 200, Charleston, SC, 29401.

Utah-Coverage afforded under this contract is not guaranteed by the Utah Property and Casualty Guaranty Association.

Washington-If you make a direct claim against the insurance company, include a copy of your extended service agreement and your paid repair order. The implied warranty of merchantability on the watercraft is not waived if the contract has been purchased within ninety (90) days of the purchase date of the watercraft from a provider who also sold the watercraft covered by this contract. Administrator- Obligor's promise in this agreement is guaranteed under an insurance policy, agreement holder may contact Saint Charles Insurance Company, R.R.G., 40 Calhoun, Ste. 200, Charleston, SC, 29401.

Wisconsin-The service contract is only subject to limited regulations by the office of the Commissioner of Insurance. This contract may, within 15 days of its delivery, be rejected and returned by the contract purchaser for full refund less actual costs or charges needed to issue and service the contract. Notice: The insurance policy referred to in this contract is issued by a Risk Retention Group that cannot be used to provide proof of financial security in Wisconsin. Therefore, in Wisconsin, American Guardian's obligations are guaranteed by a security deposit held in First Star Bank and approved by the Wisconsin State Treasurer's Office.