

Commercial Equipment Extended Service Contract

This CONTRACT is between YOU and US, and is subject to the following terms, provisions as set forth below. No person has the authority to change or to waive any of its provisions. This CONTRACT is for the sole benefit of the CONTRACT HOLDER named herein and applies only to the EQUIPMENT described in the CERTIFICATE OF COVERAGE.

A. DEFINITIONS

1. **WE, US, OUR** means the party obligated to provide service under this CONTRACT as the service contract provider, who is AMT Service Corp. of Canada, ULC, 1900, 736 – 6th Avenue SW, Calgary, Alberta T2P 3T7. In Alberta, British Columbia, New Brunswick, Nova Scotia, Saskatchewan and Yukon, WE, US and OUR means Industrial Alliance Pacific General Insurance Corporation, 2165 West Broadway, Vancouver, BC V6K 4N5.
2. **YOU, YOUR, CONTRACT HOLDER** means the owner of the EQUIPMENT listed in the CERTIFICATE OF COVERAGE.
3. **ACCEPTANCE DATE** means the day after YOU have accepted the coverage outlined herein with respect to the EQUIPMENT (as evidenced by the date on the CERTIFICATE OF COVERAGE).
4. **ADMINISTRATOR** means the company appointed by US to administer this CONTRACT. The ADMINISTRATOR of this CONTRACT is AMT Service Corp. of Canada, ULC, whose administrative address is 171 Follins Lane St. Simmons, GA 31522 (855-594-2079).
5. **CERTIFICATE OF COVERAGE** means the enrollment certificate issued by US or OUR authorized representative when YOU purchase a CONTRACT with YOUR EQUIPMENT.
6. **CONTRACT** means this commercial equipment extended service contract.
7. **DEDUCTIBLE** means the portion of the repair YOU are required to pay, as shown under "Deductible" for a covered MECHANICAL BREAKDOWN or FAILURE.
8. **EQUIPMENT** means the equipment, vehicle or machinery described in the CERTIFICATE OF COVERAGE that meets the following eligibility requirements: EQUIPMENT with less than 7 Yrs. 5,000 hours or 7 Yrs. 250,000 miles / 400,000 kilometers on the service meter/ odometer.
9. **MECHANICAL BREAKDOWN or FAILURE** means the failure of YOUR EQUIPMENT to perform its intended function due to mechanical or electrical breakdown resulting from defects in materials or workmanship during normal usage of the EQUIPMENT.

B. WHAT IS COVERED

WE agree to pay or reimburse YOU for approved costs to repair or replace the MECHANICAL BREAKDOWN or FAILURE of a part or component as described under Section B. **COVERED COMPONENTS** of this CONTRACT. Replacement parts may be new or refurbished original equipment manufacturers' ("OEM") parts; in the event OEM parts are unavailable, replacement parts may be new or refurbished non-original manufacturer's parts of similar features and functionality that meet the OEM's standards. This CONTRACT does not cover repair or replacement of YOUR EQUIPMENT parts for any of the causes, or provide coverage for any losses set forth in SECTION C., **WHAT IS NOT COVERED** below.

COVERED COMPONENTS: PLEASE NOTE THAT IF A PART OR COMPONENT OF YOUR EQUIPMENT IS NOT SPECIFICALLY LISTED BELOW, IT IS NOT CONSIDERED A COVERED COMPONENT UNDER THIS CONTRACT.

1. **Engine** – Engine electronic controls and all internal parts, except for external lines and hoses.
2. **Fuel System** – Fuel transfer pump, fuel injection pump, fuel injection valve/nozzle, fuel injection lines and unit injectors. Governor group.
3. **Air Induction And Exhaust System** – Piping from the turbocharger to the intake manifold, exhaust manifold, and turbocharger (includes controls). Aftercooler/Innercooler group.
4. **Cooling System** – Fan group, belt fasteners, fan assembly, fan drive assembly, hydraulic fan motor, and hydraulic fan pump. Water pump (including the drive group). Engine, transmission, and hydraulic oil coolers (for hydrostatically driven units only). Thermostat/water temperature regulator.
5. **Transmission** – Manual shift transmission and flywheel clutch group, torque converter group, power shift transmission (including hydraulic and electronic controls), transmission pump, pump drive, scavenge pump, and oil filter base. Transfer gear group. Hydrostatic transmission (including control valves), main hydraulic pump, pump drive, drive motors, and all high pressure lines from the pumps to drive motors. Charge pump. Countershaft transmission (including clutch group, pumps and controls).

6. **Drive Line** – Universal joint, drive line/shaft, drive shaft support, and constant velocity universal joint.
7. **Drive Systems (Track Type Equipment Only)** – Steering clutch and brake (including controls, bevel gear, shaft and bearing). Differential steering planetary, differential drive and brake, planetary, brake and differential steering control valve.
8. **Drive Systems (Wheeled Equipment Only)** – Differential, differential housing, bevel gear, bevel gear shaft and bearing. Differential lock and differential lock actuator valve. Drive axle front and rear.
9. **Wheels And Axles** –Wet brakes, drive chain, tandem drive and housing, and tandem drive stub axle, drive sprocket, and mounting.
10. **Vibratory Components (where applicable)** – Drum, vibratory control valve group, drum selector and vibratory cooling valve groups. Vibratory pump, motor and charge pump. Vibratory mechanism, hydraulic pump and motor, hydraulic valves, weight, shaft, u-joints, bearings and drum isolation system.
11. **Swing Gear Assembly (where applicable)** – Swing gear, swing gear motor and reduction unit.
12. **Electrical** – Central processing unit (including electronic control module).

C. WHAT IS NOT COVERED: In no event shall we be responsible for any of the following:

1. Any part or component not specifically listed under Section B., COVERED COMPONENTS;
2. Failure of any component caused by or resulting from the failure of a component which is NOT COVERED including any resulting damage to a COVERED COMPONENT;
3. Any of the following parts:

<ol style="list-style-type: none"> a) Accessories or items replaced solely at customer's preference b) Air conditioner; c) Alarm (back-up); d) Alternator e) Batteries; f) Bed liner; g) Belts, Bands (Elevator and conveyor), chains and ropes; h) Brake discs (including brake bands); i) Cables, external control, and connecting wire; j) Compressor (air); k) Crop processing and cutting equipment; l) Dipsticks (engine or transmission); m) Doors, door latches, handles, or hinges; n) Dry brakes; and o) Dry clutches (including discs); p) Exchangeable or replaceable parts not contained within or forming an operational part of the engine, transmission, differential or final drive; q) External brake controls for differential; r) External brake controls for wet brakes; s) External controls for flywheel clutch group and manual shift transmissions; t) External controls for differential drive, differential steering planetary and brakes; u) Flasher switches; v) Fenders and supports; w) Frame (loss or damage to) frame or failure of hardware attaching covered components to the frame; 	<ol style="list-style-type: none"> x) Fuses; y) Horn; z) Hydraulic components not functioning as a part of the Powertrain; aa) Knives, bucket cutting edges and teeth; bb) Lights (Operating or warning) and bulbs; cc) Lines of hoses for oil, water, and air (external), except for hydrostatic lines & hoses between the drive pump and motor; dd) Lug nuts and studs; ee) Maintenance items and tune-up supply items; ff) Mirrors and mirror brackets; gg) Muffler; hh) Multiple fuel injector failures occurring at the same time; ii) Packing material; jj) Parking brake; kk) Radiator (including hose and cap); ll) Radio and in cab entertainment; mm) Rails (grab rails); nn) Seat assembly (including controls) and seat belts; and interior trim; oo) Shovels and sweeps; pp) Starter; qq) Tires; rr) Tools (all ground engaging tools); ss) Undercarriage components on track-type EQUIPMENT (only); tt) Weather stripping; and uu) Windows (including wiper blades).
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4. Any incidental or consequential damages, including but not limited to, loss of time, loss of income, business interruption, inconvenience, bodily injury, property damage or lost data resulting from the MECHANICAL BREAKDOWN or FAILURE of YOUR EQUIPMENT or from delays in service;
5. Storage, freight charges, shop supplies, EPA charges, waste disposal charges and taxes;
6. Repairs to any non-covered parts;
7. The cost of establishing preventive procedures, alterations, additional improvements or overhauls to YOUR EQUIPMENT or any part thereof;

8. Any and all expenses incurred by YOU resulting from the recall of YOUR EQUIPMENT by the original equipment manufacturer;
9. Any MECHANICAL BREAKDOWN OR FAILURE caused by or resulting from:
 - a. Collision, negligence, misuse, abuse, or lack of maintenance;
 - b. External causes of damage or loss to YOUR EQUIPMENT, including but not limited to:
 - i. Damage from articles dropped from aircraft and/or other aerial devices;
 - ii. Collapse of buildings;
 - iii. Earthquake, lightning, hurricane, tsunami, volcanic eruption, tornados and similar atmospheric disturbances or other convulsion of nature;
 - iv. Fire, explosion, flood, inundation or water damage to YOUR EQUIPMENT from such causes;
 - v. Subsidence, landslide, rock fall, or avalanche;
 - vi. Theft or damage to YOUR EQUIPMENT incurred as a result of attempted theft; or
 - vii. Clearance of debris, demolition, or dismantling arising from any of the causes described in this section.
 - c. The gradual reduction in the performance of YOUR EQUIPMENT or the wear and tear of EQUIPMENT parts resulting from boiler scale, cavitation, corrosion, deterioration due to chemical or atmospheric conditions, erosion, ordinary usage, other environmental conditions, other scratching of painted or polished surfaces or rust.
 - d. The MECHANICAL BREAKDOWN or FAILURE of an otherwise covered part that does not meet manufacturer's specifications, including modification and/or alterations to the EQUIPMENT not approved by the manufacturer's authorized representative or by US;
 - e. The application of any tool or process during the course of maintenance, inspection, modification or overhaul of YOUR EQUIPMENT;
 - f. The imposition of abnormal conditions, directly or indirectly resulting from testing, intentional overloading or experiments;
 - g. The failure of a non-covered part or component;
 - h. Directly occasioned pressure waves caused by an aircraft or other aerial devices traveling at sonic or supersonic speeds;
 - i. Failure to protect YOUR EQUIPMENT from further damage or the continued operation of YOUR EQUIPMENT despite fuel or lubricant contamination or rust caused by neglecting to provide the necessary coolants or lubricants for YOUR EQUIPMENT parts;
 - j. The slow development of deformation, distortion, cracks, fractures, blisters, laminations, flaws or grooving, or the making good of defective tube joints or other defective joints or seams (unless such defects in damage are otherwise covered under this CONTRACT);
 - k. A mechanical or structural defect when the manufacturer has announced a public recall or a product support program for the purpose of correcting such defect;
 - l. Pre-existing Conditions that occur prior to the effective date of YOUR CONTRACT. A Pre-existing Condition means a condition involving a COVERED COMPONENT that was known or should have been known upon conducting reasonable review of the EQUIPMENT and that could result in a MECHANICAL BREAKDOWN or FAILURE prior to the issuance of this CONTRACT.
 - m. Transportation to and from repair facility.

D. YOUR RESPONSIBILITIES UNDER THIS CONTRACT

1. To keep this CONTRACT valid, YOU must have YOUR EQUIPMENT serviced as recommended by the EQUIPMENT manufacturer, and shall retain maintenance files and other relevant invoices documenting such service records ("Maintenance Records"); YOUR obligation to comply with these maintenance requirements shall commence on the ACCEPTANCE DATE. If requested, proof of required service showing date and service meter hours, miles/ kilometers of the EQUIPMENT at the time of service must be provided to the ADMINISTRATOR during the time period in which a claim is being considered for payment. Failure to provide proof of service and/or Maintenance Records may result in the denial of YOUR claim.
2. Upon YOUR notice to the ADMINISTRATOR of a MECHANICAL BREAKDOWN or FAILURE, YOU shall protect the EQUIPMENT from further damage, whether or not such MECHANICAL BREAKDOWN or FAILURE is covered by this CONTRACT. Any operation of the EQUIPMENT that results in further damage, related to the original MECHANICAL BREAKDOWN or FAILURE, shall be considered YOUR failure to protect the EQUIPMENT and may not be covered under this CONTRACT.
3. Upon submission of a claim, the repair facility or YOU must provide all of the required information requested by the ADMINISTRATOR. In addition the repair facility or YOU must provide a detailed and valid failure analysis related to the MECHANICAL BREAKDOWN or FAILURE of the COVERED COMPONENT related to the claim.

4. You must obtain prior approval from the ADMINISTRATOR before making any alterations, modifications or enhancements to YOUR EQUIPMENT ("Equipment Modification"). In the event an Equipment Modification affects the functionality of YOUR EQUIPMENT (e.g. adjusts the maximum current or pressure at which YOUR EQUIPMENT is designed to operate), and a MECHANICAL BREAKDOWN or FAILURE occurs directly as a result of the Equipment Modification, no coverage will be provided for such MECHANICAL BREAKDOWN or FAILURE if YOU failed to secure verbal or written approval for YOUR Equipment Modification from the ADMINISTRATOR.
5. YOU shall arrange, at YOUR expense, for delivery of the EQUIPMENT to an authorized repair facility. YOU shall be responsible for the cost of delivery and insuring the EQUIPMENT during delivery. YOU shall arrange, at YOUR expense, for the shipment or delivery of the EQUIPMENT from the authorized repair facility to YOU upon completion of the service.

E. CONTRACT TERM

1. The term of this CONTRACT is listed in the CERTIFICATE OF COVERAGE.
2. The CONTRACT term shall commence on the ACCEPTANCE DATE and remain in force for a period of 6 months or 1,000 hours or 50,000 miles / 80,000 kilometers from the service meter / odometer reading that is listed on the CERTIFICATE OF COVERAGE, whichever comes first.

F. DEDUCTIBLE

A \$250.00 deductible will be applied to the first claim arising under this CONTRACT.

G. TRANSFERABILITY

This CONTRACT is not transferable.

H. TERRITORY

This CONTRACT applies only to EQUIPMENT sold within Canada. All service performed under this CONTRACT must be performed within Canada or the United States and its territories.

I. LIMITS OF LIABILITY

1. OUR liability under this CONTRACT shall be limited to the reasonable price for repair or replacement of any Covered Components. The "Reasonable Price" for repair or replacement is based upon nationally recognized flat rate and/or factory manuals ("Accepted Manuals").
2. Labor reimbursement will be based on the repair facility's suggested list price for shop labor. In no event shall the list price for the shop rate of the repair facility exceed US \$5.00 from the amounts indicated in the Accepted Manuals.
3. In the event WE are unable to procure replacement parts for YOUR EQUIPMENT for a valid claim, OUR maximum liability shall not exceed the suggested retail price of the repair facility for the costs associated with the necessary repairs to return YOUR EQUIPMENT to an efficient operating condition; such retail price shall be calculated as if the OEM's replacement parts were available to the repairing service facility.
4. **In no event shall the limit of liability for each occurrence of MECHANICAL BREAKDOWN or FAILURE under this CONTRACT exceed the lesser of US \$75,000 or fifty percent (50%) of the purchase price of YOUR EQUIPMENT. The aggregate total of all benefits payable to YOU under this CONTRACT shall not exceed 50% of the purchase price of YOUR EQUIPMENT.**
5. All repairs must be pre-approved by ADMINISTRATOR.

J. OUR RIGHT TO RECOVER PAYMENT

If YOU have a right to recover against 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. YOU shall do nothing to prejudice such rights and YOU shall execute and deliver to US instruments and papers required either securing or maintaining such rights. WE shall recover only the excess after YOU are fully compensated for YOUR loss.

K. ARBITRATION

Most disputes or disagreements between YOU and US arising under this CONTRACT can be resolved quickly by contacting the ADMINISTRATOR in writing at the address noted below. In the unlikely event WE are unable to resolve a dispute WE have with YOU after attempting to do so informally, YOU and WE agree to resolve such disputes through binding arbitration in accordance with the rules of the Canadian Arbitration Association. The party that intends to seek arbitration must first send to the other, by certified mail, a written Notice of Dispute ("Notice"). The Notice to US should be addressed to: Legal Department, AMT Service Corp. of Canada, ULC, 1900, 736 – 6th Avenue SW,

Calgary, Alberta T2P 3T7 ("Notice Address"). The Notice must (a) describe the nature and basis of the claim or dispute; and (b) set forth the specific relief sought ("Demand"). If WE and YOU do not reach an agreement to resolve the claim within 30 days after the Notice is received, YOU or WE may commence an arbitration proceeding. Unless WE and YOU agree otherwise, any arbitration hearings will take place in the Province (or territory) of the location where YOU purchased YOUR EQUIPMENT.

L. CANCELLATION

1. YOU may cancel this CONTRACT by contacting the ADMINISTRATOR at 855-594-2079 within thirty (30) days of the purchase of this CONTRACT and YOU will receive a one hundred percent (100%) refund of the full CONTRACT purchase price provided no claims have been paid. In the event YOUR EQUIPMENT is still at the auction site, the auctioneer will make arrangements for YOUR refund on behalf of the ADMINISTRATOR. If YOUR cancellation request is made more than thirty (30) days from the date of purchase of YOUR CONTRACT, YOU will receive a pro-rata refund of YOUR CONTRACT purchase price based on the lesser of time, hours or mileage/kilometers remaining, less the cost of repairs made (if any), and less a processing fee of one hundred dollars (\$100), unless otherwise provided by provincial law.
2. If WE cancel this CONTRACT, we must provide YOU with written notice at least 15 days prior to cancellation at YOUR last known address, with the cancellation effective date and reason for such CONTRACT cancellation. If WE cancel this CONTRACT, YOU will receive a one hundred percent (100%) refund of the full CONTRACT purchase price.
3. Coverage provided under this CONTRACT shall expire once YOUR CONTRACT is cancelled or terminated. This CONTRACT is not renewable.

M. YOUR GUIDE TO FILING A CLAIM

1. Within ninety (90) days of the date of a MECHANICAL BREAKDOWN or FAILURE to YOUR EQUIPMENT, the auctioneer, manufacturer or other authorized repair facility must provide the ADMINISTRATOR with a Repair Order detailing the causes for MECHANICAL BREAKDOWN or FAILURE and the required repairs, along with any other relevant explanations or evidence as may be reasonably required by the ADMINISTRATOR, including but not limited to, a statutory declaration verifying the contents of the Repair Order, other explanations or evidence.
2. If requested by US, YOU must allow the ADMINISTRATOR to inspect YOUR EQUIPMENT to gather necessary information regarding any claim. YOU may be required to provide the ADMINISTRATOR with all maintenance records for service performed on the EQUIPMENT.
3. If the estimated cost to repair YOUR EQUIPMENT is greater than one thousand dollars (\$1,000), if requested by US, the auctioneer, manufacturer, repair facility and/or YOU must provide the ADMINISTRATOR with adequate photographic evidence of the affected parts, or preserve the parts affected, and make them available for inspection by the ADMINISTRATOR or its representative.

IF YOU HAVE A MECHANICAL BREAKDOWN OR FAILURE IT IS YOUR RESPONSIBILITY TO NOTIFY THE ADMINISTRATOR PRIOR TO ANY SERVICE BEING PERFORMED. THE ADMINISTRATOR'S CONTACT INFORMATION IS AS FOLLOWS:

AMT Service Corp. of Canada, ULC
855-594-2079
C/O 171 Follins Lane
St. Simons Island, GA 31522

This CONTRACT, including the terms, conditions, limitations and exclusions, along with the CERTIFICATE OF COVERAGE for YOUR EQUIPMENT constitutes the entire agreement and no representation, promises or condition not contained herein shall modify these items, except as required by law. Upon completion of this transaction, the auctioneer will be remunerated by way of a fee paid out of the purchase price of the CONTRACT.

Special Provincial Disclosures for residents of Alberta, British Columbia, New Brunswick, Nova Scotia, Saskatchewan and Yukon:

This transaction is between YOU and Industrial Alliance Pacific General Insurance Corporation.

In arranging this transaction described herein, the auctioneer, by whom the sales associate is employed, is representing Industrial Alliance Pacific General Insurance Corporation.

The nature and extent of interest of the auctioneer in Industrial Alliance Pacific General Insurance Corporation is none.

The nature and extent of interest in Industrial Alliance Pacific General Insurance Corporation in the auctioneer is none.

The Financial Institutions Act [British Columbia] prohibits Industrial Alliance Pacific General Insurance Corporation, the auctioneer or the sales associate from requiring YOU to transact additional or other business with Industrial Alliance Pacific Insurance Company or any other person or corporation as a condition of this transaction.