MAXIMUM SERVICE PROTECTION

MECHANICAL BREAKDOWN INSURANCE PROGRAMS
SALES AND SERVICE OPERATIONS MANUAL

May 2014

Administrator
Assurant Services Canada Inc.
(United Service Protection Division)

Underwriter
American Bankers Insurance Company of Florida
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DIRECTORY

Policy and Claims Administration Offices

United Service Protection
P.O. Box 21647
St. Petersburg, Florida 33742-1647

Phone: (888) 266-4010
Fax: (888) 266-4009

Hours of Operation: 8:00am - 8:00pm, Eastern Time

Canadian Offices

Assurant Services Canada Inc.
5000 Yonge Street, Suite 2000
Toronto, Ontario M2N 7E9

Phone: (888) 266-4010
Fax: (888) 266-4009

Hours of Operation: 8:00am - 5:00pm, Eastern Time

Marketing Administration

MDA Services Ltd.
9249-48 Street, N.W., 2nd Floor
Edmonton, Alberta T6B 2R9

Phone: (780) 468-9552
Phone Toll Free: (800) 661-6926
Fax: (780) 469-5433
Hours of Operation: 8:30am - 5:00pm, Mountain Time
DESCRIPTIONS OF PROGRAMS AVAILABLE

**Maximum Program (Code 128)**

The Maximum Program is a "bumper to bumper" program available for both new and used vehicles. The program will cover the reasonable repair cost to remedy any covered mechanical breakdown to any assembly component not excluded under the terms of the Policy. Although the program provides the same benefits for both new and pre-owned vehicles, new and pre-owned vehicles are classed differently. However, the coverage for both new and pre-owned plans begins on the date the Policy was purchased, not the In-Service date of the vehicle. This is a unique advantage of the MSP Programs.

Included with the Maximum Program is MSP's Customer Assistance Plan. The benefits include:
1. Tire Service
2. Battery Service
3. Towing Service
4. Extricating Service
5. Trip Interruption
6. Key Lockout and Recovery
7. Car Rental

The Maximum program offers a variety of time and kilometrage programs. The eligibility of each vehicle is dependent upon the kilometrage of the respective vehicle. Term and kilometrage programs available include:

**New Vehicles (Within Full Factory Warranty)**
- 36 month / 70,000; 90,000; 110,000; 130,000; 150,000 or 175,000 kilometers
- 48 month / 70,000; 90,000; 110,000; 130,000; 150,000 or 175,000 kilometers
- 60 month / 70,000; 90,000; 110,000; 130,000; 150,000 or 175,000 kilometers
- 72 month / 70,000; 90,000; 110,000; 130,000; 150,000 or 175,000 kilometers
- 84 month / 70,000; 90,000; 110,000; 130,000 or 150,000 kilometers

**Pre-Owned Vehicles**
- 60 months / 100,000 kilometers
- 48 month / 80,000 kilometers
- 36 month / 60,000 kilometers
- 24 month / 40,000 kilometers
- 12 month / 20,000 kilometers

Available Optional Disappearing Deductible is valid only when the customer returns the vehicle to the selling dealership for service.
**Powertrain Only Program (Code 127)**

The Powertrain Only program covers the Engine Assembly, Transmission Assembly and the Front and/or Rear Drive Axle Assemblies and is available for both new and used vehicles.

Included with the Powertrain Program (**EXCLUDING** the 3 month/5,000km and the 6 month/10,000 km programs) is MSP’s Customer Assistance Plan. The benefits include:

1. Tire Service
2. Battery Service
3. Towing Service
4. Extricating Service
5. Trip Interruption
6. Key Lockout and Recovery
7. Car Rental

The Powertrain program offers a variety of time and kilometrage programs. As with the Maximum Program, the coverage for both new and pre-owned plans begins on the date the Policy was purchased, not the In-Service date of the vehicle. The eligibility of each vehicle is dependent upon the kilometrage of the respective vehicle. Term and kilometrage programs available include:

**New Vehicles (Within Full Factory Warranty)**

<table>
<thead>
<tr>
<th>Term</th>
<th>Kilometrage</th>
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<tbody>
<tr>
<td>36 month</td>
<td>70,000; 90,000; 110,000; 130,000; 150,000 or 175,000 kilometers</td>
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<tr>
<td>48 month</td>
<td>70,000; 90,000; 110,000; 130,000; 150,000 or 175,000 kilometers</td>
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<tr>
<td>60 month</td>
<td>70,000; 90,000; 110,000; 130,000; 150,000 or 175,000 kilometers</td>
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<tr>
<td>72 month</td>
<td>70,000; 90,000; 110,000; 130,000; 150,000 or 175,000 kilometers</td>
</tr>
<tr>
<td>84 month</td>
<td>70,000; 90,000; 110,000; 130,000 or 150,000 kilometers</td>
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</tbody>
</table>

**Pre-Owned Vehicles**

<table>
<thead>
<tr>
<th>Term</th>
<th>Kilometrage</th>
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<tr>
<td>60 month</td>
<td>100,000 kilometers</td>
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<tr>
<td>48 month</td>
<td>80,000 kilometers</td>
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<td>36 month</td>
<td>60,000 kilometers</td>
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<td>24 month</td>
<td>40,000 kilometers</td>
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<td>12 month</td>
<td>20,000 kilometers</td>
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<tr>
<td>6 month</td>
<td>10,000 kilometers</td>
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<tr>
<td>3 month</td>
<td>5,000 kilometers</td>
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</tbody>
</table>

Available Optional Disappearing Deductible is valid only when the customer returns the vehicle to the selling dealership for service.

Please note that the 3/5 and 6/10 Powertrain Only programs are not designed to be sold as retail programs, they should only be used in a pre-owned vehicle "added to cost" program. (**EXCLUDING** the 3 month/5,000km and the 6 month/10,000 km programs)
VEHICLE ELIGIBILITY

New Vehicle Program Eligibility

New Canadian vehicles and those vehicles that are still covered by the Manufacturer's FULL coverage warranty, (not Powertrain or major component coverage only) with minimum coverage of 36 months/60,000 kilometers are eligible. The Maximum Plan and the Powertrain Plans are available. For USA or non-warrantied vehicles, please use pre-owned pricing.

Pre-Owned Vehicle Program Eligibility

Pre-Owned Vehicles are eligible as indicated below:

Maximum Plan for **60 month / 100,000 km** is available up to **60,000 km** at time of purchase.  
Maximum Plan for **48 month / 80,000 km** is available up to **80,000 km** at time of purchase.  
Maximum Plan for **36 month / 60,000 km** is available up to **100,000 km** at time of purchase.  
Maximum Plan for **24 month / 40,000 km** is available up to **120,000 km** at time of purchase.  
Maximum Plan for **12 month / 20,000 km** is available up to **130,000 km** at time of purchase.

Powertrain Plan for **60 month / 100,000 km** is available up to **60,000 km** at time of purchase.  
Powertrain Plan for **48 month / 80,000 km** is available up to **80,000 km** at time of purchase.  
Powertrain Plan for **36 month / 60,000 km** is available up to **100,000 km** at time of purchase.  
Powertrain Plan for **24 month / 40,000 km** is available up to **120,000 km** at time of purchase.  
Powertrain Plan for **12 month / 20,000 km** is available up to **150,000 km** at time of purchase.

The Customer Assistance benefits are included with all plans **except** the 3 month/5,000 km and 6 month/10,000 km Powertrain programs.

BE CERTAIN THAT THE VEHICLE QUALIFIES BEFORE OFFERING THE PROGRAM TO YOUR CUSTOMER!!
INELIGIBLE VEHICLES

The following vehicles are not eligible for either program and are not included on the Vehicle Classification Chart:

<table>
<thead>
<tr>
<th>Audi</th>
<th>Mercedes Benz</th>
<th>Shelby GT 500</th>
</tr>
</thead>
<tbody>
<tr>
<td>BMW</td>
<td>Mustang Mach 1</td>
<td>Stealth</td>
</tr>
<tr>
<td>Corvette ZR1</td>
<td>Nissan GT-R</td>
<td>SRT Ten</td>
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<tr>
<td>Ferrari</td>
<td>Porsche</td>
<td>Subaru WRX STi</td>
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<tr>
<td>Isuzu</td>
<td>Prowler</td>
<td>SVT Lightning</td>
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<tr>
<td>Jaguar</td>
<td>Range Rover/Land Rover</td>
<td>Viper</td>
</tr>
<tr>
<td>Lamborghini</td>
<td>SAAB</td>
<td>Volvo</td>
</tr>
</tbody>
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Also, vehicles falling under the following categories may **not** be covered under the MSP Mechanical Breakdown Insurance Program:

- Any vehicle used for the following commercial purposes: rental, taxi, livery, limousine, shuttle, delivery, food delivery, pizza delivery, bakery delivery, florist delivery, courier service, towing, road repair, construction, ambulance service, police service, emergency service, civil service, snow removal, vehicles used principally for off-road use, competitive driving and multiple driver company units.

- Vehicles with more than 150,000 KM at time of sale. (Except for 3 mth/5,000 km plan where eligibility is up to 160,000 KM at time of sale)

- Vehicles older than ten calendar years at the time of sale.

- Any vehicle on which any part or component is not operating properly at the time of delivery.

- Any vehicle whose odometer has been tampered with, altered, disconnected, or broken or has become inoperable or unreliable for any reason.

- Any vehicle that has been used for hauling trailers in excess of the manufacturer's rated capacity or hauling trailers without suitable equipment or if the requirements in the manufacturer's manual for vehicles used to pull trailers is not followed.

- All Motor Homes, Recreational Vehicles and Conversion Vans.

- All Grey Market vehicles.

- All rare, custom or exotic vehicles.

- **New** pick-up trucks or vans **over** one ton.

- **Pre-owned** pick-up trucks or vans **over** three quarter (3/4) ton.

- Any vehicle to which mechanical alterations have been made which are not recommended by the manufacturer, including, but not limited to, use of oversized tires, installation of header pipes and any removal of any emission control parts system.
RATES

Rates are based upon the current dealer cost rate sheets provided to your dealership. The proper rate is determined by simply referring to the rate for the plan being sold on the respective MSP Rate Sheet for the manufacturer (Chrysler, Ford, GM, Honda, Mazda, Subaru or Toyota) or Imports for all others eligible makes. This rate, plus the GST is the amount to be submitted to MDA Services Ltd. by the 5th working day of each month with the Mechanical Breakdown Insurance Policy Remittance. The cheques should be made payable to MDA Services Ltd.

In addition to the net dealer cost and the applicable taxes, the Remittance must include the amount charged the retail customer plus the applicable taxes on this amount. These rates are determined by referring to the retail rate sheets provided to your dealership.

The MSP Rate Sheets provided may change periodically. When these changes are published, new rate sheets will be furnished along with an effective date for their use. ALWAYS use the most current rate sheet available or the MDA Services Ltd. website rate calculator. If you are unsure of the correct rate to charge, please feel free to contact USP or your MDA Services Ltd. District Manager for instructions.
**ISSUING MECHANICAL BREAKDOWN INSURANCE POLICIES**

**Declaration Page (Sample)**

The following is a sample of the Mechanical Breakdown Insurance Policy Declaration Page (Form #A9220-1099). This form is used for both New and Pre-owned Vehicles. Items which are clearly not self-explanatory are referenced and explained on the following page.

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<table>
<thead>
<tr>
<th>American Bankers Insurance Company of Florida</th>
<th>Maximum Service Protection Policy Declaration Page</th>
<th>POLICY NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>CUSTOMER INFORMATION 1</td>
<td>First</td>
<td></td>
</tr>
<tr>
<td>(LAST NAME)</td>
<td>W1 H/P TELEPHONE NUMBER</td>
<td></td>
</tr>
<tr>
<td>ADDRESS</td>
<td>CITY</td>
<td></td>
</tr>
<tr>
<td>YEAR</td>
<td>MAKE</td>
<td>MODEL</td>
</tr>
<tr>
<td>MODEL</td>
<td>VIN NUMBER</td>
<td></td>
</tr>
<tr>
<td>AUTO CODE</td>
<td>VEHICLE CLASS</td>
<td>IN-SERVICE DATE</td>
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<td>4</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>MILEAGE</td>
<td>MILEAGE</td>
<td>POLICY EFFECTIVE START DATE</td>
</tr>
<tr>
<td>ODOMETER READING</td>
<td>ODOMETER READING</td>
<td></td>
</tr>
</tbody>
</table>

**NEW PLANS AVAILABLE**

- **MSP New Plans**
  - Maximum Plan (Code 128)
  - Powertrain Plan (Code 127)

- **MSP Pre-Owned Plans**
  - Plan Purchase Price
    - GST
    - PST
    - Total

**PRE-OWNED PLANS AVAILABLE**

- 3 mo./25,000 KM: Powertrain only (Code 120)
- 6 mo./50,000 KM: Powertrain only
- 36 mo./90,000 KM: Powertrain only

**Pre-owned Plans Available**

- Terms: 36 months
- Kilometers: 175,000 KM, 150,000 KM, 90,000 KM, 70,000 KM

**Types of Coverage**

- Months: 11
- Kilometers: New Plans and Pre-Owned Plans begin on date of MSP coverage for purchased, licensed/registered/kilometrage at kilometerage on odometer at time of purchase.

**Deductible**

- 12

**Terms and Conditions**

Available NEW & PRE-OWNED PLANS are shown above. Pre-Owned Vehicle eligibility is based on age and kilometerage of Vehicle at time of purchase by YOU.

The Terms, Kilometerage and Coverage are shown above. If the term of coverage is not shown, the New Plan Term/Kilometerage will be 40 mo./100,000 KM, the Pre-Owned Plan will be 72 mo./100,000 KM. Powertrain Plan benefits will apply.

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<table>
<thead>
<tr>
<th>DEALER NAME</th>
<th>DEALER NUMBER</th>
<th>DEALER TELEPHONE</th>
<th>DEALER AUTHORIZED SIGNATURE</th>
</tr>
</thead>
<tbody>
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</tr>
</tbody>
</table>

My signature below indicates that I am aware of the TREAD and CONSUMER Act provisions in the MSP Service Agreement that I have selected above. I agree that the New Vehicle Plan and Pre-Owned Plan effective date of MSP purchase and kilometerage begin at odometer kilometerage at time of MSP purchase. I understand that the purchase of this Service Agreement is not conditionally on the purchase or finance of a new vehicle. Company is the delivery some or all of the above information by MDA. Advised all in American Bankers Insurance Company or Florida, an insurance company, and its representatives and agents, to the provider for obtaining and sharing such as customer, to determine whether any products or services of the broker are available for my consideration and offering to my customer. Your information may be processed and shared in the United States and may be subject to access by US authorities as required under applicable laws. I have any questions regarding the matter in which the insurer will use the above information or any options for obtaining referrals in this context, including my options to be contacted about the offering of products or services, I can call the Insurer at 1-866-702-0637.
Instructions for Completing Declaration Page

New and Pre-Owned Declaration Page Explanation:

1. Enter customer complete name, address, postal code and telephone number(s).
2. Enter Year, Make and Model of the vehicle.
3. Enter the VIN number of the vehicle.
4. Enter Auto Code and Vehicle Class as indicated on the MSP Auto Code/Class and Rate Chart.
5. Enter In-Service Date. (This is the date the vehicle was first put into service, either as retail sale, demo, program car, etc. This is the date the Manufacturer's Warranty started.)
6. Enter odometer reading on odometer at time of purchase of Agreement.
7. Enter Effective Date of the Mechanical Breakdown Policy. (This is the date the Policy was purchased for both new and pre-owned vehicles.)
8. Check box for plan selected for NEW VEHICLE PLANS.
9. Check box for plan selected for PRE-OWNED VEHICLE PLANS.
10. Enter Agreement purchase price, applicable GST/PST and the total.
11. Enter TERM OF COVERAGE IN MONTHS AND KILOMETERS.
12. Check the appropriate block for the DEDUCTIBLE AMOUNT.
13. Enter Dealer name, Dealer number, address, and telephone number.
14. Enter F&I Manager's code number (if applicable).
15. Enter Lienholder's name, address and telephone number.
16. Agreement Holder must sign and date the DECLARATION PAGE.
17. Dealer's authorized Agent must sign the DECLARATION PAGE.

NOTICE: When the Declaration Page is accurately completed, tear off the CUSTOMER's copy and attach it to the inside cover of the actual agreement. Retain the DEALER COPY and LIENHOLDER COPY and send the remaining copies to MDA Services Ltd.
CANCELLATIONS, REPOSSESSIONS, TRANSFERS, AND UPGRADES/DOWNGRADES

Summary

The Policy may be cancelled by the Policyholder by forwarding a written request with a copy of the Policy to the dealership which sold the Policy. A refund for cancellation within thirty (30) days of the effective date shall be one hundred percent of the charges shown under "Total Purchase Price" on the policy declaration page unless the Policyholder made a claim within the first thirty days of the effective date. A refund when a claim has been made within the first thirty days will be cancelled pro-rata, less a cancellation fee of $75 charged to the Policyholder. A refund after thirty days will be computed pro-rata on the greater of months in effect from the Policy date or kilometers driven from the kilometers on odometer as of the Policy date, less a cancellation fee of $75. A refund will be jointly payable to Policyholder and the lienholder if the price of the Policy has been financed and there remains a balance due the lienholder or its assignee unless the subject vehicle is a total loss or has been repossessed. In the event the subject vehicle is a total loss or has been repossessed, then all rights, obligations and interest in this Policy, including the right to cancel, are automatically assigned to the lienholder. If, following the total loss of the vehicle or repossession, lienholder elects to cancel the Policy, then the lienholder shall be the sole payee of any refund cheque.

To cancel a Mechanical Breakdown Insurance policy, the dealer must determine if the Policyholder is eligible for a refund. The dealer must fill out an Authorization to Cancel Vehicle Service Agreement (form #A5382-1099), have it signed by the Policyholder, and have the Policyholder surrender his original copy of the Mechanical Breakdown Insurance Policy (not necessary on repossessions). This being done, call the USP Cancellation Department for actual refund amount and Dealer credit. The refund is paid to the Policyholder, or to the lienholder if there is a lienholder named on the Mechanical Breakdown Insurance Policy. In all cases, payment of the refund is to be made by the dealer after calling USP for the actual refund amount.

NOTE:

1. If either kilometers driven or months expired exceed the original terms of the Mechanical Breakdown Insurance Policy, there will be no refund.
2. Complete all lines in the TOP section of the cancellation form.

Cancellation Reporting

All Authorization to Cancel Vehicle Service Agreement forms must be faxed and forwarded to USP immediately. This is necessary to keep the status of all outstanding Mechanical Breakdown Insurance Policies and to protect USP and the dealership from approving claims on Mechanical Breakdown Insurance Policies which have been cancelled. Cancelled Mechanical Breakdown Insurance Policy fees must be reported on the Mechanical Breakdown Insurance Remittance (Form #R2750-1099) during the next reporting period. The cancelled Mechanical Breakdown Insurance
Policy Fee, as calculated on the 'Authorization to Cancel Vehicle Service Agreement' form, is shown as a reduction of the Mechanical Breakdown Insurance Fees due to USP. See "Reporting Sales of Mechanical Breakdown Insurance Policies", page 15.

**Transfer Policy**

This Mechanical Breakdown Insurance Policy is transferable to the next subsequent private purchase of the Vehicle while it is in force and if certain conditions are met. The Customer may not transfer this Policy if the vehicle is sold or traded (retail or wholesale) to an automobile dealer or automobile wholesaler. A completed transfer application form and seventy five dollar ($75) transfer fee must be submitted to the Administrator within thirty (30) days of a change of ownership, along with the following:

1. A copy of the documentation showing the change of registration and confirmation of the current odometer reading.
2. Proof of maintenance recommended by the manufacturer; and
3. If the manufacturer’s warranty requires a transfer, a copy of the completed transfer form is needed;
4. The original Mechanical Breakdown Insurance Policy Coverage Booklet and Declaration page;
5. Name and address of the new and previous owner.

The requisite transfer application form may be obtained from the Administrator. Transfer applications are subject to approval by the Administrator. In the event the transfer application, fee, and required documentation is postmarked after thirty (30) days of change in ownership, then this Mechanical Breakdown Insurance Policy will be deemed NON-TRANSFERABLE.

**Upgrades/Downgrades**

Should the customer decide they would like to modify the coverage purchased (i.e., shorten/extend the term, maximum vs. powertrain only coverage), please call USP for instructions on adjusting the outstanding policy. Upgrades/downgrades are allowed under the MSP program, but only while the vehicle is within the original manufacturer's warranty. Should an Upgrade/Downgrade be approved, a $75 surcharge will apply.
Authorization to Cancel Form (Sample)

MAXIMUM SERVICE PROTECTION
Authorization to Cancel Vehicle Service Agreement

DEALERSHIP ___________________________ DEALER NO. ___________________________

DATE CANCELLED / / 

POLICY NUMBER ___________________________ EFFECTIVE DATE / 

CUSTOMER NAME ___________________________

ORIGINAL COVERAGE

(a) Kilometrage (Fill in Applicable Kilometrage) ___________________________

(b) Months (Fill in Applicable Months) ___________________________

ORIGINAL TERMS OF VEHICLE SERVICE AGREEMENT

KILOMETRAGE

PRESENT KILOMETERAGE ___________________________ DATE CANCELLED MO / YR ___________________________

KM AT INDUCTION ___________________________ EFFECTIVE DATE MO / YR ___________________________

(b) KM Driven ___________________________ (b) Time Used ___________________________

(b.1) % of Kilometrage Used ___________________________ (b.2) % of Term Used ___________________________


<table>
<thead>
<tr>
<th>Kilometrage</th>
<th>Time</th>
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<tbody>
<tr>
<td>Present</td>
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<td>KM at induction</td>
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<td>KM Driven</td>
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<tr>
<td>% of Kilometrage Used</td>
<td>% of Term Used</td>
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</tbody>
</table>

ORIGINAL FEE $ ___________________________

LESS EARNED FEE $ ___________________________

SUBTOTAL $ ___________________________

LESS CANCELC FEE $ ___________________________

REFUND TO CUSTOMER $ ___________________________

ORIGINAL REMITTANCE $ ___________________________

EARNED REMITTANCE $ ___________________________

SUBTOTAL $ ___________________________

LESS CANCEL C FEE $ ___________________________

REFUND TO DEALER $ ___________________________

CUSTOMER SIGNATURE ___________________________ DATE / / 

DEALER CHECK # ___________________________ DATE / / PAYEE ___________________________

All refund cheques are issued from the selling dealership. Please note that all cheques must be issued to the lienholder when applicable. CUSTOMER MUST SURRENDER MECHANICAL BREAKDOWN AGREEMENT UPON CANCELLATION.
REPORTING SALES OF MECHANICAL BREAKDOWN INSURANCE POLICIES

Each month, all Mechanical Breakdown Insurance Policies issued, cancelled or voided must be summarized on the Mechanical Breakdown Insurance Remittance and submitted to MDA Services Ltd. with the amount due for the preceding month's transactions. Below is a sample of the Remittance with explanations on the following page.
**Remittance Form (Sample)**

![Remittance Form](image-url)

<table>
<thead>
<tr>
<th>POLICY NUMBER</th>
<th>PURCHASER'S NAME</th>
<th>COVERAGE MAXIMUM</th>
<th>TERM MONTHS/KILOMETRE</th>
<th>CUSTOMER CHARGE</th>
<th>GST ON RETAIL</th>
<th>DEALER COST</th>
<th>GST ON DEALER COST</th>
<th>ASC OFFICE USE ONLY</th>
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**Number of Policies Issued**

**Number of Policies Cancelled**

**Total New Retail Sales**

**Total PTE-Owned Retail Sales**

**Amount due MDA (Column 5 & 6 enclosed)**

**Report Prepared By**

**Date**

**Cheque No.**

MAKE ALL CHEQUES PAYABLE TO MDA SERVICES LTD.

9249-48 Street, N.W.
Edmonton, Alberta T6B 2R9
GST Registration # 12368-9884-RT001
Instructions for Completing Remittance Form

1. Type in the Name and Address of the Dealership.
2. Enter your MSP Dealer Number.
3. Enter the month and year the report is prepared.
4. Enter the Mechanical Breakdown Insurance Policy number and Policyholder's name.
6. Enter coverage term and # of kilometers.
7. Enter Retail Price not including applicable taxes paid by Customer. Cancellations should be entered as credits, net of the Dealer's $75 cancellation fee.
8. Enter Dealer Cost and applicable taxes (dollars remitted by Dealer to MDA Services Ltd.). Cancellations should also be entered showing credits.
9. Enter all totals.
10. When the report is completed, issue a cheque for the net amount indicated, including taxes payable, payable to MDA Services Ltd. The MDA Services copies of the Declaration Page of the Mechanical Breakdown Insurance Policies issued and the cheque should be mailed to:

    MDA Services Ltd.
    9249 - 48 Street, N.W., 2nd Floor
    Edmonton, Alberta T6B 2R9

The above package must be RECEIVED by MDA Services Ltd. by the 5th working day of the following month.
Responsibilities of Dealer's Service Department

The dealership's Service Department plays a vital role in the proper administration of the MSP Mechanical Breakdown Insurance Program. For this reason, it is very important that every Service Manager, Assistant Service Manager and Service Writer have a thorough understanding of the items covered and not covered by the MSP Mechanical Breakdown Insurance Policy.

Before advising the Policyholder or calling USP, the Service Department should determine if the vehicle is still covered. This can only be done if the Mechanical Breakdown Insurance Policyholder has the Policy with them, or if the vehicle was purchased from your dealership. Items to check include the following:

1. Elapsed kilometrage within the limits of coverage.
2. Expiration date of the Mechanical Breakdown Insurance Policy.
3. Factory warranty still in effect.

If the Service Writer or Manager believes a Mechanical Breakdown Insurance Policy covers the vehicle he/she should determine a reasonable amount to be set up as a claim cost, even though it may not be possible to make a totally accurate estimate of the cost of repair(s).

Identifying and reporting the 3 C's (Complaint, Cause, and Correction) will help resolve claims more efficiently. The Service Manager or his/her designee must then call the USP Claims Department at 1-888-266-4010 to:

1. Give the Adjuster the customer's Policy number.
2. Verify that the Mechanical Breakdown Insurance Policy is still in force and has not been cancelled.
3. Give the USP Adjuster the estimate of the cost of repair.
4. Receive a Claim Control Number to assign to the Repair Order.

Should the Service Manager subsequently determine additional repairs are required, USP Claims Department must be called for Supplemental Authorization.

Repair work covered by the Mechanical Breakdown Insurance Policy should be written on a Repair Order, but separate costs shown from regular services or from items not covered by the Mechanical Breakdown Insurance Policy.

In the event of mechanical breakdown, the Policyholder may be entitled to a rental car reimbursement, when requested, in accordance with the terms of the Mechanical Breakdown Insurance Policy. If the dealership does not have rental units, the Mechanical Breakdown Insurance Policyholder may be referred to a commercial car rental agency. Remember, if at all possible, the
vehicle should be repaired the same day. Rental reimbursement is not allowed for shop backlog or parts delay.

**Claims Settlements**

When the Policyholder picks up the car, the customer is required to pay the appropriate deductible stated on the policy for the covered repair, unless the customer purchased the disappearing deductible option, as well as any other non-addressable charges. In the event the customer was entitled to a rental car, the Policy would cover the appropriate amount allowed per day, based on published labor hours, up to a maximum number of days stated in the actual Policy. The balance would be billed to the customer. If the Policyholder used a commercial car rental agency, they must submit the finalized rental bill and a copy of the repair bill with the Claim Control Number to USP for reimbursement.

**Claim Reporting to USP**

The dealership's Service Department completes the Repair Order and Rental Agreement (if applicable) and forwards it to the USP Claims Department for payment. USP will send a cheque to the dealership within fifteen (15) working days from receipt, if all papers are in order. Any errors on the documents will be noted on the cheque stub that is sent from USP to the dealer.

**Claims By Customers Out of Town**

Occasionally mechanical breakdowns will occur when the Policyholder is unable to return to the designated dealer for repairs. In this case, the customer must call the USP Home Office for instructions. Since USP has affiliated dealers across the United States and Canada, the Claims Department may be able to refer the Policyholder to one of these designated dealers. In the event of an emergency, where the dealer will not bill USP directly, USP will make arrangements to have the covered repair paid for, but **ONLY** if USP was notified prior to the repair and a Claim Control Number was given. USP maintains a national VISA Credit Card to handle such situations.

**MSP Customer Assistance Plan Claims**

Prior authorization is not required for the following services (see instruction on Page 10 of Policy for Claims instructions):

1. Tire Service
2. Battery Service
3. Towing Service
4. Extricating Service
5. Trip Interruption
6. Key Lockout and Recovery
To file for reimbursement for Customer Assistance Plan Claims, provide the Insured's name, address, telephone number, policy number, a description of the vehicle including the last 6 digits of the vehicle serial number, and mileage on the receipt for the covered expense to USP. Reimbursement will be sent to the Insured.

MAXIMUM SERVICE PROTECTION

SERVICE DEPARTMENT REIMBURSEMENTS

EFFECTIVE SEPTEMBER 1999

<table>
<thead>
<tr>
<th>Labour</th>
<th>M.S.P. will reimburse up to your retail door hourly labour rate (Reasonable Labour Rate).</th>
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<tr>
<td>Parts</td>
<td>M.S.P. will reimburse to a maximum MSRP on parts and suggested list price on re-manufactured parts.</td>
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<tr>
<td>Sublets</td>
<td>If sublets are used, M.S.P. will pay a handling or administration fee of $10.00 per work order for sublets. All customer assistance plan items are ineligible as sublets.</td>
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<tr>
<td>Shop Supplies</td>
<td>M.S.P. will not reimburse</td>
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<td>Environmental</td>
<td>M.S.P. will not reimburse</td>
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<tr>
<td>Disposals</td>
<td>M.S.P. will not reimburse</td>
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REPORTS FROM USP TO THE DEALER

USP will provide the dealership with the following reports on a monthly basis:

**Dealer Statement**
This report will list every Policy sold by the dealership, and all Policies cancelled that month. It will show the type of Policy, fees and dealer commission. All cheques received from and paid to the dealer and any amounts to or from the dealer will also be shown.

**Division Statement**
This report details the monthly insurance activity, including premium written, premium earned, premium taxes paid, claims paid, claims in course of settlement, and investment income earned on the cash balance held.

**Paid Claims Statement**
This monthly report details all claims paid during the month, including the contract number, vehicle year, make, and model, claim amounts, and the cause of the mechanical failure.

Please note that other reports may be available to you to assist in the management of your MSP results. Please contact either MDA Services Ltd. or USP regarding any additional information needed to assist you.
The MSP Programs which you are now offering are the finest of their kind. You will find that they benefit not only your customers, but your dealership as well. The maximum benefit will be obtained, however, only if all persons concerned fully understand the coverages, the exclusions, and the procedures for handling and settling claims. It also goes without saying that the program will benefit no one if the Policies are never sold to your customers.

For these reasons, this manual was prepared to help answer questions which will arise in the selling, processing and use of the MSP program. If the answers to your questions are not found in this manual, please feel free to call the USP Home Office or your MDA Services Ltd. Account Representative. The entire staff of MDA Services Ltd. and USP is available to you for any kind of assistance you require in making this program successful.