

Mechanical Repair Coverage (MRC) Product Information Sheet

Plan Types

Three Levels of coverage.

One program for both new and used vehicles with three levels of coverage to choose from depending on the vehicle's equipment.

The vehicle's mileage determines which plans are available to the member.

Platinum:

- Our most comprehensive plan and our named exclusion level of coverage. Covers everything on the member's vehicle except 5 small categories of items.

- Vehicles with 70,000 odometer miles or less and current through twelve model years old.

Gold:

- Provides coverage for ten major component groups, and is considered a value-minded plan. Named component level of coverage.

- Vehicles with 100,000 odometer miles or less and current through twelve model years old.

Silver:

- Provides coverage for nine major component groups. A basic yet robust plan. Named component level of coverage.

- Vehicles with 120,000 odometer miles or less and current through twelve model years old.

Coverage pays for the cost of parts and labor for any covered repair based on plan purchased.

Plan Features

- Offers a **matrix of terms** to fit members' needs based on how long they plan to keep the vehicle and how many miles they drive each year.
- Offers a **choice of deductibles** to fit members' needs.
 - Deductible is per repair visit, not per component repaired.
 - Platinum and Gold Plan deductible options: \$0, \$100, \$250.
 - Silver Plan deductible options: \$100, \$250.

Coverage:

- Is good at any authorized, licensed repair facility in the U.S. or Canada.
- Is transferable for a \$50 fee (when member sells his/her car to a private party/owner).
- Is cancelable at any time on a pro rate basis.
- Provides add-on term/add-on miles so the member gets all the coverage purchased. Coverage does not revert back to original vehicle in-service date.
- Administrator pays repair facility directly via corporate credit card – meaning no out of pocket costs for the member (other than any applicable deductible).

The Plan also includes:

- Rental Reimbursement up to \$35 per day for up to 5 days if the member's car is kept for service overnight. If there is a parts delay, members can get up to an additional 5 days.
- 24-hour, toll-free roadside assistance and towing with the sign and drive feature, \$100 benefit.
- Covers emergency travel expense up to \$500 for lodging, meals, and transportation if the member's car breaks down or they get in a collision more than 100 miles from home and the vehicle must be held overnight for repairs.
- 60 day "trial offer" period.

What is eligible and when can the coverage be purchased

- **Vehicle Eligibility:** Coverage is available for any new or used vehicle current through 12 model years old with 120,000 odometer miles or less at the time of coverage purchase.
- The plan allows for coverage to be transferred to a private party/owner within 30 days from the date of sale. If there is an original manufacturer's warranty remaining on the vehicle it must be transferable as well. Transfer fee is \$50.

Vehicle Exclusions:

- Vehicles used commercially.
- Salvage or rebuilt titled vehicles.
- Trucks rated more than 1 ton.
- Motor homes.
- Motorcycles.
- Non-U.S. Specification Vehicles.
- Note: "Modified" vehicles are eligible for coverage but claims will be denied if resulting from the modifications made.

Coverage Exclusions:

- General maintenance is not covered under any of the MRC policies.
- Pre-existing conditions (condition that existed prior to the purchase of the policy/agreement).
- Aftermarket items not installed by the manufacturer.
- Other exclusions as listed in the policy/agreement.
- Gold and Silver levels of coverage: any system or component not specifically listed on the MRC policy/agreement.

How much does it cost?

- **Several cost options are available** to members based on the following:
 - Vehicle manufacturer/make, model and year.
 - Choice of term (months/miles) of coverage.
 - Choice of deductible.

Dealership Retail Repair Cost Estimates:

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|-------------------------|------------|
| • Engine Replacement | \$5,000.00 |
| • Transmission | \$3,000.00 |
| • Transmission Overhaul | \$1,700.00 |
| • A/C Compressor | \$ 700.00 |
| • Alternator | \$ 550.00 |
| • ABS Module | \$ 900.00 |
| • Head Gasket | \$1,100.00 |
| • Rear Main Seal | \$ 800.00 |
| • Rack and Pinion | \$ 700.00 |

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| • Fuel Pump | \$ 700.00 |
| • Transfer Case | \$ 850.00 |
| • Rear Hub Bearings | \$ 400.00 |
| • Power Window Motor | \$ 350.00 |
| • Heater Evaporator | \$ 900.00 |
| • Oxygen Sensor | \$ 200.00 |
| • Engine Control Module | \$ 700.00 |

- Note: these are cost estimates; actual repair costs will vary.

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Who pays for it?

The coverage can be included within the member's monthly loan payment (this is the easiest and most convenient method) or the member can pay by cash, check or credit card to the credit union. These payment methods are based on the credit union's available options. The credit union then takes care of remitted the MRC premiums to CUNA Mutual Insurance Agency, Inc.

Explanation of coverage

MEMBER'S CHOICE[®] MRC is high-quality, comprehensive coverage that pays for the cost of parts and labor for any covered vehicle mechanical repair. It provides the needed protection at the time the member's vehicle is most likely to require repairs.

MRC offers a matrix of terms and levels of coverage to fit members' needs based on how long they plan to keep the vehicle and how many miles they drive each year.

When does coverage terminate?

- Coverage term expires when its time or mileage limit is reached (whichever occurs first).
- Coverage should be canceled if the vehicle is a total loss or repossessed.
- Cancelable by you at any time for at least a pro-rata refund.

In the event the member requests cancellation of the agreement/policy*:

- Within the first 60 days if no claim has been incurred, a full refund will be paid and no administrative fee will apply.
- After the initial 60 days or if a claim has been incurred within 60 days, a pro-rata refund will be paid. The pro-rata refund will be calculated based on the months and miles used under the agreement, less an administrative fee of \$50.

* May vary based on specific state language within the member agreement/policy.

What happens when mechanical repairs are needed and a claim needs to be filed?

- The member should take the vehicle or arrange to have the vehicle taken to an authorized repair facility in the U.S. or Canada. If the vehicle needs to be towed, the member should call for roadside assistance.
- The member should authorize the repair facility to perform the necessary diagnosis and get a repair estimate.
- The repair facility should call the claims center for authorization PRIOR to beginning repairs.
- Once the repair facility has obtained an authorization number, the repair facility should perform the repairs.
- Upon completion of the repairs, the repair facility should bill the Administrator for authorized repairs. The Administrator will pay the repair facility by corporate credit card or direct bill, whichever is preferred by the repair facility.
- The member should pay the repair facility any required deductible and the cost of any repairs not covered by the agreement/policy.

Benefits

- **Member:**
 - Saves money for the member.
 - Eliminates the high cost of future auto mechanical repairs.
 - Provides for peace of mind and worry-free driving.
- **Credit Union:**
 - Can help reduce delinquency and charged-off loans.
 - Generates fee income/revenue.
 - Offers easy enrollment.
 - Protects credit union loan collateral.
 - Increases member loyalty and promotes a full-service image.
- **Employee:**
 - Creates an opportunity to educate the membership on how to protect their savings and budget
 - Supports credit union's objectives through member satisfaction.

Who to Contact

- Member and Loan Officer Service: 1.888.557.8955; 7:30am-5:30pm CT, M-F
- 24-Hour Roadside Assistance: 1.866.603.5420
- MRC Claims Administration: 1.800.752.6265; 7:00am-7:00pm CT, M-F

This document is only an outline of coverage, exclusions and limitations of the MEMBER'S CHOICE[®] Mechanical Repair Coverage product. For exact coverage, exclusions and limitations, please review your MEMBER'S CHOICE[®] Mechanical Repair Coverage Agreement/Insurance Policy. MEMBER'S CHOICE[®] Mechanical Repair Coverage is administered by Consumer Program Administrators, Inc. in all states except AK and CA, where coverage is administered by Virginia Surety Company, Inc., in WA, where coverage is administered by Automotive Warranty Services, Inc., in FL, LA, OK and WI, where coverage is administered by Automotive Warranty Services of Florida, Inc. (Florida License #60023) and in AZ, where the Obligor and Administrator is Consumer Program Administrators, Inc., all located at 175 West Jackson Blvd., Chicago Illinois 60604, 1.800.752.6265. This coverage is made available to you by CUNA Mutual Insurance Agency, Inc. In those states where MEMBER'S CHOICE[®] Mechanical Repair Coverage is offered as insurance (form MCCU-001-MBI) it is underwritten by Virginia Surety Company, Inc..