

### **Congratulations!**

You have just made a smart consumer decision to protect Your new bicycle by purchasing the Trek® Red Shield Plan (the “Plan”). Please keep this Plan, Your sales receipt or other proof of purchase for this Plan, and Your sales receipt for Your Covered Product together in a safe place. You will need them to verify Your coverage under this Plan. All of these sales receipts and proofs of purchase are hereby incorporated in and made a part of this Plan. By purchasing this Plan, You are consenting to the terms and conditions stated herein and to the use and transmission of Your customer information in connection with the Plan. The following information explains what is covered by the Plan.

### **DEFINITIONS:**

Throughout the Plan, the words “Obligor”, “We”, “Our”, or “Us” refer to SNAAdmin (Canada), Inc. (“Service Net”), who is the Administrator of this Plan and is contractually obligated to provide service under this Plan. Service Net’s address is 650 Missouri Ave. Jeffersonville, Indiana 47130, USA; and Our toll free phone number is 1-866-618-5785. The words “You” and “Your” refer to the purchaser of this Plan or to the personal to whom it was properly transferred. “Proof of Purchase” means Your sales receipt or other evidence showing the date and purchase price of this Plan and/or Your Covered Product, as applicable. “Covered Product” includes new Trek, Gary Fisher, LeMond, Klein, or Mirraco bicycle, Bontrager wheels (repair plans) and certain cycling-related accessories (replacement plans). “Term” refers to the length of the Plan you purchased (1 year for replacement plans, and 3 or 5 years for repair plans).

### **PRODUCT ELIGIBILITY, COVERAGE AND TERM:**

For service under this Plan, see “If Your Covered Product Needs Repair” below.

This Plan only applies to Covered Products purchased new from an authorized Trek Dealer in Canada.

The Term for repair plans commences on Your date of purchase of the Covered Product and expires as indicated on Your Proof of Purchase. It runs concurrently with any applicable original manufacturer’s warranty. In no event shall the manufacturer’s original written warranty and the Term combine to exceed five 5 years from the original purchase date of the Covered Product. Coverage under this Plan only applies after expiration of the manufacturer’s original written warranty.

The Term for replacement plans commences when the original manufacturer’s warranty expires. Coverage under this Plan only applies after expiration of the manufacturer’s original written warranty.

We agree to repair or replace the Covered Product in the event it is rendered inoperable due to defects in materials or workmanship or mechanical breakdowns experienced as a result of normal wear and tear, subject to the terms and conditions listed herein, for the Term indicated on Your Proof of Purchase. In this event, we agree to provide the labor and parts necessary to restore Your Covered Product to normal operating condition. Repair or replacement of a defective Covered Product is your sole remedy under this Plan.

We reserve the right, in Our sole discretion, to repair or replace Your Covered Product. In the case of repair, We reserve the right to use rebuilt or remanufactured parts. In the case of replacement, We reserve the right to replace Your Covered Product with a comparable product of like kind and quality. Technological advance may result in a replacement product with a lower selling price than the original product. The price of any single repair or replacement shall not exceed the original retail purchase price of the Covered Product. The limit of liability under this contract equals the total cost of all repair or replacement services provided under this Plan not to exceed the purchase price paid for the Covered

Product. Replacement of a Covered Product will fulfill this agreement in its entirety and will discharge all further obligations under this Plan, where allowed by law. Replacement products will include a manufacturer's warranty and You will have the opportunity to purchase a new extended service contract if the replacement product is eligible for coverage under such a plan.

In the event that replacement parts needed for repair or a replacement product should become unavailable during the coverage period of the Plan, We shall be excused from performance hereunder and You shall receive a refund of the purchase price paid by You for the Plan, less claims paid, if any, and subject to any laws which may override this condition. In no event shall We be liable for any damages as a result of the unavailability of replacement parts or products.

#### **What does the Trek ® Red Shield Plan Cover?**

The Plan applies to Covered Products which are rendered inoperable due to defects in materials or workmanship or **mechanical breakdowns experienced as a result of normal wear and tear**. Specifically, with respect to bicycles and wheels, the following parts and components are covered:

- **WHEEL** (SPOKES, RIMS, HUBS, QUICK RELEASE)
- **FORK** (WHEN NOT COVERED BY THE ORIGINAL MANUFACTURER'S WARRANTY)
- **CRANK ASSEMBLY** (PEDALS, CRANK ARMS, CHAIN WHEELS, BOTTOM BRACKET)
- **BRAKES** (LEVERS, CABLES AND CALIPER COMPONENTS EXCEPT PADS)
- **DRIVE TRAIN** (DERAILLEURS (FRONT AND REAR), CHAIN, SHIFTERS AND CABLES)
- **SUSPENSION** (COMPONENTS FRONT AND REAR)
- **SADDLE, SEAT POST, HANDLEBARS, STEMS, HEADSET, FREEWHEEL/CASSETTE**

#### **What is not covered?**

- COMPONENTS, PRODUCTS OR ITEMS NOT SPECIFICALLY LISTED HEREIN INCLUDING BUT NOT LIMITED TO FRAMES, REFLECTORS, PAINT, DECALS, GRIPS, TIRES, TUBES BRAKE SHOES OR PADS;
- CONSUMER REPLACEABLE ITEMS SUCH AS BATTERIES, BRAKE PADS, AND BULBS;
- TUNE UPS, ADJUSTMENTS, SAFETY CHECKS, MODIFICATIONS MADE AFTER THE BIKE WAS PURCHASED;
- FAILURES OR PARTS COVERED BY A MANUFACTURERS' WARRANTY OR RECALL PROGRAM WHETHER THE MANUFACTURER IS IN BUSINESS OR NOT AND ALL NEW PRODUCTS WITH LESS THAN AN ORIGINAL 90 DAY MANUFACTURER'S PARTS & LABOR WARRANTY;
- DAMAGE CAUSED BY ACCIDENTS OR ANY IMPACT OR COLLISION WITH ANOTHER OBJECT; MISUSE, ABUSIVE USE, THEFT, NEGLIGENCE, VANDALISM, ENVIRONMENTAL CONDITIONS (FIRE, FLOOD, CORROSION, DIRT, SAND, WINDSTORM, HAIL, EARTHQUAKE OR EXPOSURE TO WEATHER CONDITIONS);
- FAILURES DUE TO CORROSION OR RUST;
- DAMAGE CAUSED BY IMPROPER ASSEMBLY OR MAINTENANCE OR INSTALLATION OF PARTS OR ACCESSORIES NOT ORIGINALLY INTENDED FOR OR COMPATIBLE WITH THE BICYCLE AS SOLD;
- UNAUTHORIZED REPAIRS OR MODIFICATIONS, INCLUDING ANY DAMAGE RESULTING FROM SAID REPAIR, SUBJECT TO APPLICABLE FEDERAL, PROVINCIAL OR STATE LAW;
- COVERED PRODUCTS USED FOR COMMERCIAL PURPOSES OR FOR PURPOSES OTHER THAN INTENDED BY MANUFACTURER. COMMERCIAL USE INCLUDES BUT IS NOT LIMITED TO USE AS RENTAL EQUIPMENT, DELIVERY SERVICE, PATROL SERVICES, OR OTHER SERVICE USE;

- COVERED PRODUCTS WITH REMOVED OR ALTERED SERIAL NUMBERS;
- THE COST OF SHIPPING OR TRANSPORTING THE COVERED PRODUCT FROM YOU TO THE REPAIR LOCATION;
- ANY LOSS OR DAMAGE THAT OCCURS WHILE THE BICYCLE OR COVERED PRODUCT IS IN TRANSIT;
- LOSS OF USE DURING THE PERIOD THAT THE COVERED PRODUCT IS AT A REPAIR FACILITY OR OTHERWISE AWAITING PARTS;
- ANY AND ALL PRE-EXISTING CONDITIONS THAT OCCUR PRIOR TO THE EFFECTIVE DATE OF THIS PLAN;
- FAILURES THAT OCCUR OUTSIDE OF CANADA;
- ANY LOSS OTHER THAN A COVERED BREAKDOWN OF THE COVERED PRODUCT;
- SERVICE WHERE NO PROBLEM CAN BE FOUND;
- BREAKDOWNS WHICH ARE NOT REPORTED WITHIN THE TERM OF THIS PLAN.

**If We find no defect or if We deny coverage based on the terms and conditions of this Plan, You will be solely responsible for all costs incurred.**

#### **LIMITATION OF LIABILITY**

THE DEALER/RETAILER, SERVICE NET, THEIR AGENTS, CONTRACTORS OR LICENSEES WILL NOT UNDER ANY CIRCUMSTANCES BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, PROPERTY DAMAGE, LOST TIME, LOST DATA RESULTING FROM THE BREAKDOWN OR FAILURE OF ANY EQUIPMENT OR FROM DELAYS IN SERVICING OR THE INABILITY TO RENDER SERVICE ON ANY COVERED EQUIPMENT. EXCLUSION IS MADE OF ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE. THERE ARE NO EXPRESS OR IMPLIED WARRANTIES MADE HEREIN.

#### **DEDUCTIBLE**

No deductible applies to this contract.

#### **IF YOUR COVERED PRODUCT NEEDS REPAIR:**

##### *REPAIR*

If Your Covered Product needs repair and is no longer covered by the manufacturer's original written warranty, You may contact or return to the Authorized Trek Dealer where you purchased Your Covered Product or You may call Our toll-free number at 1-866-618-5785. For faster service, please have Your Proof of Purchase for the Covered Product and the Plan available when You call. When You call, We will refer You to an authorized service center. This Plan only covers preauthorized service at an authorized service center, subject to applicable federal or provincial law, unless Your Covered Product qualifies for product replacement (Please see below for details).

##### *REPLACEMENT*

Covered Products with an original purchase price of \$450.00 or less may be replaced (other than repaired) in Our sole discretion. To confirm whether Your Covered Product qualifies for a product replacement, you may contact or return to the Dealer where you purchased Your Covered Product or you may call Our toll-free number at 1-866-618-5785.

#### **TRANSFERS AND EXCHANGES:**

If you sell or otherwise transfer ownership of the Covered Product, You may also transfer this Plan to the new owner by sending prompt written notice to: Service Net, P.O. Box 1411, Jeffersonville, IN 47131-1411, USA. To be effective, the notice must include Your name, contact information and a copy

of Your Proof of Purchase for the Plan and Covered Product as well as the name and contact information of the new owner.

**CANCELLATION:**

You may cancel this Plan at any time for any reason. If You cancel this Plan within sixty (60) days of the date purchased You will receive a refund of the full purchase price less any claims. If You cancel this Plan thereafter, You will be refunded the remaining days of coverage on a monthly prorated basis, less costs for service performed hereunder (if applicable).

**RENEWAL:**

Neither You nor the Trek Dealer nor We are obligated to renew this Plan beyond the current term. If you wish to request renewal of this Plan, please call the toll free number listed on the front of this Plan.

**OTHER SERVICE CONTRACTS OR INSURANCE:**

If Your Covered Product is covered under another valid service contract and/or any insurance policy, this Plan will provide coverage over and above the other service contract and/or the insurance policy.

**This is not an insurance policy.** As the Administrator, Service Net will assist You in understanding Your warranty and coverage benefits from the day You purchase Your Plan. If Your Covered Product needs repair, You should follow the instructions above under “If Your Covered Product Needs Repair” or You may submit Your claim in writing to SNAdmin (Canada), Inc., 650 Missouri Ave., Jeffersonville, In 47130, USA. With any correspondence, please provide Your daytime phone number and claim number if applicable. The Obligor under this Plan is insured by a policy of insurance issued by Virginia Surety Company, Inc., 3650 Victoria Park Ave, Suite 201, Toronto, Ontario M2H 3P7. In Saskatchewan: If the Administrator does not pay a claim within sixty (60) days of submitting the claim, the claim can be submitted to the insurer at the above address. Please enclose a copy of Your Plan and Your Proof of Purchase for the Plan and the Covered Product when sending correspondence to the Insurer. The expiration date and price of this Plan are listed on Your Proof of Purchase. There are some limitations of coverage. You should review the “Limitation of Liability” and “What is not covered?” paragraphs for details.

**GOVERNING LAW**

Unless otherwise governed by applicable provincial law, Your service Contract will be interpreted and enforced according to the laws of the province of Ontario.