





The Used Car Warranty Program Contract

The Company is a service provider provide full range of automobile service to its member. The terms and conditions of this Contract and any endorsements there from shall supersede where applicable any prior agreements or written materials in the interpretation and effect of this Contract.

The **Company** shall pay and arrange service for the **Customer** against the cost of repair or replacement of any **Vehicle** parts and/or components and the incidental labour cost incurred due to a **Breakdown** that arises during the **Period of Warranty** and that is duly reported to the **Company** according to the terms and conditions herein.

The Company does not arrange and pay any service and / or repair measures that are not directly related to the repair of the defective part/component. This includes, for example, recovery / towing costs, the costs of accommodation and meals, courtesy car costs and compensation for loss of use or delays.

Furthermore, service cost is non-refundable for parts, components or operating fluids that, according to the Original Manufacturer's guidelines, would have been scheduled for replacement due to their age, service life or mileage at the time when the **Breakdown** occurred, or for costs of wheel alignment, or for costs for software updates or system releases.

DEFINITIONS

The following expressions in this Contract shall have the meanings shown

Company Auto Repair and Service Group Limited

Customer The end customer of Auto Repair and Service

Group Limited (i.e. the Vehicle owner)

Cooling Period The first 30 calendar days after the subscription of

the **Program** by a Customer.

Breakdown The electrical and/or mechanical failure of a part

and/or component of a **Vehicle**, **due to a manufacturing defect**, causing a sudden stoppage of its function. Damage or failure caused by the effect of overloading and extreme driving conditions beyond what is recommended by the **Original Manufacturer** is not regarded as a breakdown and

is excluded under the terms of this Contract.

Warranty A valid warranty service contract in existence

between the **Customer** and the **Company** in relation to the Used Car Warranty Program and the







Vehicles.

Original Manufacturer The entity responsible to provide Original

Manufacturer's Warranty.

Original Manufacturer's Warranty Original Manufacturer's Warranty is the warranty

offered by the **Original Manufacturer for a Vehicle. Terms and Conditions of the Original Manufacturer apply and the** Original Manufacturer's Warranty is **not part of this service**

program.

Parties The **Customer** and the **Company** collectively.

Program The warranty program, in the name of Warranty + or

Warranty Pro, under which Warranty service is extended by the Company to the Customer in

accordance with the terms of this Contract.

Period of Warranty under the Contract pertaining to

each Vehicle as stated in the Application form and

exclude the Cooling Period

Retailer's Guarantee The guarantee or warranty issued by the Company

for the purchase of any parts forming the **Vehicle**.

Vehicle Used passenger Vehicles a. which were imported to

Hong Kong by official representative of Original Manufacturer, b. had their first registration made in Hong Kong, c. and were successfully certified by

the **Company** prior to Period of Warranty.

Consumables Normal maintenance items and parts normally

designed to be serviced or replaced with usage during the life of the Vehicle, including but not limited to: filters, lubricants, coolants, fluids, spark plugs, glow plugs, capacitors, all light bulbs, LED, fuses, fusible link, wire sleeves, brake pads, brake linings, rubber/plastic/nylon/silicone or hydraulic hoses, all bushing, rubber bellows, dust covers, all miscellaneous rubber mountings, rubber and plastic support, bushes, rubber/plastic stopper, flexible coupling, battery, remote control units, wiper blade, washer jets, wire connectors, high tension wires, all pads. timina belts. pedal valves/balancing weights/inner tubes and air

conditioner system gas.

All fasteners including but not limited to bolts, studs,







nuts, pins, clips and cable strap.

(Except when required in conjunction with a **Breakdown**).

Wear & Tear

The gradual lessening of performance due to usage. Items that require inspection and/or replacement at certain mileage interval, usage, period and exceed factory tolerances such as but not limited to brakes rotor and drum, manual clutch assemblies, shock absorbers and strut inserts/cartridges, tyres, wheel rims, release cables, power windows brackets/rails, belt-tensioner and belt dampers, pulley, exhaust mufflers/tailpipes and bearings.

Fading/deterioration/warpage/staining/peeling of surfaces and materials due to natural elements and usage, such as but not limited to paintwork, switch surface, knobs, dials, upholstery, trimming, moulding, carpet, dashboard, door panel, roof lining, door handle, handbrake lever, lights reflector, steering wheel cover and gear lever knobs.

(Except when required in conjunction with a **Breakdown**).

Scope of Service:

Only two options of package are available – "Warranty +" or "Warranty Pro".

1.1 Warranty + package

- 1.1.1. Engine
 - a) Cylinder block, cylinder head, cylinder head gasket
 - b) Crankcase, crankshaft vibration dampers
 - c) Oil pan, oil pressure switch, oil filter casing and all inner parts/core parts that are connected with the oil circuit (excluding joints and gaskets)
 - d) Fly wheel and drive pulley with toothed rim
 - e) Camshaft belt respectively camshaft drive chain with clamping device and tension/reversing pulley
 - f) Mechanical parts of the suction pipe
 - g) Factory-fitted Turbocharger with control unit, rotary engine casing If the scheduled maintenance intervals for the camshaft belt respectively camshaft drive chain with peripheral parts had not been kept, the Company is discharged of his obligation under this warranty.
- 1.1.2. Manual and Automatic Transmission (excluding direct-shift gearbox)
 - a) Gearbox casing and all inner parts (gearbox casing are covered only when damaged by the failure of an Customer component)
 - b) Torque converter





c) Electronic control unit for automatic transmission

Electro hydraulic switch gear unit

1.1.3. Axle Differential

a) Axle transmission housing (front and rear propulsion)

Including all inner parts, electronic and mechanical differential lock

1.1.4. Axle Drive and Axle Suspension

- a) Cardan shafts, axle drive shafts
- b) Driving joints (excluding constant velocity joint boot & seals)

Wheel bearings, wheel hubs

1.2 Warranty Pro Package

1.2.1 Engine

- a) Cylinder block, cylinder head, cylinder head gasket
- b) Crankcase, crankshaft vibration dampers
- c) Oil pan, oil pressure switch, oil filter casing and all inner parts/core parts that are connected with the oil circuit (excluding joints and gaskets)
- d) Fly wheel and drive pulley with toothed rim
- e) Camshaft belt respectively camshaft drive chain with clamping device and tension/reversing pulley
- f) Mechanical parts of the suction pipe
- g) Factory-fitted Turbocharger with control unit, rotary engine casing
- h) If the scheduled maintenance intervals for the camshaft belt respectively camshaft drive chain with peripheral parts had not been kept, the Company is discharged of his obligation under this warranty.
- 1.2.2 Manual and Automatic Transmission (excluding Direct-shift gearbox)
 - a) Gearbox casing and all inner parts (gearbox casing are covered only when damaged by the failure of an Customer component)
 - b) Torque converter
 - c) Electronic control unit for automatic transmission
 - d) Electro hydraulic switch gear unit

1.2.3 Axle Differential

- a) Axle transmission housing (front and rear propulsion)
- b) Including all inner parts, electronic and mechanical differential lock

1.2.4 Axle Drive and Axle Suspension

- a) Cardan shafts, axle drive shafts
- b) Driving joints (excluding constant velocity joint boot & seals)
- c) Wheel bearings, wheel hubs

1.2.5 Brakes

- a) Master brake cylinder, wheel brake cylinder, wheel cylinder (excluding worn parts and friction)
- b) Brake booster
- c) Vacuum pump
- d) Hydraulic elements of the brake calliper, controller and hydraulics of the anti lock braking system
- e) Braking force limiter
- f) Wheel speed sensors

1.2.6 Fuel System

- a) Fuel pump, injection pump
- b) Injector nozzles, fuel injectors





- c) Carburettor
- 1.2.7 Steering
 - a) Mechanical or hydraulic steering gear with all inner parts
 - b) Electrical steering support motor
 - c) Hydraulic pump with all inner parts and electronic steering components (excluding drive belt)

Engagement

- 2.1 The **Company** shall pay and arrange service if;
 - 2.1.1 a technical defect appears that did not arise from incorrect handling of the vehicle or an accident;
 - 2.1.2 this defect was not already present or at least foreseeable at the time of handover of the vehicle from the warrantor to the warrantee or at the start of the service warranty.
- 2.1.3 the technical defect appears in one of the components of the vehicle within the scope of the respective warranty.
- 2.2 the warranty event establishes a right to professional repair work based on a reasonable repair work principles.
 - 2.2.1 the **Company** shall provide service for the necessary costs actually incurred for repair, including all necessary replacement parts.
 - 2.2.2 if repair costs exceed the value of a replacement part which is normally installed in such cases, the entitlement shall be limited to the costs of this replacement part including fitting and removal costs.
- 2.3 if any repairs and inspections are carried out at the same time, the length of such repairs shall be determined with the help of the approximate working hours given by the manufacturer.
- 2.4 there shall be no entitlement to warranty for damage to components which should already have been replaced prior to the time the damage occurred due to age, duration of use or mileage in accordance with the maintenance and service guidelines of the manufacturer or which already needed to be exchanged for the purpose of maintaining the functionality or driving safety of the vehicle. This shall apply in particular if such components need to be repaired or exchanged in the process of repairing other defective components.
- 2.5 the entitlement to warranty shall be limited in terms of amount to the fair value of the vehicle, minus the residual value, at the time of the occurrence of the Customer event.

EXCLUSIONS

All the following causes or events are not included in the scope under this Contract and shall be deemed as Exclusions:

General Exclusions:

 Costs and / or repair measures that are not directly related to the repair of the defective part/component. This includes, for example, recovery / towing costs, the costs of accommodation and meals, courtesy car costs and compensation for loss of use or delays.







- Costs for parts, components or operating fluids that, according to the manufacturer's
 guidelines, would have been scheduled for replacement due to their age, service life or
 mileage at the time when the **Breakdown** occurred, or for costs of wheel alignment, or
 for costs for software updates or system releases.
- 3. Defects, which are or should be pay and arranged by a third-party in its capacity as insurance company, manufacturer, seller, importer or supplier under a repair contract, statutory or contractual warranty or any other warranty commitment (goodwill).
- 4. Intentional or malicious or negligent acts or omissions of the **Customer** or Customer's agents or representatives.
- 5. Any defect which is likely to have existed before the period of Warranty.
- The Vehicle being used for competitions of any kind, racing, pace making, rallies, off
 road use including track days, for any form of hire or reward and usage for or by driving
 school.
- 7. Any component which is either subject to recall by the manufacturer, manufacturing defect or inherent design faults.
- 8. Damage to an excluded part, even if the damage is caused by a part(s) in the scope.
- Any depreciation to the Vehicle, loss of earning, death or bodily injury, damage to property or any other loss or damage which is a direct or in direct result of the failure of any item within the scope.
- 10. Any cost under any other warranty, guarantee or insurance cover.
- 11. Any Vehicle which is owned by a business formed for the purposes of selling or servicing Vehicles.
- 12. Any failure caused by accidental damage, collision.
- 13. Any damage or failure caused by overheating, smoke damage, fire or ignition or any kind of scorching.
- 14. Any normal **Wear and Tear** (as defined in Definition).
- 15. Any Repairer's or Retailer's Guarantee.
- 16. Any third party in its capacity as insurance company, manufacturer, seller, importer, or supplier under a repair contracts, statutory or contractual warranty or any other warranty commitment.
- 17. Any goodwill arranged extended by the Original Manufacturer to the Customer.
- 18. The cost of routine maintenance and servicing.
- 19. The cost of **Consumables** (as defined in Definition) except where the replacement is incidental to a **Breakdown**.
- 20. Any consequential loss of any nature including loss of use, loss of profits.
- 21. Vehicle exceeds the Max Exit Mileage.
- 22. Any actual or alleged liability whatsoever for any service request or service request in respect of loss or losses directly or indirectly arising out of, resulting from or in consequence of, or in any way involving asbestos, or any materials containing asbestos in whatever form or quantity.
- 23. Internal and/or external leakage due to **Wear and Tear** of seals, gaskets, O-rings or bushings.
- 24. Oil and/or fuel contamination unless incidental to a **Breakdown**.
- 25. Alignment and correction of body parts and bumpers.
- 26. Axle alignment and balancing of tyres unless incidental to a **Breakdown**.
- 27. Noises such as but not limited to wind noises, squeaking and rattling noises, whining noise that does not affect the operation or functionality of the part or component.







28. Adjustment and system diagnosis such as but not limited to functional test, road test, system reset, calibration, gearbox adjustment and engine tuning unless incidental to a **Breakdown**.

Modification to the Vehicle/ add-ons and retrofits:

- 1. Vehicles modified in any way from the from the original manufacturer's specification or the original design of the Vehicle (e.g. tuning or alternative drive technologies).
- 2. The speedometer being tampered with, altered, disconnected or where the mileage of the Vehicle cannot be verified; or where you or anyone else acting on your behalf acts in a way that prevents us from exercising our right to inspect the Vehicle under this Warranty contract.
- 3. Cleaning, polishing, operations performed under normal maintenance, adjustments, modifications, alteration, tampering, disconnection, improper adjustments, or repair. Damage to an excluded part, even if the damage is caused by a part within the scope.
- 4. Use of parts not recommended/manufactured by the **Original Manufacturer**; or the installations by of the third-party parts of accessories that are not approved by the Original Manufacturer.

Improper use, treatment or care of the Vehicle:

- 1. Faulty repairs, incorrect servicing, or failure to have the Vehicle serviced in accordance with the manufacturer's specification.
- 2. Lack of oil, fuel, lubricants, hydraulic fluids or additives; or foreign matter entering the fuel, cooling, air conditioning or lubrication system, or use of oil, fuel lubricants, hydraulic fluids or additives which the manufacturer of the Vehicle does not recommend.
- 3. Caused by the use of unsuitable (not approved by the manufacturer) or contaminated lubricants, operating fluids or incorrect fuels.
- 4. Caused by leakage or loss of lubricants or operating fluids, or incorrect fuels.
- 5. Any type of accident, misuse or any act or omission which is wilful, unlawful or negligent (such as but not limited to consequential damage due to continuing to drive the Vehicle when a fault becomes apparent.
- 6. Internal and/or external leakage due to **Wear and Tear** of seals, gaskets, o-rings or bushings.
- 7. Any caused by improper use of the Vehicle, use of the Vehicle in another way than in accordance with the manufacturer's standards as set out in the owner's manual, prolonged period of non-use of the Vehicle, or by overloading the Vehicle such as exposing the Vehicle to axle loads and / or trailer loads higher than those permitted by the manufacturer.
- 8. Any caused by the Vehicle in speed- timed events, competitive motorsport events or practice for the events.
- 9. Any caused by the use of any part / component clearly in need of repair, unless such part / component had been at least provisionally repaired by a qualified professional with our approval, before the defect occurred.

External Circumstances:

- 1. Which caused by a direct external impact, such as storms, hail, lightning strike, earthquake or flooding.
- Which was caused by fire or explosion.
- 3. War, terrorism, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, mutiny, riot, strike, lock-out, civil







commotion, military usurpation of power, a group of malicious persons or persons acting on behalf of or in connection with any political organization, conspiracy, confiscation, commandeering, requisition or destruction or damage by order of any government de jure or de facto or by any public authority.

- 4. Caused by seizure or other sovereign interventions.
- 5. Which was caused by animals of any kind.
- 6. Nuclear reaction, nuclear radiation, or radioactive substances or contamination.
- 7. Which was caused by an accident, i.e., an external event that suddenly and directly acts on the Vehicle with mechanical force.
- 8. Which was caused because of wilful or malicious actions, especially theft, unauthorized use, robbery, vandalism, misappropriation of other criminal acts or any other use incompliant with applicable law.
- Water leaks or leakage into the body such as but not limited to leaky door, sunroof and window gaskets, weather-strips, mouldings or convertible tops unless due to manufacturing defect.
- 10. Any caused by oxidation, corrosion, or water inlet.
- 11. Any caused by data tampering or manipulation (hacking and cyber-attacks).

GENERAL CONDITIONS

Obligations of the Customer

For the purposes of this Contract, the **Customer** is obliged to carry out reasonable and regular maintenance services by a professional repairer in Hong Kong SAR with a trace record for the components of the scope in the **Program**. Failure to conduct such maintenance services may invalidate the **Program**.

TRANSFER OF OWNERSHIP

In the event of any transfer of ownership of the **Vehicle** during the contract period of the program, the balance of the **Program** shall be transferred to the new registered owner subject to the terms and conditions of this **Program**. The new owner shall notify the Company in writing within 7 days from the date of change. Failure to do so may affect the validity of the **Program**.

TERMINATION

This Contract may be terminated by either of the **Parties** as provided below:

- 1. By either of the **Parties**, forthwith upon written notice if the other party should be in material breach of their obligations under this Contract and does not remedy the same (if capable of remedy) within fourteen (14) working days from the date of non-defaulting party's notice of the breach; or
- 2. By either of the **Parties**, upon one (1) month's written notice if at any time changes occur in the laws of the Hong Kong SAR or in the regulations governing the contract or motor industry which would have an adverse material effect on the commercial viability of this Contract provided therein; or
- 3. By the **Company**, upon one **(1)** month's written notice if at any time there is a material change in the ownership of the **Customer** to any party; or
- 4. By the **Company**, forthwith upon written notice, if there is a breach of the duty of disclosure or any material misrepresentation by the **Customer**; or
- 5. Mutually agreed upon by both **Parties** in writing.







Consequence of Termination

- 1. Termination of this Contract shall not prejudice all rights and actions accrued to either of the **Parties** up to and including the date of the termination.
- 2. The **Company** agrees to comply with all their duties and obligations in respect of all service request for any **Vehicle** sold and delivered to the **Customer** prior to the date of termination.
- 3. The **Service Fee** paid is non-refundable.

ERRORS & OMISSIONS

An unintentional and/or inadvertent errors or omissions by the **Company** shall not invalidate **Warranty** otherwise validly in force, nor continue with **Warranty** otherwise not validly in force. You are to notify the **Company** immediately upon discovery of any error.

OPERATION OF LAW

This Contract is subject to the exclusive jurisdiction of Hong Kong SAR and is to be construed according to the laws of Hong Kong SAR. Nothing in this Agreement is intended to, nor shall it confer any rights on a third party, including without limitation, any **Customer**.

ANTI-CORRUPTION

- 1. The Parties shall not commit, authorize or permit any action in connection with the negotiation, conclusion or the performance of this Contract which would cause the Parties and/or the Parties' affiliates to be in violation of any applicable anti-bribery law or regulation. This obligation applies in particular to illegitimate payments including facilitation payments to public officials, representatives of public authorities or their associates, families or close friends.
- 2. Each Party agrees that it will not either offer, or give, or agree to give, to any employee, representative or third party acting on behalf of the other Party or accept, or agree to accept from any employee, representative or third party acting on behalf of the other Party, any undue gift or benefit, be it monetary or other, with regard to the negotiation, conclusion or the performance of this Agreement.
- 3. Each Party shall promptly notify the other Party, if it becomes aware of or has specific suspicion of any corruption with regard to the negotiation, conclusion or the performance of this Contract.
- 4. In case any undue gifts or benefits or any corruption with regard to the negotiation, conclusion or the performance of this Contract are made by the **Customer** in violation of this Part XIII as stated in this Contract above, or if the **Company** has reasonable cause to believe that such payments or gifts or such corruption have been or are being made/committed, the **Company** may terminate this Contract with immediate effect.