

# BIKE LOVE

## THE ULTIMATE BIKE COVERAGE

### MAD DOG CYCLES MECHANICAL FAILURE COVERAGE FOR BEST PLAN

**CONGRATULATIONS!** Thank You for Your recent purchase of Mad Dog Cycle’s Mechanical Failure Coverage (the “MFC Service Agreement”). We hope You enjoy the added comfort and protection this MFC Service Agreement provides. Please keep this document in a safe place along with the sales receipt/invoice that You received when You purchased this plan, as You will need them to verify Your coverage at the time of service. This information will serve as a valuable reference guide and will help You determine what is covered under this MFC Service Agreement. From the day You purchase this MFC Service Agreement Mad Dog Cycles will assist You in understanding Your benefits.

**DEFINITIONS:** Throughout this MFC Service Agreement, the words “**We**”, “**Us**”, “**Obligor**”, “**Provider**” and “**Our**” mean the company obligated under this MFC Service Agreement, which is Mad Dog Cycles, located at 175 W 400 N, Orem, UT 84057. “**You**” and “**Your**” refer to the purchaser of the Equipment covered under this MFC Service Agreement or to the person to whom this MFC Service Agreement was properly transferred. “**Equipment**” means the item(s) which You purchased with and is covered by this MFC Service Agreement. “**Mechanical Failure from Handling**” (“MFH”) means the sudden and unforeseen Mechanical Failure to Your Equipment; provided such Failure or damage was in the course of use of the Equipment by You as it was originally intended. “**Failure**” means the inability of the covered Equipment to perform its originally intended function as a result of defects in materials or workmanship or a mechanical breakdown as a result of normal wear and tear or other reason. “**Deductible**” means the amount You are required to pay, for eligible claims under this MFC Service Agreement. “**Administrator**” refers to Mad Dog Cycles, located at 175 W 400 N, Orem, UT 84057 which is providing certain services in respect of Our obligations under this MFC Service Agreement and any successor person We may engage to provide such services to Us. Please contact the Administrator if You have any questions about this MFC Service Agreement.

**EQUIPMENT ELIGIBILITY:** This MFC Service Agreement covers Equipment purchased as new or factory-refurbished from a Mad Dog Cycles retail location; which at the time of purchase included a manufacturer’s original or factory refurbished warranty valid in the United States. Coverage only applies to Equipment used non-commercially and that is itemized on the same receipt/invoice as this MFC Service Agreement. Accessories and/or add-on options purchased separately and not essential to the basic function of the Equipment are not eligible for coverage.

**WHAT IS COVERED:** For an eligible claim, We agree to furnish labor and/or parts required to repair or replace the below-listed Covered Components on Your Equipment in the event of MFH, as defined, in accordance with the terms and conditions stated herein, as long as the Equipment is not covered under any other insurance, warranty, guarantee and/or MFC Service Agreement. This coverage is subject to the following exclusions: MFH COVERAGE DOES NOT PROVIDE PROTECTION AGAINST THEFT,

MYSTERIOUS DISAPPEARANCE, MISPLACEMENT, RECKLESS CONDUCT, ABUSE, WILLFUL OR INTENTIONAL CONDUCT ASSOCIATED WITH HANDLING AND USE OF THE EQUIPMENT; COSMETIC DAMAGE AND/OR OTHER DAMAGE THAT IS NOT A FAILURE (AS DEFINED), OR DAMAGE CAUSED DURING SHIPMENT OF THE EQUIPMENT; DAMAGE OCCURRING AT PROFESSIONAL RACING EVENTS ARE NOT COVERED. ("ABUSE" IS DEFINED AS YOUR TREATMENT OF THE EQUIPMENT IN A HARMFUL, INJURIOUS OR OFFENSIVE MANNER THAT RESULTS IN DAMAGE TO THE EQUIPMENT.)

Parts used to repair or replace Your Equipment may be new, used, refurbished, and/or non-original manufacturer parts that perform to the factory specifications of Your Equipment. In lieu of repairing Your Equipment, We reserve the right, at Our sole discretion, to replace the Equipment with a product of equal or similar features and functionality, not necessarily the same model. If Your Equipment is replaced, then this MFC Service Agreement is considered fulfilled and coverage ends. In no event shall We be liable for any damages as a result of the unavailability of repair parts or the Administrator be liable to You for any of Our obligations under this MFC Service Agreement. Any and all parts or units replaced under this MFC Service Agreement become Our property in their entirety. Coverage afforded under this MFC Service Agreement is not guaranteed by the Property and Casualty Guaranty Association.

COVERED COMPONENTS – Specifically, with respect to bicycles and wheels:

1. Wheel (includes spokes, rims, hubs and quick release) EXCLUDES TIRES;
2. Fork;
3. Frame;
4. Crank assembly (includes freewheel / cassette, crank arms, chain wheels and bottom bracket);
5. Brakes (includes levers, cables and calipers) EXCLUDES PADS;
6. Drive train (includes front & rear derailleurs, chain, shifters and cables);
7. Suspension (includes front and rear components); and
8. Saddle structure, seat post, handlebars, stems and headset.

COVERED COMPONENTS – Specifically, with respect to electrical bicycles, and in addition to the above:

1. Motor;
2. Controller; and
3. Electrical bicycle cabling

Technological advances may result in a replacement product with a lower selling price than Your original Equipment. No refunds will be made based on the replacement product cost difference. If Your Equipment is not repairable and a comparable replacement product is not available, We will reimburse You up to the original purchase price of Your Equipment; less taxes and minus any claims paid, and this MFC Service Agreement will be fulfilled and all obligations satisfied.

This MFC Service Agreement does not cover repair or replacement of any component on the Equipment for any of the causes, or provide coverage for any losses set forth in the section entitled "**WHAT IS NOT COVERED**" further below.

**DEDUCTIBLE:** There is a \$100.00 deductible required to obtain service under this MFC Service Agreement for Your Equipment. In the event You fail or refuse to pay the deductible, no claims or additional claims will be honored until the outstanding deductible amount is paid.

**PLACE OF SERVICE:** Under this MFC Service Agreement, Your Equipment qualifies for service at a Mad Dog Cycles retail location or any other service center designated by the Administrator. You are responsible for the transportation of the Equipment to the applicable servicing location; this MFC Service Agreement does not provide reimbursement for any costs associated with such transportation.

**LIMIT OF LIABILITY:** The total amount that We will pay for repairs or replacement made in connection with all claims that You make pursuant to this MFC Service Agreement shall not exceed the original purchase price of Your Equipment, less taxes. In the event We make payments for repairs, which in the aggregate are equal to the original Equipment purchase price or We replace Your Equipment, We will have no further obligations under this MFC Service Agreement. In no event shall the total of all claims or replacement exceed the original price paid by You for the covered Equipment.

WE SHALL NOT BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO: PROPERTY DAMAGE, LOST TIME OR LOST DATA RESULTING FROM THE FAILURE OF ANY COMPONENT OR EQUIPMENT, FROM DELAYS IN SERVICE, OR THE INABILITY TO RENDER SERVICE. WE SHALL NOT BE LIABLE FOR ANY AND ALL PRE-EXISTING CONDITIONS THAT OCCUR PRIOR TO THE EFFECTIVE DATE OF THIS MFC SERVICE AGREEMENT, INCLUDING INHERENT PRODUCT FLAWS.

**TERM OF COVERAGE:** Coverage begins upon purchase date of this MFC Service Agreement and continues for the period of time specified on Your sales receipt/invoice. This MFC Service Agreement is inclusive of the manufacturer's warranty or other service plan purchased; it does not replace the manufacturer's warranty but provides certain benefits during the term of the manufacturer's warranty or other service plan. During the manufacturer's warranty or other service plan period, any repairs covered by that warranty or plan are the sole responsibility of the manufacturer or plan provider. Upon expiration of the manufacturer's warranty or other plan, this MFC Service Agreement may provide a continuance of coverage for Your Equipment, in accordance with the terms and conditions stated herein.

**IF YOUR EQUIPMENT NEEDS REPAIR:** If You need to file a claim under this MFC Service Agreement, You must obtain authorization for submitting a claim by calling the Administrator at 1-801-222-9577. If a repair or replacement occurs when the Administrator's office is closed, You may follow the claims procedure below without prior authorization. However, You must call the Administrator as soon as reasonably possible. Failure to call in and report the claim may result in non-payment.

If You need to file a claim under this MFC Service Agreement, You should take Your Equipment to a Mad Dog Cycles retail location and complete a Claim Form. For faster service, please have Your proof of Equipment purchase (sales receipt/invoice) available when You visit the location. THIS MFC SERVICE AGREEMENT MAY PROVIDE NO COVERAGE IF YOU MAKE UNAUTHORIZED REPAIRS. You are responsible for the transportation of the Equipment to the applicable servicing location (or to another authorized servicer if directed by the Administrator), and this MFC Service Agreement does not provide

reimbursement for any costs associated with such transportation. If the term of coverage under this MFC Service Agreement expires during the time of an authorized claim, Your MFC Service Agreement term will be extended until the time in which the repair or replacement has been completed.

**WHAT IS NOT COVERED:** THIS MFC SERVICE AGREEMENT DOES NOT COVER ANY LOSS, REPAIRS OR DAMAGE CAUSED BY OR RESULTING FROM: **(A)** PRE-EXISTING CONDITIONS INCURRED OR KNOWN TO YOU (“PRE- EXISTING” MEANS A CONDITION THAT WITHIN ALL REASONABLE MECHANICAL OR ELECTRICAL PROBABILITY RELATES TO THE ELECTRICAL OR MECHANICAL FITNESS OF THE EQUIPMENT PRIOR TO THE PURCHASE OF THIS MFC SERVICE AGREEMENT); **(B)** IMPROPER PACKAGING AND/OR TRANSPORTATION BY YOU OR YOUR REPRESENTATIVE RESULTING IN DAMAGE TO THE EQUIPMENT WHILE IT IS IN TRANSIT, INCLUDING FAILURE TO PROPERLY SECURE THE EQUIPMENT DURING TRANSPORTATION; **(C)** INSTALLATION, REMOVAL, REINSTALLATION OR IMPROPER INSTALLATION OF COMPONENTS, UPGRADES, ATTACHMENTS OR PERIPHERALS; **(D)** EQUIPMENT THAT IS USED IN APPLICATIONS THAT REQUIRE CONTINUOUS BUSINESS AND/OR COMMERCIAL OPERATION, ARE USED IN PROFESSIONAL FITNESS CENTERS OR OFFERED ON A RENTAL BASIS, OR ACTIVITIES NOT STANDARD FOR THE TYPE OF BIKE SOLD (I.E. NO OFF-ROAD MOUNTAIN TRAIL USAGE FOR A STANDARD STREET BIKE); **(E)** DAMAGE OR FAILURE CAUSED BY RIOT, NUCLEAR RADIATION, WAR OR HOSTILE ACTION, RADIOACTIVE CONTAMINATION, ETC.; **(F)** DAMAGE FROM FREEZING OR OVERHEATING; **(G)** INADEQUATE ELECTRICAL SERVICE; **(H)** INTERRUPTION OF ELECTRICAL SERVICE, LOSS OF POWER, IMPROPER USE OF ELECTRICAL/POWER, OR POWER “BROWN-OUT”; **(I)** NEGLIGENCE, MISUSE, ABUSE, INTENTIONAL PHYSICAL/MECHANICAL/ELECTRONIC DAMAGE OR MALICIOUS MISCHIEF, THEFT OR MYSTERIOUS DISAPPEARANCE, VANDALISM, RUST, CORROSION, WARPING, ANIMAL OR INSECT INFESTATION, ETC. TO THE COVERED EQUIPMENT OR ANY COMPONENT; **(J)** DAMAGE OR EQUIPMENT FAILURE DUE TO CAUSES BEYOND YOUR CONTROL SUCH AS: ENVIRONMENTAL CONDITIONS, EXPOSURE TO WEATHER CONDITIONS OR ACTS OF NATURE; INCLUDING, BUT NOT LIMITED TO: FIRE, FLOODS, SMOKE, SAND, DIRT, LIGHTNING, MOISTURE, WATER DAMAGE OF ANY KIND (WHETHER FROM FRESH WATER, SALTWATER OR OTHER WATER INTRUSION) THAT CAUSES ANY ELECTRICAL COMPONENT TO FAIL, STORMS, WIND OR WINDSTORM, HAIL, EARTHQUAKE, ETC.; **(K)** REPAIRS NECESSITATED BY OPERATION OUTSIDE THE MANUFACTURER OPERATIONAL OR ENVIRONMENTAL SPECIFICATIONS; **(L)** BATTERY FAILURE OR LEAKAGE; **(M)** COLLISION WITH A VEHICLE, COLLAPSE OR EXPLOSION OF ANY STRUCTURE OR OBJECT; **(N)** IMPROPER OR INADEQUATE STORAGE; **(O)** DAMAGE TO A COVERED COMPONENT CAUSED BY A NONCOVERED COMPONENT; **(P)** IMPROPER INSTALLATION OF CUSTOMER REPLACEABLE COMPONENTS (INCLUDING, BUT NOT LIMITED TO BRAKE PADS AND TIRES), MODULES, PARTS AND/OR INSTALLATION OF INCORRECT PARTS; **(Q)** ANY RESULTING MALFUNCTION OR DAMAGE OF OR TO AN OPERATING PART OF THE COVERED EQUIPMENT FROM FAILURE TO PROVIDE MANUFACTURER’S RECOMMENDED MAINTENANCE, FROM OPERATION/STORAGE OF THE COVERED EQUIPMENT IN CONDITIONS OUTSIDE MANUFACTURER SPECIFICATIONS, FROM USE OF A COVERED EQUIPMENT IN SUCH A MANNER AS WOULD VOID COVERAGE UNDER THE MANUFACTURER’S WARRANTY, OR FROM USE OF A COVERED EQUIPMENT IN SUCH A MANNER THAT IS INCONSISTENT WITH THE DESIGN OF THE EQUIPMENT OR MANUFACTURER INSTRUCTIONS OR SPECIFICATIONS; **(R)** UNAUTHORIZED MODIFICATIONS AND ADJUSTMENTS, ALTERATIONS, MANIPULATION OR REPAIR MADE BY ANYONE OTHER THAN A SERVICE TECHNICIAN AUTHORIZED BY US; **(S)** COVERED EQUIPMENT

SUBJECT TO A MANUFACTURER RECALL, WARRANTY OR REWORK TO REPAIR DESIGN OR COMPONENT DEFICIENCIES, IMPROPER CONSTRUCTION, MANUFACTURER ERROR, ETC.; REGARDLESS OF THE MANUFACTURER'S ABILITY TO PAY FOR SUCH REPAIRS; **(T)** EQUIPMENT SOLD WITHOUT A MANUFACTURER'S WARRANTY OR "AS-IS"; **(U)** COVERED EQUIPMENT WITH REMOVED OR ALTERED SERIAL NUMBERS; **(V)** CONSEQUENTIAL DAMAGES OR DELAY IN RENDERING SERVICE UNDER THIS MFC SERVICE AGREEMENT, OR LOSS OF USE DURING THE PERIOD IN WHICH THE COVERED EQUIPMENT IS AT AN AUTHORIZED REPAIR FACILITY OR OTHERWISE AWAITING PARTS; **(W)** NON-FAILURE PROBLEMS, INCLUDING BUT NOT LIMITED TO: NOISES, SQUEAKS, ETC.; **(X)** NORMAL PERIODIC OR PREVENTATIVE MAINTENANCE, USER EDUCATION, OR SET UP ADJUSTMENTS; **(Y)** CLEANINGS OR ANY REPAIR COVERED BY A MANUFACTURER WARRANTY, SERVICE AGREEMENT OR OTHER INSURANCE OR SERVICE CONTRACT; **(Z)** REPAIRS FOR COSMETIC DAMAGE (I.E. PAINT SCRAPES, WORN SEATS, DENTS THAT DO NOT IMPAIR THE COVERED EQUIPMENT TO FUNCTION AS INTENDED AND SCRATCHES, ETC.) WHICH DOES NOT HAVE ANY IMPACT ON PROPER OPERATION OF THE BIKE; **(AA)** FAILURE TO EQUIPMENT ATTACHMENTS THAT WERE NOT PROVIDED BY THE MANUFACTURER OR INCLUDED IN THE ORIGINAL SALE; **(AB)** REPAIR OR REPLACEMENT COSTS FOR LOST COMPONENTS THAT WERE NOT ORIGINALLY COVERED BY THE MANUFACTURER'S WARRANTY OR ARE CONSIDERED EXPENDABLE OR CONSUMER REPLACEABLE ITEMS (I.E. TIRES, TUBES, BRAKE PADS, ROTORS, CABLES, CHAINS, ETC.), OR ANY NONOPERATING OR NON-MOTOR DRIVEN MECHANICAL PART, INCLUDING BUT NOT LIMITED TO: PLASTIC OR OTHER PARTS SUCH AS BATTERIES, BELTS, BOLTS, CORDS, DIALS, DRIVE BELTS, FINISH DEFECTS, HANDLES, HINGES, KEYPADS, KEYS, KNOBS, LATCHES, LED'S, LCD'S, LIGHTS, ORNAMENTATION, PAINT, PLASTIC BODY OR MOLDING, SEATS, SUPPORTS, SWITCHES, WIRING, OR ANY OTHER PARTS OR MATERIALS WHICH ARE DESIGNED TO BE CONSUMED DURING THE LIFE OF THE COVERED EQUIPMENT; **(AC)** LIABILITY OR DAMAGE TO PROPERTY, OR INJURY, OR DEATH TO ANY PERSON ARISING OUT OF THE OPERATION, MAINTENANCE OR USE OF THE COVERED EQUIPMENT; **(AD)** SERVICE OR REPLACEMENT OUTSIDE OF THE UNITED STATES OF AMERICA, ITS TERRITORIES, OR CANADA; OR **(AE)** DAMAGE OCCURRING WHILE PARTICIPATING IN PROFESSIONAL RACING EVENTS. IF YOUR COVERED EQUIPMENT EXPERIENCES A FAILURE OR DAMAGE THAT IS EXCLUDED FROM COVERAGE UNDER THIS SECTION, OR IN THE EVENT OF A REPAIR INCIDENT WHEREIN THERE IS A "NO PROBLEM FOUND" DIAGNOSIS FROM OUR AUTHORIZED SERVICER, THEN YOU ARE RESPONSIBLE FOR ALL REPAIR COSTS; INCLUDING SHIPPING COSTS AND/OR THE COST OF ON-SITE SERVICE.

**OUR RIGHT TO RECOVER PAYMENT:** If You have a right to recover against another party for anything We have paid under this MFC Service Agreement, Your rights shall become Our rights. You shall do whatever is necessary to enable Us to enforce these rights. We shall recover only the excess We are entitled to after You are fully compensated for Your loss.

**CANCELLATION:** You may cancel this MFC Service Agreement by informing Us of Your cancellation request within thirty (30) days of the purchase of the MFC Service Agreement, and You will receive a one-hundred percent (100%) refund of the full purchase price of Your MFC Service Agreement less any claims paid by Us. If You do not receive a full refund or credit within thirty (30) days, less any claims paid by US, a ten percent (10%) penalty per month shall be applied to the refund. If Your cancellation request is made more than thirty (30) days from the date of purchase, You will receive a pro-rata refund of the

MFC Service Agreement purchase price, less any claims paid by Us, and less an administrative fee not to exceed 10% of the MFC Service Agreement purchase price or \$25.00 (whichever is less). We may only cancel this MFC Service Agreement for material misrepresentation, nonpayment by You or a substantial breach of duties by You relating to the covered property or its use. If We cancel this MFC Service Agreement for non-payment, such cancellation will be effective ten (10) days after the mailing of notice. If We cancel this MFC Service Agreement for material misrepresentation or a substantial breach of duties, such cancellation will be effective thirty (30) days after mailing of notice. If We cancel this MFC Service Agreement, You will receive a refund based upon one-hundred percent (100%) of the unearned pro-rata purchase price of this MFC Service Agreement.

**ENTIRE AGREEMENT:** THIS MFC SERVICE AGREEMENT; INCLUDING THE TERMS, CONDITIONS, LIMITATIONS, EXCEPTIONS AND EXCLUSIONS, AND YOUR SALES RECEIPT/INVOICE, CONSTITUTE THE ENTIRE AGREEMENT BETWEEN US AND YOU AND NO REPRESENTATION, PROMISE OR CONDITION NOT CONTAINED HEREIN SHALL MODIFY THESE ITEMS, EXCEPT AS REQUIRED BY LAW.

**RENEWAL:** This MFC Service Agreement is available for renewal. Please contact Mad Dog Cycles for information on renewability prior to the end of the Term of Coverage.

**IMPORTANT CONSUMER INFORMATION:** If Your Equipment is exchanged by the manufacturer or authorized dealer, You must advise the Administrator in writing at 175 W 400 N, Orem, UT 84057 with the date of exchange, make, model, and serial number of the replacement product within ten (10) days of the exchange. In the event of such exchange, the coverage period shall not exceed the original contract expiration date.

**TRANSFERS:** If You transfer ownership of Your Equipment, this MFC Service Agreement may be transferred without charge by sending to the Administrator, at the address above, the name, address, and phone number of the new owner within fifteen (15) days of the transfer. The cancellation provisions in this agreement only apply to the original purchaser of this MFC Service Agreement.