

YAMAHA EXTENDED SERVICE PLAN CONTRACT

YAMAHA MOTORCYCLE, ATV, SCOOTER, SNOWMOBILE, AND WATERCRAFT

Administered by Yamaha Motor Corporation, U.S.A., 6555 Katella Ave., Cypress, California 90630 (714) 761-7632.

SAMPLE CONTRACT ONLY

If you do not receive the actual Y.E.S. Contract within sixty (60) days of purchase, please contact Service Marketing at 1-714-761-7632.

PLEASE READ THIS CONTRACT CAREFULLY. IT CONTAINS THE ENTIRE AGREEMENT BETWEEN YAMAHA MOTOR CORPORATION, U.S.A. AND YOU. THIS CONTRACT TAKES THE PLACE OF ANY OTHER WRITTEN OR ORAL STATEMENTS MADE TO YOU ABOUT YOUR COVERAGE UNDER THIS CONTRACT. THIS CONTRACT IS NOT AN INSURANCE POLICY. YAMAHA MOTOR CORPORATION, U.S.A. DOES NOT AUTHORIZE ANYONE TO CREATE FOR IT ANY OBLIGATION THAT IS NOT CONTAINED IN THIS CONTRACT.

DEFINITIONS

Definitions of Key Words used in this Contract (Key words appear in bold type):

YAMAHA and Genuine YAMAHA: YAMAHA MOTOR CORPORATION, U.S.A.

Y.E.S. Contract: this YAMAHA EXTENDED SERVICE PLAN CONTRACT which includes your name and the information about your YAMAHA vehicle.

Declarations: that portion of the Y.E.S. Contract with information about the Customer and the **identified vehicle**.

Customer, you, or your: the owner of record of the **vehicle** shown in the Declarations registered with YAMAHA.

Covered vehicle or the vehicle or your vehicle: the Motorcycle, ATV, Scooter, Snowmobile, or Watercraft shown in the Declarations.

YAMAHA Dealer: the authorized YAMAHA Dealer who sold you this **Y.E.S. Contract**, or another franchised YAMAHA Dealer who is authorized to repair the **covered vehicle**.

“Breakdown” or “Mechanical Breakdown” means the breakage or failure of a covered part caused by a defect or faulty workmanship from the manufacturer, making that covered part incapable of performing the function for which it was designed. The identified vehicle will be covered only for **Mechanical Breakdown(s)** which occur(s) in the Continental United States including Alaska, and for Watercraft, Hawaii.

Breakdown or Mechanical Breakdown does not include the gradual reduction in operating performance caused by wear and tear where a failure has not occurred.

New vehicle(s): a vehicle with a **YAMAHA Limited Warranty** in effect at the time of **Y.E.S. Contract** sale. Refer to the Warranty Statement that came with your purchase.

Used vehicle(s): a Motorcycle, ATV, Scooter, Snowmobile or Watercraft sold by the **YAMAHA Dealer** for which the **YAMAHA Limited Warranty** has expired, and which meets specific eligibility requirements.

Limited Warranty: is the warranty which comes with the vehicle from Yamaha at no charge to the customer.

Storage: following the procedures outlined in the Owner's Manual for the **Covered Vehicle** under the section entitled “STORAGE.”

Hull and Deck Limited Warranty: (Sport Boats) the five (5) year warranty on the hull and deck of the vehicle from YAMAHA that came at no charge to the **Customer**. Refer to the Warranty Statement that came with your purchase.

Sport Boat Components Limited Warranty: the one (1) year warranty on everything except the hull and deck which came with the vehicle from YAMAHA at no charge to the **Customer**. Refer to the Warranty Statement that came with your purchase.

GENERAL PROVISIONS

This **Y.E.S. Contract** governs a specific agreement between YAMAHA and the **Customer** which is applicable exclusively to the **covered vehicle**. YAMAHA will, without cost to the **Customer** and subject to the conditions and exclusions of this **Y.E.S. Contract**, repair or replace parts damaged as a result of a **Mechanical Breakdown** when the **covered vehicle** is made available for repairs at a **YAMAHA Dealer**. At YAMAHA'S discretion, replacement parts used in covered repairs will be Genuine YAMAHA new, Genuine YAMAHA remanufactured or parts of like kind and quality.

CUSTOMER'S RESPONSIBILITY

The **Customer's** Responsibility under this **Y.E.S. Contract** shall be to:

1. Operate and maintain the **vehicle** as specified in the appropriate Owner's Manual. Specifically, the **Customer** must follow the guidelines on **Storage of the vehicle**. Failure to properly store **your vehicle** may result in denial of **ENGINE MECHANICAL BREAKDOWN CLAIMS**.
2. Give notice to a **YAMAHA Dealer** of any and all apparent defects within ten (10) days after discovery, and make the **covered vehicle** available at that time for inspection and repairs at such **YAMAHA Dealer's** place of business.
3. The **Customer** must either (a) use the Maintenance Log provided with the **Y.E.S. Contract** and have it verified by the **YAMAHA Dealer** that performs the services or repairs; or (b) the **Customer** must keep receipts and other records that show the dates, mileage, hours of use (if applicable), costs, services and repairs performed (including **Storage**).
4. The **Customer** must follow YAMAHA guidelines for the quality and type of fuel, oil and lubricants used. Failure to follow guidelines in the appropriate Owner's Manual will result in denial of **ENGINE AND DRIVELINE CLAIMS**.

YAMAHA'S LIABILITY

YAMAHA'S liability under this **Y.E.S. Contract** shall not exceed the actual cash value of the **vehicle** at the time of **Mechanical Breakdown** as determined by standard manuals for establishing vehicle value. **THE TOTAL OF ALL CLAIMS PAID DURING THE TERM OF THE Y.E.S. CONTRACT SHALL IN NO EVENT EXCEED THE PRICE THE CUSTOMER PAID FOR THE VEHICLE.**

Our obligations to **you** are guaranteed under the Contractual Liability Insurance Policy (Reimbursement Insurance Policy) issued by Combined Specialty Insurance Company, 5050 North Broadway, Chicago, Illinois 60640. In the event **you** have any questions regarding **your Y.E.S. Contract**, **you** may contact Automotive Warranty Services, Inc., or Combined Specialty Insurance Company.

Iowa

You may also contact the Iowa Insurance Commissioner at the following address: Iowa Insurance Department, 6th Floor, Lucas State Office Building, Des Moines, Iowa 50319.

Idaho

Coverage afforded under this Agreement is not guaranteed by the Idaho Insurance Guarantee Association.

Utah

Coverage afforded under this contract is not guaranteed by the Property and Casualty Guaranty Association.

South Carolina

Complaints or questions concerning the regulation of service contracts may be directed to the South Carolina Department of Insurance at P.O. Box 100105, Columbia, South Carolina 29201-3105. (803) 737-6160.

Texas

Unresolved complaints or questions concerning the regulation of service contracts, may be directed to the Texas Department of Licensing and Regulation at P.O. Box 12157 Austin TX 78711. 800-803-9202.

TRANSFER RIGHTS

This **Y.E.S. Contract** is transferable.

To transfer the **Y.E.S. Contract** from **You** to the subsequent **Customer**, it is required that a transfer of registration and inspection be performed by a **YAMAHA Dealer**. A reasonable dealer imposed fee may be charged for this inspection. This transfer of registration must take place within fifteen (15) days of ownership change. At the time of transfer of registration, the **Customer** will be required to provide all required maintenance receipts or the properly completed Maintenance Log to the new owner. Although there is no transfer fee to transfer this contract, any dealer charges for performing any inspections necessary will be the **Customer's** responsibility.

THE TERM OF THE Y.E.S. CONTRACT

FOR NEW VEHICLES

The TERM of the **Y.E.S. Contract** for your new vehicle is the **YAMAHA Limited Warranty** period plus the number of months of Y.E.S. Plan purchased. **YAMAHA Limited Warranty** Periods vary. The **Y.E.S. Contract TERM** expires on the date shown in the Declarations.

FOR USED VEHICLES

The TERM of the **Y.E.S. Contract** for **your** used **YAMAHA vehicle** is the number of months of Y.E.S. Plan purchased at the time of used vehicle sale, and is shown in the Declarations. The **used vehicle** is eligible **only** if the **YAMAHA Dealer** sells (sold) **you** the **used vehicle** and the **Y.E.S. Contract** on the same day. YAMAHA **will not** provide coverage for **used vehicles** which are not sold by the **YAMAHA Dealer**.

COVERAGE

During the term of the Y.E.S. contract, any **YAMAHA Dealer** will provide at no cost to the **Customer**:

1. Repair or Replacement of any part determined to be defective by YAMAHA as a result of a **Mechanical Breakdown** subject to the General and Specific Exclusions contained in this **Y.E.S. Contract**. All parts replaced under this **Y.E.S. Contract** become the property of YAMAHA.
2. TOWING REIMBURSEMENT
In the event of a **Mechanical Breakdown**, a TOWING REIMBURSEMENT of up to fifty dollars (\$50.00) per occurrence will be provided if TOWING IS NOT COVERED BY OTHER INSURANCE OR “MOTOR CLUB” BENEFIT. This benefit applies during the **Limited Warranty** period as well as the **Y.E.S. Contract** period. To receive Towing Reimbursement, the **Customer** must submit valid receipts for the Towing expense to the **YAMAHA Dealer** doing the repair of the **Mechanical Breakdown**.
3. TRAVEL AND RECREATION INTERRUPTION PROTECTION (TRIP): In the event a **Mechanical Breakdown** occurs, reimbursement of up to one hundred and fifty dollars (\$150.00) per occurrence will be provided for reasonable, legitimate expenses incurred because of the **Mechanical Breakdown**, such as food, lodging, phone calls, replacement **vehicle** rental, or other transportation. THIS BENEFIT DOES NOT APPLY TO EXPENSES COVERED BY INSUR-

ANCE OR OTHER BENEFITS. This benefit applies during the **Limited Warranty** period as well as the **Y.E.S. Contract** period. To receive TRIP Reimbursement the **Customer** must submit valid receipts for eligible expenses to the **YAMAHA Dealer** doing the repair of the **Mechanical Breakdown**.

GENERAL EXCLUSIONS

GENERAL EXCLUSIONS from this **Y.E.S. Contract** shall include ANY **MECHANICAL BREAKDOWNS** caused by: competition or racing use; installation of parts or accessories that are not of like kind and quality to **Genuine YAMAHA** parts; abnormal strain, neglect, or abuse; lack of proper maintenance, including **Storage**; accident or collision damage; contact with foreign materials or submersion; damage due to growth of marine organisms on surfaces; damage due to improper transportation; damage due to rust or corrosion; modification to original parts.

SPECIFIC EXCLUSIONS THIS Y.E.S. CONTRACT DOES NOT COVER:

1. **NORMAL WEAR AND TEAR ITEMS.** SOME EXAMPLES ARE: Tires, brake pads, or shoes, brake rotors or drums, cables, clutch plates, hoses, fuses, spark plugs, final drive chains/belts, final drive sprockets, batteries, replacement filters, light bulbs, fluids not required in conjunction with repairing a **Mechanical Breakdown**. Additional examples for Watercraft include the impeller, impeller liner and intake grille, mats, bumpers, body seals or gaskets and anodes, control cables and spark plugs. Additional examples for Snowmobiles include skis, track, wheels under track, hifx/slide rail, clutch weights, rollers, pins and bushings.
2. **Mechanical Breakdown** caused by improper **storage**. The **Customer** must have proof that proper **storage** procedures have been completed if requested by **YAMAHA** in relation to a specific **Mechanical Breakdown**.
3. If a particular **Mechanical Breakdown** is caused by operation or maintenance other than as shown in the applicable owner's manual, that **Mechanical Breakdown** will not be covered by this **Y.E.S. Contract**.
4. **APPEARANCE-RELATED DAMAGE SUCH AS** scratches; nicks; dents; fading paint and trim, tears, corrosion, gel coat stress cracks, and growth of marine organisms on surfaces.
5. **AUDIO COMPONENTS**
6. **Mechanical Breakdown** while the **vehicle** is under the **YAMAHA Limited Warranty** or the **YAMAHA Sport Boat Components Limited Warranty** or when the component is covered by a manufacturer's modification or recall program.
7. For Sport Boats: the hull and deck on **your vehicle** are covered by the **Limited Warranty** for a period of five (5) years. The **Y.E.S. Contract** does not provide coverage for the hull and deck.
8. For Snowmobiles: **Mechanical Breakdown** caused by operation of vehicle when there is not adequate snow.
9. Damage from theft, fire, freezing, vandalism, riot, explosion, flood, hail, lightning, earthquake, windstorm, water, or collision.
10. **Mechanical Breakdown** or damage to ANY COMPONENTS caused by water, sand and/or corrosion, or impact with underwater object.
11. Loss which occurs due to failure to maintain proper fluid and/or lubricant levels as specified by **YAMAHA** or due to improper oil/gas mixture ratios.
12. **FAILURE OF FINAL DRIVE CHAINS/ BELTS OR SPROCKETS, DAMAGE DUE TO FINAL DRIVE CHAIN/BELT BREAKAGE.**
13. Damage due to alteration, modification or use of the **covered vehicle** not recommended by **YAMAHA**.
14. Damage due to failure of "non-stock" or modified parts.
15. **Vehicles** used for *commercial* purposes. Examples of commercial use are: rental, delivery, hauling for hire,

police, harbor patrol or emergency services. In general, if a **vehicle** will be used to make a profit, it is considered commercial usage.

16. **NORMAL MAINTENANCE, ADJUSTMENTS, TUNE-UPS, PARTS OR LABOR NOT REQUIRED TO REPAIR A MECHANICAL BREAKDOWN, OR FLUIDS NOT REQUIRED IN CONJUNCTION WITH REPAIRING A MECHANICAL BREAKDOWN.**
17. **INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES OF ANY KIND INCLUDING LOSS OF USE. SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES, SO THE ABOVE EXCLUSION MAY NOT APPLY TO YOU.**
18. The **Customer** must either (a) use the Maintenance Log provided with the **Y.E.S. Contract** and have it verified by the **YAMAHA Dealer** that performs the services or repairs; or (b) the **Customer** must keep receipts or other records that show the cost, dates, mileage, elapsed hours, services, and repairs performed, including storage. Failure to show proof of servicing may result in the denial of coverage.
19. **FOR USED VEHICLES, SEALS AND GASKETS ARE NOT COVERED, UNLESS THEY ARE REQUIRED TO REPAIR A MECHANICAL BREAKDOWN OF A PART OTHER THAN THE SEAL AND/OR GASKET.**
20. **THIS Y.E.S. CONTRACT DOES NOT COVER REPAIR OR REPLACEMENT OF PISTONS AND/OR RINGS TO IMPROVE ENGINE COMPRESSION WHEN A MECHANICAL BREAKDOWN HAS NOT OCCURRED. LOSS OF ENGINE COMPRESSION IS NORMAL WEAR AND TEAR.**

CLAIM PROCEDURE

In the event of a **Mechanical Breakdown**, the **Customer** must follow these procedures:

Protect the **vehicle** to prevent further damage. Continued operation of the **vehicle** may result in damage that may not be covered by this **Y.E.S. Contract**. Return the **vehicle** within 10 days to the **YAMAHA Dealer** where the **Y.E.S. Contract** was purchased. If this is not possible, you can have the repairs done at another **YAMAHA Dealer**. Provide the **YAMAHA Dealer** with receipts for required maintenance or the validated Maintenance Log, if needed to authorize the repair.

When necessary, the **Customer** will be required to authorize the **YAMAHA Dealer** to tear down the **vehicle** for diagnostic evaluation. If there is not a **Mechanical Breakdown** covered by this **Y.E.S. Contract**, the **Customer** is responsible for the **COSTS OF DIAGNOSIS AND TEARDOWN**.

NOTE: When the repair work is completed, be sure to have **your Y.E.S. Contract** and **your** maintenance records returned to **you**.

CANCELLATION

Cancellation By The Customer

You may cancel this **Y.E.S. Contract** at any time. To cancel, **you** must mail this **Y.E.S. Contract** or provide written notice to the **YAMAHA Dealer** who sold **you** this **Y.E.S. Contract**. If **you** cancel this **Y.E.S. Contract** within the first thirty (30) days and **you** have not incurred a claim, a 100% refund of the purchase price will be made less a \$25 administrative fee. If **you** cancel this **Y.E.S. Contract** after thirty (30) days or **you** have incurred a claim, a pro-rata refund will be made based upon the time used, less an administrative fee of \$25. For **new vehicles**, the original date the **YAMAHA Limited Warranty** went into effect is used to calculate the elapsed term of the **Y.E.S. Contract**. All refunds will be paid to **you** or to the lienholder if applicable by the **YAMAHA Dealer** who sold **you** this **Y.E.S. Contract**.

Cancellation By Yamaha

YAMAHA may cancel this **Y.E.S. Contract** for any reason within the first thirty (30) days. If we cancel this **Y.E.S. Contract** during the first thirty (30) days and **you** have not incurred a claim, a 100% refund of the purchase price will be

made less a \$25 administrative fee. After thirty (30) days, **YAMAHA** may cancel this **Y.E.S. Contract** for the following reasons:

- if there has been a material misrepresentation or fraud at the time of sale of this **Y.E.S. Contract**;
- if **you** have failed to maintain **your vehicle** as prescribed by the manufacturer; or other substantial breach of duties;
- if **you** do not pay the **Y.E.S. Contract** purchase price (premium).

If **YAMAHA** cancels this **Y.E.S. Contract** after thirty (30) days, a pro-rata refund will be made based upon the time used. **Yamaha** will notify **you** in writing fifteen (15) days prior to canceling this contract. For **new vehicles**, the original date the **YAMAHA Limited Warranty** went into effect is used to calculate the elapsed term of the **Y.E.S. Contract**. All refunds will be paid to **you** or to the lienholder if applicable by the **YAMAHA Dealer** who sold **you** this **Y.E.S. Contract**.

If this **Y.E.S. Contract** is financed, and **your vehicle** is a total loss or is repossessed, **you** authorize **your** lienholder to cancel this **Y.E.S. Contract** through **your YAMAHA Dealer** to receive the refund.

This **Y.E.S. Contract** is amended to comply with the following state requirements:

Alabama, Hawaii, Nevada, New York, Texas, & Wyoming Cancellation Section is amended to include:

Cancellation During the "Free-Look" Period

If **you** cancel this **Y.E.S. Contract** within twenty (20) days of receipt of this **Y.E.S. Contract** and have not incurred a claim, this **Y.E.S. Contract** shall be void and **you** will receive a full refund of the **Y.E.S. Contract** Charge. A ten percent (10%) penalty per month shall be added to a refund that is not made within forty-five (45) days of return of this **Y.E.S. Contract** to us. The provisions of this paragraph only apply to the original purchaser of this **Y.E.S. Contract**. The refund will be paid to **you**, or the person **you** authorize by **your YAMAHA Dealer**.

If **YAMAHA** cancels this **Y.E.S. Contract**, the administrative fee is not applicable and **YAMAHA** will mail **you** written notice fifteen (15) days prior to cancellation.

California, Georgia, Illinois, North Carolina

Cancellation Section is amended to include:

If **you** cancel this **Y.E.S. Contract** within the first thirty (30) days, the administrative fee is \$25 or 10% of the **Y.E.S. Contract** Charge, whichever is less. If this **Y.E.S. Contract** is canceled after thirty (30) days, the administrative fee is \$25 or 10% of the pro-rata refund, whichever is less.

Georgia

Should **YAMAHA** fail to refund the unearned consideration, **you** have the right to receive the refund directly from Combined Specialty Insurance Company.

Massachusetts

NOTICE TO CUSTOMER: THE COVERAGE YOU ARE BUYING IS NOT REQUIRED IN ORDER TO REGISTER OR FINANCE A VEHICLE. THE BENEFITS PROVIDED MAY DUPLICATE EXPRESS MANUFACTURER'S OR SELLER'S WARRANTIES THAT COME AUTOMATICALLY WITH EVERY SALE. YOU CAN BE REQUIRED BY THE SELLER OF THIS COVERAGE TO PURSUE THOSE WARRANTIES WHICH ARE AVAILABLE TO YOU WITHOUT THIS CONTRACT.

New Hampshire

Cancellation Section is amended to delete the \$25 administrative fee.

After this **Y.E.S. Contract** has been in effect for sixty (60) days, **YAMAHA** may cancel this **Y.E.S. Contract** for the following reasons only:

- Nonpayment of premium; or
- Fraud or material misrepresentation