

## Self-Authorization Terms and Conditions

1. Our Motivations: Our motivation in providing You with the opportunity to self-authorize Eligible Claims is to continue the accurate and effective assessment of Eligible Claims, to increase the efficiency of assessing Eligible Claims, to provide You with a claims experience similar to what You experience under Our original manufacturer's warranty and to enhance the customer satisfaction and loyalty of Contract Holders.
2. Voluntary Participation: If You choose to participate in this Program, You do so voluntarily, You do so at Your own risk and You agree to abide by the terms and conditions of this Agreement.
3. Discretionary Approval: Our approval for You to participate in this Program will be provided in Our sole and unfettered discretion and We may review and/or withdraw Our approval from time to time in Our sole and unfettered discretion. If We withdraw Our approval, then You may, after one (1) year, reapply to the Administrator to participate in this Program.
4. Principle-Based Assessment: You will use these principles to assess and self-authorize Eligible Claims:
  - a. Repairs and replacements will be performed under the conditions of **least cost**;
  - b. Repair services will be performed on basis of **greatest efficiency**;
  - c. Replacements will only be made using **Genuine Parts**;
  - d. Repairs, replacements and Claims will **not be induced**;
  - e. Repairs, replacements and Claims will be based on **honest business practices**; and
  - f. Contract Holders will be treated with **fairness, professionalism and respect**.
5. Your Responsibilities: You will take the following steps when You self-authorize Eligible Claims:
  - a. You will use reasonable care to promptly, accurately and effectively assess Claims and self-authorize Eligible Claims;
  - b. You will assess Claims and self-authorize Eligible Claims following the Principles and the Guidelines;
  - c. You will use the Platform to assess Claims and self-authorize Eligible Claims, including reviewing the claims history and limitations for a particular Protection Plan;
  - d. You will provide the Administrator with information to allow payments and chargebacks (if any) to be applied to Your credit card in accordance with this Agreement;
  - e. You will, within five (5) business days of denying coverage for a Claim and/or self-authorizing an Eligible Claim, provide the Administrator with all details of such Claim and/or Eligible Claim;
  - f. You will immediately report to the Administrator any errors that You discover about prior Claims that You have assessed and/or self-authorized;
  - g. You will immediately report to the Administrator any questions and/or concerns that You have about the Program, including requesting certain Claims to be directly assessed by Us;
  - h. You will provide the Administrator with documents and information to verify all aspects of the Eligible Claim, including any specific documents, photographs and information that the Administrator reasonably requests;
  - i. You will, during the term of this Agreement and for seven (7) years after this Agreement comes to an end, maintain records of each Claim using generally prevailing accounting standards;
  - j. You will cause all of Your staff participating in the Program to comply with the terms and conditions of this Agreement;

- k. You will keep strictly confidential all details You learn about the Program;
  - l. You will be responsible for the costs and expenses, if any, of Your participation in the Program; and
  - m. You will comply with all terms and conditions in the Franchise Agreement and the Agreement and the Selling Dealer Guide.
6. Our Responsibilities: We will cause the Administrator to take the following steps to support You to self-authorize Eligible Claims:
- a. use reasonable care to promptly, accurately and effectively respond to questions You have about Claims, the Principles and the Guidelines, including reviews by the Ombudsperson;
  - b. provide You with access to the Platform;
  - c. collaborate with You about addressing any errors that You discover about prior Claims that You have assessed and/or self-authorized; and
  - d. promptly pay Eligible Claims that You have self-authorized and that the Administrator has independently adjudicated.
7. Your Rights: As a condition of Your participation in the Program, We grant You the right to request in writing for any Claim to be **independently reviewed by the Ombudsperson**.
8. Our Rights: As a condition of Your participation in the Program, You grant Us and the Administrator the unconditional right to:
- a. **independently adjudicate** all Claims, including Claims that You self-authorize as Eligible Claims;
  - b. **audit** and take copies of the records You maintain of each Claim;
  - c. **request supplementary documents** and information to verify the repair services, including labour rates, actual hours performed and staff experience levels, and the replacement parts, including the authenticity, condition and cost without mark-up;
  - d. **claim a chargeback from You** in the amount of any Claim(s) that were incorrectly assessed and self-authorized by You or Your staff. You authorize this amount to be applied to Your corporate credit card and, if such amount is not received by the Administrator within ninety (90) days from the Administrator's notice of such chargeback, to be set off against Your parts account;
  - e. **monitor the Claim costs** of Your dealership and/or repair store;
  - f. **update the terms and conditions** of this Agreement to more effectively and/or lawfully administer the Program; and
  - g. **automatically revoke all of Your rights** under this Agreement if You are found to have incorrectly assessed and self-authorized any Claims.
9. Termination: This Agreement will start on the Effective Date and will continue in effect for one year from the Effective Date. This Agreement will automatically renew each year on the anniversary of the Effective Date unless either You or We provide written notice that You or We would like to bring this Agreement to an end, which termination notice will be effective immediately upon receipt. Our rights and Your responsibilities will continue in effect for seven (7) years after this Agreement comes to an end.
10. Applicable Law: This Agreement is governed by, and will be interpreted in accordance with, the laws of the Province and the federal laws of Canada applicable to that Province.
11. Entire Agreement: This Agreement, including any attached schedules, contains the entire agreement between You and Us relating to Your right to self-authorize Eligible Claims. The terms and conditions of this Agreement are hereby incorporated into the Dealer Selling Guide by this reference. The terms

and conditions of this Agreement are in addition the Dealer Agreement. If there is any conflict between this Agreement and the Dealer Agreement or the DealerSelling Guide, then the terms and conditions of the Dealer Agreement or the DealerSelling Guide will prevail. Except amendments to this Agreement that are required by Us or the Administrator to more effectively and/or lawfully administer the Program, the terms and conditions of this Agreement may not be amended or waived without being signed by You and Us.

## Definitions

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<b>“Administrator”</b>	LGM Financial Services Inc., in its capacity as administrator of the Protection Plans.
<b>“Agreement”</b>	These self-authorization terms and conditions.
<b>“Claims”</b>	Any claims made by or on behalf of a Contract Holder pursuant to the Protection Plan.
<b>“Contract Holder”</b>	An individual that purchases a protection product, whether or not such product is purchased independently of a vehicle.
<b>“Dealer Agreement”</b>	Your dealer agreement with Us and/or selling dealer guide issued by Us.
<b>“Effective Date”</b>	November 1, 2017.
<b>“Eligible Claims”</b>	Those Claims for repairs and/or replacements, covered pursuant to the terms and conditions of the Protection Plan, that are below \$1,000 Canadian dollars (or such other amount as determined by Us in its sole and unfettered discretion including taxes) and excluding Ineligible Claims.
<b>“Franchise Agreement”</b>	Your franchise agreement with Us.
<b>“Genuine Parts”</b>	Vehicle parts that are manufactured by Our parent company and that have neither been used nor refurbished.
<b>“Guidelines”</b>	Any supplementary guidelines provided by Us or the Administrator about how You may assess Claims.
<b>“Ineligible Claims”</b>	Any Claim made for repairs to the paint on the exterior surface of a vehicle or made during the first or last thirty (30) days of the term of the Protection Plan.
<b>“Ombudsperson”</b>	A representative of the Administrator that holds a position independently from the Administrator’s internal team responsible for assessing and adjudicating Claims.
<b>“Platform”</b>	The Administrator’s proprietary software “HUB” that the Administrator has granted You rights to access subject to the Administrator’s standard terms of use, privacy policy and/or end user license agreement.
<b>“Principles”</b>	The principles listed in this Agreement to guide You in self-authorizing Eligible Claims.
<b>“Program”</b>	The self-authorization of Claims program offered to You by Us subject to the terms and conditions of this Agreement.
<b>“Protection Plan”</b>	The Appearance Protection plan (or such other protection plans or vehicle service contracts that may be subject to this Agreement from time to time as determined by Us in its sole and unfettered discretion) issued to a Contract Holder by Us.
<b>“Province”</b>	The province of Canada in which Your dealership and/or repair store is located.
<b>“Selling Dealer Guide”</b>	The selling dealer guide issued by Us to You.
<b>“You”, “Your”</b>	The dealer authorized by Us or the Administrator to participate in the Program, in its capacity as an employer and as Dealer operator.
<b>“We”, “Us”, “Our”</b>	Hyundai Auto Canada Corp., the issuer of Protection Plans for Hyundai vehicles manufactured by its parent company, which Protection Plans are subject to the Program.

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