36 Months or 36,000 Miles Basic Limited Warranty Contract

Coverage

ZAP Inc., a non-sanctioned seller of Smart Cars, warrants that Smart Vehicles sold in the United States through ZAP or its Authorized Seller to the original owner, that any ZAP authorized dealer will make repairs or replacements necessary to correct defects in material or workmanship of all electrical and mechanical operating parts at no charge during the warranty period, excluding coverage provided by other parties and items listed under What is Not Covered.

Warranty Period

This Warranty is for 36 months or when the odometer reaches 36,000 miles, whichever occurs first, and starts on the date the car is delivered to the first retail purchaser or put into service, if earlier than the first retail purchase date.

Adjustments

Adjustments to correct a defect in material or workmanship during the first year or when the odometer reaches 12,000 miles, whichever occurs first, will be made at no charge. This does not apply to adjustments, which are part of normal maintenance services.

Warranty Territory & Availability

This Warranty is only available and applicable in the United States. If the original registered owner and/or subsequent owners ("You")plan to operate your vehicle and receive service and or repairs outside of the United States, this warranty affords no coverage. This Warranty is available only in those states in which ZAP Inc. maintains a distribution of ZAP Service Centers equipped to service your vehicle at the date of the occurrence of a warranty event.

Other Warranties Provided by Third Parties

ZAP does warrant and specifically excludes coverage for:

Emission Items: In order to make this vehicle compliant with State and Federal Emission standards, it has been retrofitted with specific certain parts. Material and workmanship are only covered by the separate Limited Warranty provided by G&K Auto Conversion, Inc. administered by Automobile Consumer Service Corporation. The separate warranty and those parts and/or labor required to repair your vehicle are not covered by this Basic Warranty whether collectible or not.

2 Safety & Safety Restraint Systems: In order to make this vehicle compliant with State and Federal Safety standards, it was retrofitted with specific certain parts. Material and workmanship are only covered by the separate Limited Warranty provided by G&K Auto Conversion, Inc. administered by Automobile Consumer Service Corporation. The separate warranty and those parts and/or labor required to repair your vehicle are not covered by this Basic Warranty whether collectible or not.

- 3 **Paint:** Is not covered.
- 4 **Accessories:** Not installed by ZAP are not covered.
- 5 Normal Maintenance: Owner responsibility.

6 **Maintenance:** All maintenance as recommended by the Manufacturer and provided in the Service Booklet by ZAP, is the customer's responsibility including but not limited to: Engine tune-up, replacing worn items such as oil filters, spark plugs, belts other than timing belt, fluids, brake pads and discs, and clutch discs and pressure plates are some of the normal maintenance services cars require and are not covered by this warranty. See Service Booklet for details. Damage caused by the use of improper oil, fuel or lubricants which are not recommended, is not covered.

What is Not Covered

- 1. Batteries and Tires.
- 2. Damage Due To Accidents, Misuse Or Negligence: Accidents or damage from objects striking the car. Misuses of the car such as driving over curbs, overloading, improper operation, storage or transport (Proper use is described in the Operator's Manual).
- 3. Damage Due To Lack Of Maintenance: Lack of proper maintenance as described in the Service Booklet, and You must maintain all service records.
- 4. Damage Due To Alterations: Alterations by changing or adding to the car can adversely affect its performance, reliability and longevity and are not covered by this warranty.
- 5. Damage Caused By Repair Parts: Malfunctions caused by the use of other than original smart service parts and accessories and damages or malfunctions resulting from poor fuel quality or from blending additional fuel additives are not covered.
- 6. Altered Odometer: No warranty coverage shall apply to any vehicle on which the odometer has been altered and the actual km cannot be determined.
- 7. **Damage From The Environment:** Parts made from cloth or leather (upholstery, convertible tops, trim items), wood, paint or chrome which have been affected by airborne fallout, such as chemical and tree sap, or by road salt, hail, windstorm or other environmental factors are not covered by this warranty.
- 8. **Damage To Glass:** Glass breakage or scratches are not covered unless positive physical proof of a manufacturing defect can be established.
- 9. Extra Expenses: This warranty does not cover payment for loss of use of the car during warranty repairs nor lodging bills, substitute transportation rentals, or other travel costs, telephone calls, loss of pay, or other economic loss or consequential damages.
- 10. Influences Acting on the Vehicle from Outside, e.g. of a mechanical or chemical nature (such as damage to paintwork, synthetics, or bodywork caused by flying stones, fly ash, industrial emissions, bird droppings) or other external occurrences, including accidents, malicious or willful actions by third parties, in particular theft and unauthorized use.
- 11. **Improper handling or overload of the vehicle**, including non-standard conditions of use such as e.g. off-road, racing, overloading, excessive roof, trailer or axle loads.

- 12. The warranty does not cover malfunctions and damage which have arisen because: a) the vehicle has previously been serviced, maintained or attended in a garage other than an Authorized Service Center or; b) notes in the operating instructions of the vehicle have not been observed; c) a malfunction or damage has not been immediately reported and the vehicle brought in for repair.
- 13. The repair of indirect and consequential damage is not covered.
- 14. This warranty does not constitute a basis for claims for cancellation (annulment of the purchase contract) or reduction (reduction of the purchase price) against ZAP, Inc.
- 15. All claims arising from the warranty are barred by the statute of limitations 6 months after receipt of the damage report.

How to File A Claim

Claim Service: ZAP Warranty Claim Service Operating Hours Monday through Friday, 5:00 a.m. to 6:00 p.m. Pacific Time. Claim Service Phone Number: Nationwide toll free (800) 591-6140, press 1.

Important: It is a condition for coverage and reimbursement that before any repair or replacement begins, yYou or the repairer must provide notice to the Claims Service. Failure to follow the Claim Procedures shown below will result in the claim being denied.

This Limited Warranty provided by ZAP is the only warranty given with the purchase of this vehicle. To the extent permitted by statutory law, this warranty is subject to the limitations provided therein and there are no other representations or warranties, express or implied, statutory or other. ZAP, nor the authorized seller assumes or authorizes any other person to assume for them any other liability in connection with this vehicle. No payment or other compensation will be made for indirect or consequential damage such as, damage or injury to person or property or loss of revenue which might be paid, incurred or sustained by reason of the failure of any part or assembly which may be repaired or replaced in accordance with the terms of this warranty.

Claim Procedure

In the event of damage to your vehicle:

1 You must return the vehicle to the seller You purchased your vehicle from or a ZAP authorized service center in your state.

2 Prior to performing any repair/replacement, You or the service center must contact the Claim Service to report the claim. The Claim Service may elect to inspect your vehicle. If the Claim Service elects to inspect the vehicle and repairs have already commenced, then no coverage shall be provided.

3 In the event the Claims Service is closed, You or the service center must contact the Claim Service the following business day in order to claim benefits and receive instructions on submitting your repair order.



3 Years or 36,000 Miles

(Whichever Occurs First)

Basic Limited Warranty KEEP THIS DOCUMENT IN YOUR VEHICLE