

EXTENDED SERVICE AGREEMENT

This Agreement is not a Contract of Insurance

Please read this **Agreement** carefully. It describes the protection **You** will receive in return for payment by **You**. **You** must keep this **Agreement**, **Your** sales invoice and receipt for the product **You** purchased. They are integral parts of this **Agreement** and **You** may be required to produce them in order to obtain service. **You** must maintain the **Covered Product** as recommended by the manufacturer's owner manual and warranty. Refer to the Declarations Page of this **Agreement**, or **Your** sales receipt or invoice to determine the term of this **Agreement**, whether **You** purchased a Replacement Plan, Repair Plan or Labor Only Plan, and if there is a deductible required to obtain service.

NOTICE: (1) THE PURCHASE OF THIS **AGREEMENT** IS NOT REQUIRED TO EITHER PURCHASE **YOUR** PRODUCT OR TO OBTAIN FINANCING. (2) ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD OR DECEIVE ANY INSURER AND FILES A STATEMENT OF CLAIM OR ANY APPLICATION CONTAINING FALSE, INCOMPLETE OR MISLEADING INFORMATION IS GUILTY OF A FELONY OF THE THIRD DEGREE.

I. DEFINITIONS

- (1) **"Ob ligor", "We", "Us" and "Our":** The company obligated under this **Agreement**, **4warranty Corporation**, 10151 Deerwood Park Blvd., Bldg. 100, Suite 500, Jacksonville Florida 32256 (800-867-2216), in all states except in Florida and Oklahoma where it is **LYNDON SOUTHERN INSURANCE COMPANY**, 10151 Deerwood Park Blvd, Bldg. 100, Suite 500, Jacksonville, FL 32256 (800) 888-2738, in Wisconsin where it is **The Service Doc**, 10151 Deerwood Park Blvd, Bldg. 100, Suite 500, Jacksonville, FL 32256 (800)888-2738 and in Washington where it is **Dealers Alliance Corporation**, 240 N. Fifth Street, Suite 350, Columbus, OH 43215.
- (2) **"You" and "Your":** The purchaser of the **Covered Product(s)** and any authorized transferee/assignee of the purchaser.
- (3) **"Administrator":** New Leaf Service Contracts, LLC, 909 Lake Carolyn Parkway, Suite 900, Irving, TX 75039 888.959.9726.
- (4) **"Selling Retailer":** The entity selling the **Covered Product** and this **Agreement**.
- (5) **"Covered Product":** The consumer item(s) which **You** purchased concurrently with and is covered by this **Agreement**.

IIA. REPLACEMENT PLAN

- (1) **TERM:** If **You** purchased a replacement plan the term of this **Agreement** includes the manufacturer's warranty and begins on the date of purchase and continues for the period indicated on the Declarations Page, **Your** sales invoice or receipt, or until a claim is paid, whichever occurs first. Coverage is effective upon the expiration of the shortest portion of the manufacturer's warranty. A renewal service **Agreement** is not available for the Replacement Plan. **THIS AGREEMENT DOES NOT REPLACE THE MANUFACTURER'S WARRANTY.**
- (2) **COVERAGE:** We will replace **Your Covered Product**, when required, due to a mechanical or electrical breakdown, including those experienced during normal wear and tear. A mechanical or electrical breakdown caused by a direct result of a power surge is also covered. The **Covered Product** will be replaced with a new or refurbished product of like kind or similar quality, up to the purchase price of the **Covered Product**, excluding sales tax and shipping and handling. The **Covered Product** must fail during normal usage. Any replacement product purchased with funds or provided as a result of a claim being paid under the terms of this **Agreement** will require the purchase of a new **Agreement**.
- (3) **LIMIT OF LIABILITY:** The limit of liability under the replacement plan is the value of the **Covered Product** at the time of purchase, excluding sales tax, diagnostic fees, delivery and handling. This **Agreement** shall expire upon replacement of **Your Covered Product** or issuance of a compensation check in lieu of replacement.
- (4) **WHAT TO DO WHEN YOUR COVERED PRODUCT FAILS TO OPERATE:** Do not return the **Covered Product** to the **Selling Retailer** where **You** purchased **Your Covered Product**. Contact the **Administrator** and **You** will be advised on how to obtain replacement.
 - Call the toll-free number at **888.959.9726** or go online to **www.newleafsc.net**.
 - **You** must provide the original sales receipt in order for a claim to be processed. Products found to be non-defective will be returned to **You**. **You** are responsible for all costs of postage, insurance, packaging and shipping. Please make sure **Your** product is properly protected with bubble wrap or other protective materials. Replacement will not be provided if **Your Covered Product** is damaged in shipping.

IIB. REPAIR PLAN

- (1) **TERM:** For the Repair Plan, the term of this **Agreement** begins on the date of purchase and continues for the period indicated on the face of this **Agreement** or as indicated in the Declarations Page, **Your** sales receipt or invoice. Coverage is effective upon the expiration of the shortest portion of the manufacturer's warranty. In the event **Your Covered Product** is being serviced by an authorized service center when this **Agreement** expires, the term of this **Agreement** will be extended until covered repair has been completed. **THIS AGREEMENT DOES NOT REPLACE THE MANUFACTURER'S WARRANTY.**
- (2) **COVERAGE:** Parts will be replaced with those of like kind and quality at our sole discretion. We may use new or remanufactured parts in repairing **Your Covered Product**. If the **Covered Product** cannot be repaired, if the cost of the repair exceeds the original purchase price, or if parts are no longer available or are discontinued by the manufacturer, the **Covered Product** will be replaced as determined by **Us** with a product of similar features.
 - A. **For Appliances, Electronics and Computers:** We will repair or replace the **Covered Product**, at **Our** discretion, when required due to a mechanical or electrical breakdown, including those experienced during normal wear and tear. A mechanical or electrical breakdown caused by a direct result of a power surge is also covered. Costs related to removal and reinstallation of car audio and/or home theater products are covered under this **Agreement**, when required, due to a covered breakdown. **You are responsible to backup all computer software and data prior to commencement of repair.**
 - B. **For Jewelry:** We will furnish the parts and labor necessary to repair or replace **Your Covered Product** only in the event of mechanical breakdown or defects in workmanship and/or materials, including normal wear and tear. We will cover broken, bent or worn prongs, clasps and hinges; knotted or broken links in necklaces and bracelets; broken or lost pins and earring posts; restringing of stretched pearl necklaces; and, reshanking. Coverage also includes the following services for **Your Product**: ring sizing; refinishing and polishing; rhodium plating white gold; chain smoldering; resetting **Product** diamonds and gemstones; repair of chipped or cracked stones (including center stones); and replacement for loss of diamond or gemstone center stones or side/enhancement stones up to a maximum of .50 carat, due to a defect in the setting. **We** will cover mechanical failure of watches, including accidental breakage of stem or band, case and crystal. Coverage for watches also includes battery replacement and replacement for loss of stones from bezel up to a maximum of .10 carat
 - C. **For Lawn & Garden Equipment and Power Tools:** During the term of this **Agreement**, **Your Covered Product** will be restored to normal operating condition after it has failed during normal single family household use, including failures due to normal wear and tear. The **Agreement** covers the cost of all labor and parts necessary to repair **Your Covered Product** for problems due to functional part failures. **During the first eighteen (18) months** of the

Agreement, We will provide a one-time equipment rental reimbursement of fifty dollars (\$50) in the event **Your Covered Product** cannot be repaired within four (4) weeks after taking it to a designated service center (rental must be for same equipment as **Covered Product**), and a one-time accidental damage reimbursement to the drive/propeller shaft up to seventy-five dollars (\$75).

- D. **For Fitness Equipment & Other Sporting Goods:** If You purchased a **Residential Coverage Plan** or **Commercial Coverage Plan** as indicated on the Declarations Page of this **Agreement**, or on Your invoice or sales receipt, We will repair or replace **Your Covered Product** for mechanical and electrical failures, including power surge, that occur during normal use and operation in accordance with the manufacturer's written specifications. Residential Coverage Plans only cover residential use of **Your Covered Product**. **Commercial Coverage Plans** are available only for products used in commercial environments (except dues facility gyms and health clubs) including but not limited to hotels, motels, multi-housing, country clubs, homeowner's associations, corporations, senior living centers, hospitals, schools, churches and police and fire stations. Only Residential and Commercial Coverage Plans cover the repair and replacement of functional factory installed belts (including treadmill walking belts) and rollers required for the performance of **Your Covered Product**. If You purchased a **Labor Only Coverage Plan** as indicated in the Declarations Page, or on Your receipt or sales invoice, we will only cover the cost of labor to repair **Your Covered Product** due to electrical failure and mechanical breakdown occurring during normal use and operation of **Your Covered Product**.
- (3) **LIMIT OF LIABILITY:** Our limit of liability for **Your Covered Product** under the Repair Plan is the cost of authorized repairs and/or replacement as determined by Us, with a product of similar features. In no event will our total liability for repairs and/or replacements exceed Your purchase price for the **Covered Product**, excluding sales tax, diagnostic fees, delivery and installation costs. Upon replacement, there is no longer any obligation for the replaced product under this **Agreement**. SERVICE COSTS, TRIP CHARGES, BREAKDOWN CHARGES, INSPECTION FEES, DIAGNOSTIC FEES OR ESTIMATE CHARGES FOR REPAIRS NOT COVERED UNDER THIS AGREEMENT ARE YOUR RESPONSIBILITY.
- (4) **NO LEMON POLICY:** This **Agreement** provides that following the expiration of the manufacturer warranty term, and subject to Our Limit of Liability, after three (3) service repairs have been completed for the same problem on an individual product that requires a fourth repair, as determined by Us, We will replace it with a product of comparable performance or pay You the remaining Limit of Liability. If We replace **Your Covered Product**, there is no longer any obligation for the replaced product under this **Agreement**.
- (5) **HOW TO GET SERVICE:** You must contact the **Administrator** for the appropriate authorized service center. Call the toll-free number at 888.959.9726 or go online to www.newleafsc.net. All repairs must be authorized by the **Administrator** prior to performance of work. Claims on unauthorized repairs may be denied. You may be asked for a credit card number prior to service being performed. Many oversights, which are not covered under this Agreement, can be due to simple circumstances such as the Covered Product not being switched on, being unplugged, or a fuse blown at the junction box. For a Covered Product that uses batteries as the prime power supply, check that the batteries do not need replacing or recharging. If You refuse service on a covered item after We have dispatched the repair servicer to Your location You will be billed for that servicer's applicable trip charge.
- (6) **SERVICE DELIVERABLES:** There may be a deductible required to obtain service for **Your Covered Product** as indicated on the Declarations Page of this **Agreement**. You will receive service on **Your Covered Product** as described below:
Carry-In: Unless otherwise provided in this **Agreement**, **Covered Products** must be delivered and picked up by You at Our authorized service center during normal business hours. If You purchased Above Ground Pool Coverage, it will be Your responsibility to bring above ground pumps and ladder into the service repair facility or to the selling retailer for repair.
In-Home/On-Site: Service will be performed in Your home or On-Site as indicated on the Declarations Page of this **Agreement**, or on Your sales receipt or invoice provided You have fulfilled the following provisions: (1) accessibility to the product; (2) a non-threatening and safe environment; and (3) an adult over the age of 18 to be present for the period of time Our authorized technician is scheduled for service and while Our authorized technician is on Your property servicing **Your Covered Product**. In-Home Service will be provided by the authorized service provider during regular business hours, local time, Monday through Friday, except holidays. If You purchased Above Ground Pool Coverage, service will be performed at Your home only for in-ground pumps, pool liners, pool frames and wall repairs. The authorized service center may opt to remove the **Covered Product** to perform service in-shop. **Your Covered Product** will be returned upon completion. Additional time and mileage charges for in-home repairs outside of twenty-five (25) contiguous land miles or the normal service radius of the authorized service center are not covered by this **Agreement**, and are Your responsibility.
Reimbursement: If We are reimbursing You for rental expense or accidental damage as noted in the "COVERAGE For Lawn & Garden Equipment and Power Tools" section under "Repair Plan" You are responsible for paying the rental or repair service facility directly for rentals, any repairs, replacement parts, diagnosis fees, trip charges, sales tax and installation. Once **Your Covered Product** is repaired You may file a claim with Us for reimbursement. We are not responsible for delay in service or loss of use of **Your Covered Product**, quality of service or workmanship or defective replacement parts provided by the servicer. **How to file a reimbursement claim:** You must mail or fax 877.634.0964 Us a copy of the completed rental or repair invoice. The service facility or rental invoice must include the Make, Model and Serial Number of **Your Covered Product**, the reason for repair and cause of loss of **Your Covered Product**, and Your name, address and phone number. We will reimburse You as indicated above in this **Agreement**, less any applicable deductible as indicated on the Declarations page of this **Agreement**, Your sales invoice or receipt. Failure to provide all claim documentation may result in claim denial.
- (7) **WORLDWIDE SERVICE:** Worldwide Service protects **Your Covered Product** outside the manufacturer's warranty when you travel overseas. If your product needs repair overseas, you have three options to obtain a proper repair authorization number prior to work being performed. Contact the **Administrator/Obligor** via e-mail at internationalsupport@newleafsc.net to leave a message for warranty support; or you may call collect, 877.959.9726. You will need to carry the covered product into an authorized service center, have the service center provide an estimate for the repair and provide the estimate to the **Administrator/Obligor**, using one of the options above, so total repair can be approved. You will submit payment to the service center and the submit to the **Administrator/Obligor** a copy of the detailed service repair invoice that identifies the covered product, the repair authorization number, and include a thorough description of the repair made. This documentation should be sent to the **Administrator/Obligor**. The **Administrator/Obligor** will reimburse you within 30 days of receipt of all necessary paperwork, provided a covered repair was performed. Note: Worldwide service does not include shipping or on-site service.
- (8) **POWER SURGE PROTECTION:** This **Agreement** provides power surge protection from the date of purchase in the absence of any other insurance coverage. If **Your Covered Product** is damaged as a result of a power surge, we will service **Your Covered Product** in accordance with the terms herein
- (9) **FOOD LOSS:** To receive coverage for food loss, the failure of **Your** refrigerator or freezer must be due to a defect in the components of the appliance, and not a power failure of any kind. You will be reimbursed up to one (1) two hundred dollar (\$200) claim during the coverage period. To receive payment, You must have the appliance repaired by a service center authorized by the **Administrator and/or Obligor** and submit the following: a copy of the repair order, and itemized list of food lost due to the lack of refrigeration, and proof of purchase for the replaced food.
- (10) **ACCIDENTAL DAMAGE IN HANDLING ("ADH"):** **Your Covered Product** is protected against accidental damage in handling such as drops and liquid spills. ADH only covers operational or mechanical failure caused by an accident from handling and does not include protection against theft, mysterious disappearance, misplacement, viruses, reckless, abusive, willful or intentional conduct associated with handling and use of the **Covered Product**, cosmetic damage and/or other damage that does not affect the unit functionality, damage caused during shipment between You and Our service providers and any other limitations listed in the "What is Not Covered" section of this **Agreement**. Any resultant damage from this type of treatment is NOT covered by ADH. For the purpose of this **Agreement**, Accidental Damage is defined as a single, unexpected, sudden and unintentional event and does not include accumulated damage from continual or multiple

events. The use of this coverage requires an explanation of where and when the accident occurred as well as a detailed description of the actual event.

- (11) **LAPTOP SCREEN PROTECTION:** If **You** purchased Laptop Screen Protection or ADH, this Plan provides coverage for labor and replacement parts necessary to repair or replace **Your** laptop screen should it become inoperable but not more than twice during the term of this Plan. There is no deductible under this plan.
- (12) **COMMERCIAL PLAN:** For products used in a Commercial setting/environment (i.e. for use other than in a residential single-family setting), a Commercial Plan is required. If purchased, this Plan will furnish replacement parts and/or labor necessary to maintain **Your Covered Product** that is used in a Commercial setting in those cases where the manufacturer's original warranty is null and void. For these products, this Plan will begin from Day One and continue for the period of time defined on **Your** sales receipt. Selected products are manufactured specifically for commercial use and include a manufacturer's warranty. For those products, actual service coverage under the Plan begins upon expiration of the shortest portion of the manufacturer's original or factory-refurbished parts and labor warranty. During the manufacturer's warranty period, any parts, labor, on-site service or shipping costs covered by that warranty are the sole responsibility of the manufacturer. (For additional coverage information refers to the Repair Plan listed above.) Note: Special Features, Benefits, or Optional Plans (i.e. Food Loss, Screens, etc.) Major Component for Appliance Service **Agreement**, are not available for products under the Commercial Plan.
- (13) **MAJOR COMPONENT FOR APPLIANCES:** If **You** purchased a Service **Agreement** for a Major Appliance and **Your** receipt indicates **You** purchased an additional five (5) years of coverage for the Major Component Part only (AC, Dehumidifier, Refrigerator or Freezer Sealed Refrigeration System, Cooktop, Range or Wall Oven, Electric or Gas Heating Elements, Range Hood Ventilation Motor, D/W Motor/Pump Assembly, Dryer Motor, Warming Drawer Electronic Board, Washer/Dryer Combo Motor, Microwave Magnetron Tube, Washer Motor or Transmission) coverage will begin from the end of your Major Appliance Service Agreement. Major Component Coverage, when purchased alone, will cover the major component part for only five (5) years from the date of purchase of **Your Covered Product**. Major Component coverage is only for the Major Component Part in the event of a mechanical or electrical failure and does not include trip and labor charges, or any other part that should fail.

III. WHAT IS NOT COVERED

Products not originally covered by a manufacturer's warranty; (B) Products with less than an original ninety (90) days manufacturer's parts and labor limited warranty (C) Product repairs that should be covered by the manufacturer's warranty or are a result of a recall, regardless of the manufacturer's ability to pay for such repairs; (D) Cleaning; Periodic checkups; preventive maintenance; (E) Any and all pre-existing conditions that occur prior to the effective date of this **Agreement** and/or any product sold used or "AS-IS", including but not limited to floor models, demonstrations models, etc.; (F) Part or repairs due to normal wear and tear unless tied to a breakdown, and items normally designed to be periodically replaced by **You** during the life of the product, including but not limited to batteries, light bulbs, etc.; (G) Damage from accident, abuse, misuse, mishandling, introduction of foreign objects into the **Covered Product**, unauthorized modifications or alterations to a **Covered Product**; failure to follow the manufacturer's instructions; external causes of any kind, including third party actions; fire; theft; insects; animals; exposure to weather; windstorm; sand; dirt; hail; earthquake; flood; water; acts of God or consequential loss of any nature; (H) Loss or damage caused by invasion; rebellion; riot; strike; labor disturbance; lockout; or civil commotion; (I) Incidental, consequential or secondary damages or delay in rendering service under this **Agreement**; loss of use during the period that the **Covered Product** is at an authorized service center or awaiting parts; (J) Any product used in a commercial setting or rental basis unless **You** purchased a Commercial Coverage Plan; (K) Failures that occur outside of the 50 states of the United States of America and the District of Columbia; (L) Non-functional or aesthetic parts including but not limited to frames, cabinets, doors, hinges, plastic parts, knobs, rollers, baskets; scratches, peeling & dents; (M) Unauthorized repairs and/or parts; (N) Cost of installation, setup, diagnostic charges, of the **Covered Product**, except as provided herein; (O) Accessories used in conjunction with a **Covered Product** including remote controls; (P) Any other loss other than a covered breakdown; (Q) Service where no problem can be found; noises; squeaks; breakdowns which are not reported during the term of this **Agreement**.

Specific to Electronics & Appliances: In addition to any applicable exclusions listed above, this **Agreement** only covers the operating condition of **Your Covered Product** and does not cover (1) non-operating or external parts, e.g. protective glass; housings; insulation; conduit; frames; cabinets; knobs; dials; drawers; handles; shelves; doors; hinges; light bulbs; projection bulbs; filters; hoses; (2) any installed accessory item, e.g., gas or electronic connectors; (3) any antennae or antennae system; any expansion of the channel or frequency range capabilities of the **Covered Product**; circuit adjustments required to receive any particular station; service or adjustments due to changes in external power or water supply; water and power connectors and connections; reception or normal signal; (4) Speakers, except surround-sound home theater; remote controls; phonograph cartridges and stylus; headphones; and (5) burned-in image in CRT, PLASMA, LCD or any other type of display.

Specific to Above Ground Pools: In addition to any applicable exclusions listed above, **We** do not cover damage caused by or due to (1) Failure due to, but not limited to, improper water chemistry, freezing, plumbing, water loss, negligence, fire, lightning, power failures and/or surges, rust, corrosion, water supply failure and moisture related problems on electronic accessories; (2) draining or refilling pool with water; and (3) Nonfunctional or aesthetic parts, except as noted above, including but not limited to decks, vacuums and hoses.

Specific to Computers and Peripheral Equipment: In addition to any applicable exclusions listed above, **We** do not cover damage caused by or due to (1) overheating caused by accumulation of dust, vermin or fan blockage; dropping; food and beverage spills; misuse and abuse; (2) any storage media damaged by malfunctioning parts; improper installation of computer components or peripherals; repair or replacement of upgraded computer components when repair or replacement is required due to incompatibility of parts or incorrect installation; damage caused from refilled ink cartridges; (3) broken or cracked LCD/display screens in notebooks or other portable monitors; burned-in image in CRT, LCD or any other type of display; application programs; operating software; other software; loss of data or restoration of programs; (4) corruption of any program; data or setup information resident on any hard drives and internal or external removable storage devices, as a result of the malfunctioning or damage of an operating part, or as a result of any repairs or replacement under this **Agreement**; and (5) toner and ink cartridges; cables.

Specific to Jewelry: In addition to the exclusions listed above, **We** will not replace damaged, lost or stolen gem stones or beads.

Specific to Lawn & Garden Equipment and Power Tools: In addition to any applicable exclusions listed above, **We** do not cover (1) Normal wear and tear; tune-ups; damage caused by neglect; improper operation; installation; maintenance; use of an accessory or part not manufactured or sold by an authorized dealer of the manufacturer; operation with fuels, oils or lubricants which are not suitable for use with the **Covered Product**; alteration or removal of parts; water entering engine cylinder(s) through exhaust system or carburetor(s); spark plugs; brake pads or lining; hoses; hose clamps; belts; batteries; shock absorbers; tires; cutting blades; gauge wheels; wheel balancing; alignments; cleaning of fuel and coolant systems; removal of carbon, varnish, sludge, or contaminants; necessary fuel and ignition system calibrations and adjustments; (2) **We** do not cover repair caused by normal product vibration; routine maintenance; fuses; filters; consumables; bulbs; exterior power cords; cosmetic adjustment or replacement; shell separating or cracking; paint changes; corrosion; rust; (3) **We** do not cover any repair for grinding of valves to increase compression; oil consumption; stuck rings; shipping or freight; burned valves; tuliped valves; adhesives; shop supplies; road service calls; environmental charges; miscellaneous charges; internal or external corrosion, electrolysis, salt or any other environmental condition; inadequate or improper storage/lay up; loss or damage to optional equipment.

Specific to Fitness Equipment & Other Sporting Goods: In addition to any applicable exclusions listed above, **We** do not cover (1) failure of non-operating components such as frames, cabinets, finish, doors, handles, hinges, knobs racks, shelves and software media; remote controls; (2) Costs associated with tearing apart walls, carpeting, floors and cabinetry associated with custom installations; and (3) products used in dues-facility gyms, spas or health clubs where the primary source of income is fitness/membership dues.

IN NO EVENT SHALL THE ADMINISTRATOR/OBLIGOR OR ANY OF THE ADMINISTRATOR/OBLIGOR'S AGENTS BE LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES WHETHER IN CONTRACT, TORT, OR NEGLIGENCE. THIS AGREEMENT WILL NOT COVER LOSS OR DAMAGE NOT SPECIFICALLY LISTED UNDER "WHAT IS COVERED".

IV. CONDITIONS

- A. **Renewal:** The Replacement Plans are not renewable. Repair Plans may be renewed at **Our** discretion.
- B. **Transferability:** This **Agreement** is transferable by the original purchaser for the balance of the original extended protection period. The **Covered Product** may be registered by mailing, and providing the date of new ownership, new owner's name, complete address, and telephone number and a check for twenty-five dollars (\$25) payable to New Leaf Service Contracts, LLC. The manufacturer's warranty may not be transferrable. This **Agreement** does not replace the manufacturer's warranty and provides no coverage therein, except as noted above.
- C. **Territories:** The **Agreement** territory is limited to the United States of America, including the District of Columbia, only. It does not include Canadian or U.S. Territories including Guam, Puerto Rico, or U.S. Virgin Islands.
- D. **Subrogation:** If **We** pay for a loss, **We** may require **You** to assign **Us Your** rights of recovery against others. **We** will not pay for a loss if **You** impair these rights to recover. **Your** rights to recover from others may not be waived. **You** will be made whole before **We** retain any amount **We** may recover.
- E. **Arbitration:** In the event of a disagreement between **You** and **Us** concerning costs, either party may make a written demand for arbitration. This must be done within sixty (60) days after the day **You** filed **Your** claim. Each party will select an arbitrator. The two (2) arbitrators will select an umpire. Each party will pay the expenses of the respective arbitrator selected. The expenses of the umpire will be shared equally. Unless both parties agree otherwise, arbitration will take place in the county and state in which **You** live. Local rules will apply. A majority decision will be binding.
- F. **Cancellation:** **You** may cancel this **Agreement** for any reason at any time. If **You** cancel **Your Agreement** within thirty (30) days of receipt of **Your Agreement** **You** must return to the **Selling Retailer** for a full refund. If **You** cancel after thirty (30) days of receipt of **Your Agreement**, **You** must first return to the **Selling Retailer** or to the **Obligor** should the **Selling Retailer** not be available, and **You** will receive a pro-rata refund based on the time expired less a twenty-five dollar (\$25) cancellation fee, or ten percent (10%) of the purchase price (whichever is less), less the cost of claims paid. **We** may not cancel this **Agreement** except for fraud, material misrepresentation, or non-payment by **You**, or if required to do so by a regulatory authority. Notice of such cancellation will be in writing and given at least thirty (30) days prior to cancellation. If **We** cancel, the return premium is based upon one hundred percent (100%) of the unearned pro-rata premium.
- G. **Entire Agreement:** This is the entire Service **Agreement** between the parties, and no representation, promise or condition not contained herein shall modify these items.

V. INSURANCE

THE OBLIGOR UNDER THIS AGREEMENT IS INSURED BY "LYNDON SOUTHERN INSURANCE COMPANY", 10151 DEERWOOD PARK BLVD, BLDG. 100, SUITE 500, JACKSONVILLE, FL 32256 (800) 888-2738, EXCEPT IN GEORGIA WHERE THE OBLIGOR IS INSURED BY "INSURANCE COMPANY OF THE SOUTH", 10151 DEERWOOD PARK BLVD., BLDG. 100, SUITE 500, JACKSONVILLE, FL 32256 (800) 888-2738, EXCEPT IN CALIFORNIA WHERE THE OBLIGOR IS INSURED BY "RESPONSE INDEMNITY COMPANY OF CALIFORNIA", 10151 DEERWOOD PARK BLVD., BLDG. 100, SUITE 500, JACKSONVILLE, FL 32256 (800) 888-2738, AND EXCEPT IN NEW YORK, RHODE ISLAND, WASHINGTON AND WISCONSIN WHERE THE OBLIGOR IS INSURED BY "DEALERS ASSURANCE COMPANY", 240 N. FIFTH STREET, SUITE 350, COLUMBUS, OH 43215, (800) 282-8913. IF THE ADMINISTRATOR FAILS TO PROVIDE SERVICE OR PAY A CLAIM WITHIN SIXTY (60) DAYS YOU MAY SUBMIT YOUR CLAIM DIRECTLY TO THE INSURER AT THE ABOVE ADDRESS.

VI. STATE REQUIREMENTS AND DISCLOSURES

THIS AGREEMENT IS AMENDED TO COMPLY WITH THE FOLLOWING REQUIREMENTS AND DISCLOSURES.

Alabama: CANCELLATION section is amended as follows: A ten percent (10%) penalty per month shall be applied to refunds not paid or credited within thirty (30) days of receipt of returned Service **Agreement**.

Arizona: In the "WHAT IS NOT COVERED" section of this **Agreement**, exclusion (D) is removed. CANCELLATION section is amended as follows: No claim incurred or paid will be deducted from the amount to be returned in the event of cancellation. Arbitration does not preclude the consumer's right to file a complaint with the Arizona Department of Insurance Consumer Affairs Division, (800) 325-2548.

Arkansas: CANCELLATION section is amended as follows: A ten percent (10%) penalty per month shall be applied to refunds not paid or credited within thirty (30) days of receipt of returned Service **Agreement**.

California: For residents of California, the Administrator of this Agreement is 4warranty Corporation 10151 Deerwood Park Blvd., Bldg. 100, Suite 500, Jacksonville, Florida 32256. CANCELLATION section is amended as follows: A ten percent (10%) penalty per month shall be applied to refunds not paid or credited within thirty (30) days of receipt of returned Service **Agreement**. Arbitration provision does not prohibit a California resident from following the process to resolve complaints as outlined by the California Bureau of Electronic and Appliance Repair (BEAR). To learn more about this process, **You** may contact BEAR at 1-800-952-5210, or **You** may write to Department of Consumer Affairs, 4244 S. Market Court, Suite D, Sacramento, CA 95834, or **You** may visit their website at www.bear.ca.gov. Informal dispute resolution is not available.

Colorado: CANCELLATION section is amended as follows: A ten percent (10%) penalty per month shall be applied to refunds not paid or credited within forty-five (45) days of receipt of returned Service **Agreement**.

Connecticut: If **You** purchased this **Agreement** in Connecticut, **You** may pursue arbitration to settle disputes between **You** and the provider of this **Agreement**. **You** may mail **Your** complaint to: State of Connecticut, Insurance Department, P.O. Box 816, Hartford, Connecticut 06142-0816, Attention: Consumer Affairs. The written complaint must describe the dispute, identify the price of the product and cost of repair, and include a copy of this **Agreement**. CANCELLATION section is amended as follows: **You** may cancel this **Agreement** if **You** return the Product or the Product is sold, lost, stolen, or destroyed.

Florida: The rate charged for this service contract is not subject to regulation by the Florida Office of Insurance Regulation. ARBITRATION section of this **Agreement** is removed.

Georgia: Coverage is effective upon the expiration of the shortest portion of the manufacturer's warranty. In the "WHAT IS NOT COVERED" section of this **Agreement**, exclusion (E) is removed and replaced with: Any and all pre-existing conditions known by **You** that occur prior to the effective date of this **Agreement** and/or any sold "AS-IS" including but not limited to floor models, demonstration models, etc. CANCELLATION section is amended as follows: If **You** cancel after thirty (30) days of receipt of **Your Agreement**, **You** will receive a pro rata refund of the **Agreement** price. In the event of cancellation by **Us**, notice of such cancellation will be in writing and given at least thirty (30) days prior to cancellation. Cancellation will comply with Section 33-24-44 of the Code of Georgia. Claims paid and cancellation fees shall not be deducted from any refund owed as a result of cancellation. Any refund owed and not paid as required is subject to a penalty equal to twenty-five percent (25%) of the refund owed and interest of eighteen percent (18%) per year until paid; however, such penalty shall not exceed fifty percent (50%) of the amount of the refund. **We** may not

cancel this **Agreement** except for fraud, material misrepresentation, or non-payment by **You**. ARBITRATION section of this **Agreement** is removed.

Hawaii: CANCELLATION section is amended as follows: A ten percent (10%) penalty per month shall be applied to refunds not paid or credited within thirty (30) days of receipt of returned Service **Agreement**.

Iowa: CANCELLATION section is amended as follows: A ten percent (10%) penalty per month shall be applied to refunds not paid or credited within thirty (30) days of receipt of returned Service **Agreement**.

Maine: CANCELLATION section is amended as follows: The provider of the **Agreement** shall mail a written notice to the Service **Agreement** Holder at the last known address of the Service **Agreement** Holder contained in the records of the provider at least fifteen (15) days prior to cancellation by the provider. The notice must state the effective date of the cancellation and the reason for the cancellation. If a **Agreement** is cancelled by the provider for a reason other than nonpayment of the provider fee, the provider shall refund to the Service **Agreement** Holder one hundred percent (100%) of the unearned pro-rata provider fee, less any claims paid. An administrative fee not to exceed ten percent (10%) of the provider fee paid by the Service **Agreement** Holder may be charged by the provider. A monthly penalty equal to ten percent (10%) of the outstanding provider fee outstanding must be added to a refund that is not paid or credited within forty-five (45) days after the return of the **Agreement** to the provider.

Maryland: CANCELLATION section is amended as follows: A ten percent (10%) penalty per month shall be applied to refunds not paid or credited within thirty (30) days of receipt of returned Service **Agreement**.

Massachusetts: CANCELLATION section is amended as follows: The provider shall mail a written notice to the Service **Agreement** Holder, including the effective date of the cancellation and the reason for the cancellation at the last known address of the Service **Agreement** Holder contained in the records of the provider at least five (5) days prior to cancellation by the provider unless the reason for cancellation is nonpayment of the provider fee, material misrepresentation or a substantial breach of duties by the Service **Agreement** Holder relating to the **Covered Product** or its use. A ten percent (10%) penalty per month shall be applied to refunds not paid or credited within thirty (30) days of receipt of returned Service **Agreement**.

Michigan: If performance under this **Agreement** is interrupted because of a strike or work stoppage at **Our** place of business, the effective period of the **Agreement** shall be extended for the period of the strike or work stoppage.

Minnesota: CANCELLATION section is amended as follows: A ten percent (10%) penalty per month shall be applied to refunds not paid or credited within thirty (30) days of receipt of returned Service **Agreement**.

Mississippi: ARBITRATION section of this **Agreement** is removed.

Missouri: CANCELLATION section is amended as follows: A ten percent (10%) penalty per month shall be applied to refunds not paid or credited within thirty (30) days of receipt of returned Service **Agreement**.

Nevada: CANCELLATION section is amended as follows: No claim incurred or paid will be deducted from the amount to be returned in the event of cancellation. **We** may not cancel this **Agreement** without providing **You** with written notice at least fifteen (15) days prior to the effective date of cancellation. Such notice shall include the effective date of cancellation and the reason for cancellation. A ten percent (10%) penalty per month shall be applied to refunds not paid or credited within thirty (30) days of receipt of returned Service **Agreement**. ARBITRATION section of this **Agreement** is removed.

New Hampshire: In the event **You** do not receive satisfaction under this **Agreement**, **You** may contact the New Hampshire Insurance Department, 21 South Fruit Street, Concord, NH 03301, (603) 271-2261. ARBITRATION section of this **Agreement** is removed.

New Jersey: CANCELLATION section is amended as follows: A ten percent (10%) penalty per month shall be applied to refunds not paid or credited within thirty (30) days of receipt of returned Service **Agreement**.

New Mexico: CANCELLATION section is amended as follows: **We** may not cancel this **Agreement** without providing **You** with written notice at least fifteen (15) days prior to the effective date of cancellation. Such notice shall include the effective date of cancellation and the reason for cancellation. If this **Agreement** has been in force for a period of seventy (70) days, **We** may not cancel it before the expiration of the **Agreement** term or one (1) year, whichever occurs first, unless: 1) **You** fail to pay any amount due; 2) **You** are convicted of a crime which results in an increase in the service required under the **Agreement**; 3) **You** engage in fraud or material misrepresentation in obtaining this **Agreement**; or 4) **You** commit any act, omission, or violation of any terms of this **Agreement** after the effective date of this **Agreement** which substantially and materially increases the service required under this **Agreement**. A ten percent (10%) penalty per month shall be applied to refunds not paid or credited within sixty (60) days of receipt of a returned **Agreement**.

New York: CANCELLATION section is amended as follows: A ten percent (10%) penalty per month shall be applied to refunds not paid or credited within thirty (30) days of receipt of returned Service **Agreement**.

North Carolina: CANCELLATION section is amended as follows: **We** may not cancel this **Agreement** except for nonpayment by **You** or for violation of any of the terms and conditions of this **Agreement**.

Oklahoma: This **Agreement** is not issued by the manufacturer or wholesale company marketing the product covered by this **Agreement**. This **Agreement** will not be honored by such manufacturer or wholesale company. Oklahoma service warranty Statutes do not apply to commercial use references in service warranty contracts. Coverage afforded under this contract is not guaranteed by the Oklahoma Insurance Guaranty Association. CANCELLATION section is amended as follows: In the event **You** cancel this **Agreement**, return of premium shall be based upon ninety percent (90%) of the unearned pro rata premium. In the event **We** cancel this **Agreement**, return of premium shall be based upon one hundred percent (100%) of unearned pro rata premium. Arbitration does not preclude **Your** right to a judicial review. If **Agreement** by arbitration is not reached within three months from the date of the demand for arbitration, **You** retain the right to sue the tortfeasor.

Oregon: Upon failure of the **Obligor** to perform under the **Agreement**, the insurer shall pay on behalf of the **Obligor** any sums the **Obligor** is legally obligated to pay and any service that the **Obligor** is legally obligated to perform. Termination of the reimbursement policy shall not occur until a notice of termination has been mailed or delivered to the Director of the Department of Consumer and Business Services. This notice must be mailed or delivered at least 30 days prior to the date of termination. CANCELLATION section is amended as follows: **You**, the Service **Agreement** Holder may apply for reimbursement directly to the insurer if a refund or credit is not paid before the 46th day after the date on which **Your Agreement** is returned to the provider. ARBITRATION section of this **Agreement** is removed.

South Carolina: If **You** purchased this **Agreement** in South Carolina, complaints or questions about this **Agreement** may be directed to the South Carolina Department of Insurance, P.O. Box 100105, Columbia, South Carolina 29202-3105, telephone number 803-737-6180. CANCELLATION section is amended as follows: A ten percent (10%) penalty per month shall be applied to refunds not paid or credited within thirty (30) days of receipt of returned Service **Agreement**.

Texas: If **You** purchased this **Agreement** in Texas, unresolved complaints or questions concerning the regulations of service contracts may be addressed to the Texas Department of Licensing and Regulation, P.O. Box 12157, Austin, Texas 78711, telephone number (512) 463-2906 or (800) 803-9202. Obligor: 4warranty Corporation, 10151 Deerwood Park, Bldg. 100, Suite 500, Jacksonville Florida 32256 (800-867-2216) Lic #275. CANCELLATION section is amended as follows: **You**, the Service **Agreement** Holder may apply for reimbursement directly to the insurer if a refund or credit is not paid before the 46th day after the date on which **Your Agreement** is returned to the provider.

Utah: This **Agreement** is subject to limited regulation by the Utah Insurance Department. To file a complaint, contact the Utah Insurance Department. Coverage afforded under this **Agreement** is not guaranteed by the Utah Property and Casualty Guaranty Association. Proof of loss should be furnished by **You** to the Administrator as soon as reasonably possible. Failure to furnish such notice or proof within the time required by this **Agreement** does not invalidate or reduce a claim. CANCELLATION section is amended as follows: **We** can cancel this **Agreement** during the first sixty (60) days of the initial annual term by mailing to **You** a notice of

cancellation at least thirty (30) days prior to the effective date of cancellation except that **We** can also cancel this **Agreement** during such time period for non-payment of premium by mailing **You** a notice of cancellation at least ten (10) days prior to the effective date of cancellation. After sixty (60) days have elapsed, **We** may cancel this **Agreement** by mailing a cancellation notice to **You** at least ten (10) days prior to the cancellation date for non-payment of premium and thirty (30) days prior to the cancellation date for any of the following reasons: (a) material misrepresentation, (b) substantial change in the risk assumed, unless the **We** should reasonably have foreseen the change or contemplated the risk when entering into the **Agreement** or (c) substantial breaches of contractual duties, conditions, or warranties. The notice of cancellation must be in writing to **You** at **Your** last known address and contain all of the following: (1) the **Agreement** number, (2) the date of notice, (3) the effective date of the cancellation and, (4) a detailed explanation of the reason for cancellation.

Any matter in dispute between **You** and the company may be subject to arbitration as an alternative to court action pursuant to the rules of (the American Arbitration Association or other recognized arbitrator), a copy of which is available on request from the company. Any decision reached by arbitration shall be binding upon both **You** and the company. The arbitration award may include attorney's fees if allowed by state law and may be entered as a judgment in any court of proper jurisdiction.

Washington: A ten percent (10%) penalty per month shall be applied to refunds not paid or credited within thirty (30) days of receipt of returned service agreement. **We** may not cancel this Agreement without providing **You** with written notice at least twenty-one (21) days prior to the effective date of cancellation. Such notice shall include the effective date of cancellation and the reason for cancellation. **You** are not required to wait sixty (60) days before filing a claim directly with the insurer. ARBITRATION section is amended to add the following: The Insurance Commissioner of Washington is the Service Provider's attorney to receive service of process in any action, suit or proceeding in any court, and the state of Washington has jurisdiction of any civil action in connection with this **Agreement**. Arbitration proceedings shall be held at a location in closest proximity to the service **Agreement** holder's permanent residence. **You** may file a direct claim with the insurance company at any time.

Wisconsin: ARBITRATION section of this **Agreement** is removed. CANCELLATION section is amended as follows: Claims paid or the cost of repairs performed shall not be deducted from the amount to be refunded upon cancellation of this **Agreement**. In the "WHAT IS NOT COVERED" section of this **Agreement**, exclusion (L) and the "unauthorized repairs and/or parts" exclusion is removed. **THIS CONTRACT IS SUBJECT TO LIMITED REGULATION BY THE OFFICE OF THE COMMISSIONER.** Proof of loss should be furnished by **You** to the Administrator as soon as reasonably possible and within one (1) year after the time required by this **Agreement**. Failure to furnish such notice or proof within the time required by this **Agreement** does not invalidate or reduce a claim. A ten percent (10%) penalty per month shall be applied to refunds not paid or credited within forty-five (45) days of receipt of returned Service **Agreement**. If **Administrator** fails to provide, or reimburse or pay for, a service that is covered under this **Agreement** within sixty-one (61) days after **You** provide proof of loss, or if the **Administrator** becomes insolvent or otherwise financially impaired, **You** may file a claim directly with the Insurer for reimbursement, payment, or provision of the service.

Wyoming: CANCELLATION section is amended as follows: A ten percent (10%) penalty per month shall be applied to refunds not paid or credited within thirty (30) days of receipt of returned Service **Agreement**. ARBITRATION section of this **Agreement** is removed.