

**SERVICE AGREEMENT**  
**4WC-BADCOCK ALLPROD (07/2021)**

**This Agreement is not a Contract of Insurance or a Warranty subject to the Federal Magnuson-Moss Act**

**PLEASE READ THIS AGREEMENT CAREFULLY**, as it describes the protection **You** will receive in return for **Your** payment of the purchase price of this **Agreement** and it contains a **Dispute Resolution/Arbitration Agreement and Class Action Waiver**. **You** must keep this **Agreement**, **Your** sales invoice and receipt from the **Selling Retailer** for the product(s) **You** purchased, as **You** may be required to produce them to obtain service and coverage under this **Agreement**. **You** must maintain **Your Covered Product**, according to recommendations or requirements, if any, of the manufacturer's warranty or the **Selling Retailer**. Refer to **Your** sales invoice or receipt to determine the term of this **Agreement**. **You** acknowledge **Your** understanding of the Limited Applicability of the Federal Magnuson-Moss Warranty Act as set out below in this **Agreement**.

**NOTICES: (1) THE PURCHASE OF THIS AGREEMENT IS NOT REQUIRED TO EITHER PURCHASE YOUR COVERED PRODUCT OR TO OBTAIN FINANCING; (2) THIS AGREEMENT DOES NOT REPLACE NOR EXTEND THE MANUFACTURER'S WARRANTY OR SELLING RETAILER'S LIMITED PRODUCT WARRANTY, IF ANY, ON YOUR COVERED PRODUCT.**

**I. DEFINITIONS:**

- (1) **"Accidental Damage From Handling (ADH)":** A single, unexpected, sudden, and unintentional event and does not include accumulated damage from continual or multiple events.
- (2) **"Administrator":** LOT Solutions, Inc., 10751 Deerwood Park Blvd., Suite 200, Jacksonville, FL 32256 (888-202-5518).
- (3) **"Covered Product":** Only the consumer product(s) with respect to which **You** purchased this Agreement, as listed on **Your** sales invoice or receipt from the **Selling Retailer**.
- (4) **"Mechanical/Electrical Breakdown":** An operational, mechanical, or electrical failure due to a defect in materials or workmanship, normal wear and tear, or caused by a direct result of a power surge.
- (5) **"Selling Retailer":** The entity selling the **Covered Product** and this **Agreement** as defined on **Your** sales invoice or receipt.
- (6) **"Term":** The **Term** of this **Agreement** commences upon the date of delivery of the **Covered Product** and continues for a period indicated on **Your** sales invoice or receipt from the **Selling Retailer** or when the Limit of Coverage Liability is reached or the **Covered Product** is replaced, whichever occurs first. 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, for this loss, until covered repair has been completed.
- (7) **"We", "Us", "Our", "Obligor", "Provider" and "Service Provider":** The company obligated under this **Agreement**, **4Warranty Corporation**, 10751 Deerwood Park Blvd., Suite 200, Jacksonville, FL 32256 (888-202-5518), in all states except in Florida where it is **Lyndon Southern Insurance Company**, 10751 Deerwood Park Blvd., Suite 200, Jacksonville, FL 32256 (800) 888-2738, Florida License No. 03698.
- (8) **"You", "Your", "Service Agreement Holder" and "Agreement Holder":** The purchaser of the **Covered Product(s)**.

**II. COVERAGES:** Coverage for some benefits under this **Agreement** begin on the date of delivery of the **Covered Product**; all other coverage begins upon the expiration of the shortest portion of the manufacturer's warranty or the **Selling Retailer's** limited product warranty. This **Agreement** is inclusive of the manufacturer's warranty or the **Selling Retailer's** limited product warranty, it does not replace the manufacturer's warranty or the **Selling Retailer's** limited product warranty but provides certain additional benefits during the term of the manufacturer's warranty or the **Selling Retailer's** limited product warranty. After the manufacturer's warranty or the **Selling Retailer's** limited product warranty expires, the **Agreement** continues to provide some of the manufacturer's or the **Selling Retailer's** benefits as well as certain additional benefits listed within this **Agreement's** terms and conditions. Refer to **Your** sales invoice or receipt for the purchase of this **Agreement** to determine the term of this **Agreement**, whether **You** purchased a Replacement or Repair Plan. This **Agreement** does not cover repair or replacement of **Your Covered Product** for any of the causes or provide coverage for any losses set forth below in section - **"EXCLUSIONS – WHAT IS NOT COVERED"**.

**WHAT IS COVERED:**

**A. For Furniture:** We will cover only the following defects or damage to **Your Covered Product**:

**Manufacturer Defects - coverage begins upon the expiration of the shortest portion of the manufacturer's warranty or the Selling Retailer's limited product warranty:**

- (1) Checking, cracking or peeling of the finish on solid wood, wood veneered or wood laminated furniture;
- (2) Warping, cracking, breaking or separation of frame and frame components such as braces, legs, panels, trim and base molding, drawers and drawer guides, leaf and leaf tracks, tension supports, arms, aprons, pedestal and trestle base and legs, spindles and beams (except faux stone, marble and granite);
- (3) The breaking or bending of mechanisms, springs and coils; and
- (4) Failure of electrical components including clocks, motors and hydraulics.

**Stains - coverage begins on the date of delivery of the Covered Product:**

- (1) Accidental stains, except as noted in **"EXCLUSIONS – WHAT IS NOT COVERED"**, to area rugs, fabric, vinyl or leather (except nubuck, suede and buffed leather) and umbrellas as a result of normal spills from food and beverage and human or pet biological stains (except perspiration and hair and body oils); ball point pen ink, nail polish caused by a single incident.

**Accidental Damage - coverage begins on the date of delivery of the Covered Product:**

- (1) Accidental Punctures or rips to fabric, leather, wicker or vinyl from external causes caused by a single incident;
- (2) Accidental Chipping or gouges to wood and other case good surfaces (except faux stone, marble or granite) that penetrate the finish exposing the substrate caused by a single incident;
- (3) Accidental breakage and loss of silvering to mirrors; accidental breakage of glass caused by a single incident; accidental breakage of lamps (excluding bulbs);
- (4) Minor burn marks from a single incident caused solely by cigarette, cigar or a tobacco pipe;
- (5) Liquid marks or rings to wood, wood veneered, or wood laminate surfaces caused from household food and beverages, caused by a single incident;
- (6) Heat marks on solid wood, wood veneered and wood laminate surfaces from normal household items, caused by a single incident. Heat marks means the discoloration, blistering or bubbling of the wood finish due to heat, and does not include char, scorch or singe marks; and
- (7) One-time breakage of umbrella or umbrella mechanism.

We do not guarantee color match on fabric, leather, vinyl or wood finishes.

**B. For Adjustable Bed Power Base - coverage begins on the date of delivery of the Covered Product:** This **Agreement** covers only the Adjustable Bed Power Base. During the term of this **Agreement**, We will only pay:

- (1) The cost of labor to repair or replace the powerbase lifting and lowering mechanism; and
- (2) The cost of labor and parts to repair or replace only the electrical components of the powerbase including the lift (drive) motor, massage motor (if applicable), AC/DC transformer (if applicable), remote control and receiver, junction box, power-down box and accessories (including lights, USB ports and built-in speakers) when required due to a mechanical or electrical breakdown including those experienced during normal wear and tear.

C. **For Appliances, Electronics and Lawn & Garden Equipment - coverage begins upon the expiration of the shortest portion of the manufacturer's warranty or the Selling Retailer's limited product warranty:** In the event of a **Mechanical or Electrical Breakdown** of the **Covered Product(s)**, this **Agreement** provides for the labor and/or parts necessary to repair **Your Covered Product**, or at **Our** sole discretion, a replacement for **Your** original **Covered Product**. In order to be eligible for coverage under this **Agreement**, the **Covered Product** must:

- (1) Be purchased as a new or factory-refurbished, manufactured for use in the United States, and come with a valid U.S. manufacturer's warranty at time of purchase;
- (2) Be solely intended for routine personal/residential use and NOT in a heavy commercial, industrial, rental or educational institution; and
- (3) NOT be covered under any insurance, warranty, guarantee and/or service agreement providing the same benefits as outlined herein.

D. **For All Other Products - coverage begins on the date of delivery of the Covered Product:** This **Agreement** provides coverage for parts and labor costs to repair or replace **Your Covered Product** where the problem is the result of a **Mechanical or Electrical Breakdown** caused by:

- (1) Normal wear and tear; and
- (2) Defects in materials or workmanship.

Parts will be replaced at **Our** option with those of like kind and quality as determined by **Us** and may be new or remanufactured. If the **Covered Product** (1) cannot be repaired, (2) if the cost of the repair exceeds the original purchase price of the **Covered Product**, or (3) if the parts are no longer available or are discontinued by the manufacturer, **Your** affected item will be replaced with a product of similar features as determined by **Us**, not to exceed the purchase price of the **Covered Product**, excluding sales tax, delivery and installation costs. YOU ARE RESPONSIBLE FOR ANY SALES TAX, DELIVERY AND INSTALLATION COSTS ASSOCIATED WITH A REPLACEMENT ITEM.

- (1) **ACCIDENTAL DAMAGE FROM HANDLING ("ADH") - coverage begins on the date of delivery of the Covered Product:** If **You** purchased an **Agreement** that includes **ADH Coverage**, **Your Covered Product** is protected against **ADH** per the product specific details below based on the **Term** length selected. **ADH** only covers operational or mechanical failure caused by **ADH** 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 "EXCLUSIONS – WHAT IS NOT COVERED" section of this **Agreement**. Any resultant damage from the type of treatment referred to in Section – **EXCLUSIONS – WHAT IS NOT COVERED** is NOT covered by this **Agreement**. 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. Failure to provide this information may result in claim denial. **ADH** coverage is limited to one (1) repair or replacement during the **Term** of this **Agreement**.
- (2) **SURGE PROTECTION - coverage begins on the date of delivery of the Covered Product:** This **Agreement** provides coverage for a **Mechanical or Electrical Breakdown** of **Your Covered Product** resulting from a power surge.
- (3) **FOOD LOSS (for refrigerator/freezer Covered Products ONLY) - coverage begins on the date of delivery of the Covered Product:** Coverage under this **Agreement** includes reimbursement for food loss of perishable items that require refrigeration or freezing resulting from a covered claim for **Your Covered Product**. Benefits are limited to a maximum of \$200 per covered service repair.
- (4) **LAUNDRY/CLEANING SERVICES (for clothes washer/clothes dryer Covered Products ONLY) - coverage begins on the date of delivery of the Covered Product:** Coverage includes reimbursement of laundry expenses in the event **Your Covered Product** is determined by **Us** to be rendered inoperable for more than seven (7) consecutive days of **Our** authorized servicer's initial on-site visit. This benefit is limited to a maximum reimbursement amount of twenty-five dollars (\$25.00) per covered claim. Proof of payment for the laundry expenses is required.
- (5) **LIMIT OF COVERAGE LIABILITY:** Our Limit of Coverage Liability for **Your Covered Product** under this **Agreement** is the cost of authorized repairs, or replacement as determined by **Us**, with a product of similar features, provided however, in no event will **Our** total liability for repairs or replacement 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.
- (6) **NO LEMON POLICY:** During the term of this **Agreement**, and subject to Our Limit of Coverage Liability, after three (3) service repairs have been completed on the same component of an individual **Covered Product** and that **Covered Product** component 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 Coverage Liability. If **We** replace **Your Covered Product** or pay **You** the remaining Limit of Coverage Liability, there is no longer any obligation for the replaced product under this **Agreement**.
- (7) **HOW TO GET SERVICE:** You must contact the **Administrator** for the appropriate authorized service center.
  - Call the toll-free number at (888) 202-5518 between the hours of 8:00 AM and 5:00 PM eastern standard time or go online to [www.4repairs.net](http://www.4repairs.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, a fuse blown, or circuit breaker tripped 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.
  - **EMERGENCY SERVICE:** Emergency Service is available for the following items **ONLY**: REFRIGERATORS; FREEZERS; HUMIDIFIERS; DEHUMIDIFIERS; AIR CONDITIONERS; HEATERS/FURNACES; MICROWAVE OVENS (ONLY IF A CONVENTIONAL OVEN IS NOT AVAILABLE); CONVENTIONAL OVEN (ONLY IF A MICROWAVE OVEN IS NOT AVAILABLE). If after 5:00 PM Eastern Time, **You** require service, **You** may contact any manufacturer authorized service repair facility listed online or in Your local phone book. Mail **Administrator** **Your** original repair bill and a copy of this **Agreement** for reimbursement. **ALL COVERAGES AND EXCLUSIONS IN THIS AGREEMENT WILL APPLY.**
  - **We** would like to contact **You** regarding the status and progress of **Your** claim via an email or text message. During **Your** initial claim contact the **Administrator**, **You** will be asked to confirm **Your** acceptance of receiving email or text messages. **You** can opt-out of receiving an email or text message at any time by contacting the **Administrator** at [badcock@fortegra.com](mailto:badcock@fortegra.com) or (888-202-5518) or "Text STOP to end."
- (8) **SERVICE DELIVERABLES:** **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.
  - **In-Home/On-Site:** Service will be performed in **Your** home or On-Site. 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.

- **Depot:** Administrator will provide You with a prepaid shipping label for You to ship Your failed product to Our repair facility. Your Covered Product must be properly protected with bubble wrap or other protective materials. We are not responsible for and have no liability for product damaged in shipping. Your repaired product will be mailed back to You at no charge.
- **Reimbursement:** If We are reimbursing You for rental expense or accidental damage, 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 904-215-8017 Administrator 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.

III. **EXCLUSIONS - WHAT IS NOT COVERED:** (A) Products not originally covered by a manufacturer's warranty; (B) Product repairs that should be covered by the manufacturer's warranty or Selling Retailer's limited product warranty or are a result of a recall, regardless of the manufacturer's ability to pay for such repairs; (C) Cleaning; Periodic checkups; preventive maintenance; (D) Any and all pre-existing conditions that occur prior to the effective date of this Agreement; (E) Parts or repairs due to normal wear and tear unless tied to a Mechanical or Electrical Breakdown, and items normally designed to be periodically replaced by You during the life of the Covered Product, including but not limited to batteries, light bulbs, etc.; (F) Damage from 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; (G) Loss or damage caused by war; invasion; act of foreign enemy; hostilities; civil war; rebellion; riot; strike; labor disturbance; lockout; or civil commotion; (H) 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; (I) Any product used in a commercial setting or rental basis; (J) Non-functional or aesthetic parts including but not limited to frames, cabinets, doors, hinges, plastic parts, knobs, rollers, baskets; scratches, peeling & dents; (K) Unauthorized repairs and/or parts; (L) Cost of installation, setup, diagnostic charges, removal or reinstallation of the Covered Product, except as provided herein; (M) Accessories used in conjunction with a Covered Product including remote controls (except for Adjustable Bed Power Base Plans, remote controls are covered); (N) Any other loss other than a covered Mechanical or Electrical Breakdown; (O) Service where no problem can be found; noises; squeaks; Mechanical or Electrical Breakdowns which are not reported during the term of this Agreement;

- **Specific to Furniture – Manufacturer Defects:** In addition to any applicable exclusions listed above, We do not cover damage caused by or due to (1) Natural grains and/or markings on wood and/or leather, including but not limited to scars, insect bites, brand marks, embossing, wrinkles; stress tears; split leathers used in seat cushions, back cushions or top inside arm areas; suede, buffed or nubuck leathers; cracking, peeling or scaling of leather, wicker and vinyl; (2) Except as noted in "WHAT IS COVERED", Fabric; tears and wear-through, punctures, scratches, dents, burns, dirt, or color-fading or discoloration; zippers; (3) Shrinkage from cleaning; (4) Rust or corrosion.
- **Specific to Furniture – Stains & Accidental Damage:** In addition to any applicable exclusions listed above, We do not cover damage caused by or due to (1) Stains or damage resulting from dye; bleach, paint, acid or corrosive products; nail polish remover; crayon, permanent marker, chewing gum; accumulation and buildup of stains and soil over time, including darkened areas where the body comes into contact with the upholstery; perspiration and body or hair oils; fading, soiling or damage caused by pets (other than bodily fluids); stain or damage from use of cleaning products not approved by the manufacturer or Us; normal soiling; mold and mildew; stains of unknown origin; "X" coded and non-colorfast fabrics and leather; stains or damage to the material caused by the owner's failure to use reasonable caution and care to protect the Covered Product; and (2) Stains or damage occurring prior to and during delivery or setup of Your Covered Product, or when the Covered Product is in storage, or being moved into or out of storage, or being moved within or between residences; dye transfer; stains caused by medical incontinence; stains or damage caused by independent contractors or maintenance personnel; stains from leaks in appliances, sky lights or roof.
- **Specific to Furniture Products Designed for Outdoor Use:** In addition to any applicable exclusions listed above, We do not cover damage caused by or due to (1) Damage from power washing or exposure to salt or salt water; (2) pollen, tree sap and lotions; and (3) wicker fraying not caused by a single incident.
- **Specific to Adjustable Bed Power Base:** In addition to any applicable exclusions listed above, We do not cover damage caused by or due to (1) Mattresses, box springs, bed frame and frame components, bed rails, headboard and footboard or any other component not specifically listed as covered in "WHAT IS COVERED"; (2) Damage or breakdown caused by improper assembly or obstructions; service calls for educational purposes; programming remotes; failure of remote or powerbase to operate properly due to interference with radio or other signals; (3) retainer bars; (4) any claim related to ADH, unless the ADH optional coverage upgrade has been purchased as confirmed on Your sales invoice or receipt.
- **Specific to Appliances and Electronics:** In addition to any applicable exclusions listed above, We do not cover damage caused by or due to (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; (5) burned-in image in CRT, PLASMA, LCD or any other type of display; (6) defrost drain tubes; (7) any claim related to ADH, unless the ADH optional coverage upgrade has been purchased as confirmed on Your sales invoice or receipt.
- **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; 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 unless the ADH optional coverage upgrade has been purchased as confirmed on Your sales invoice or receipt; 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; (5) toner and ink cartridges; cables; (6) dropping; food and beverage spills for laptops/tablets unless the ADH optional coverage upgrade has been purchased as confirmed on Your sales invoice or receipt.
- **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 unless tied to a Mechanical or Electrical Breakdown; 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; (4) any claim related to ADH, unless the ADH optional coverage upgrade has been purchased as confirmed on Your sales invoice or receipt.

**IV. CONDITIONS:**

**RENEWAL:** This Agreement is not renewable.

**TRANSFERABILITY:** This Agreement is transferable at no charge by the original purchaser for the balance of the original Agreement term. The Covered Product may be registered by mailing information to the Administrator, including the Agreement number, date of new ownership, new owner's name, complete address, and telephone number.

**DEDUCTIBLE:** This Agreement has a \$0 deductible.

**TERRITORIES:** The Agreement territory is limited to the United States of America, including the District of Columbia, only. It does not include Mexico, Canada or U.S. Territories including but not limited to Guam, Puerto Rico, or U.S. Virgin Islands.

**SUBROGATION:** If We pay or render service for a loss, We may require You to assign Us Your rights of recovery against others. We will not pay or render service 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, subject to the terms of this Agreement before We retain any amount We may recover.

**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 return to the Selling Retailer for a pro-rata refund. 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 Agreement Purchase Price (whichever is less), less the cost of claims paid. Should the Selling Retailer not be available You should contact the Administrator. 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.

**LIMITED APPLICABILITY OF THE FEDERAL MAGNUSON MOSS WARRANTY ACT:** You agree and acknowledge that You have paid an additional fee for this Agreement that is separate and apart from the purchase price You paid for the Covered Product(s). Because of that separately stated consideration, You agree and acknowledge that this Agreement is not part of the basis of the bargain for Your purchase of the Covered Product(s). You further agree and acknowledge that We, and the Administrator under this Agreement, are not the supplier of the Covered Product(s). Consequently, this Agreement is not a "written warranty" under the federal Magnuson Moss Warranty Act. As a result, this Agreement is not subject to the provisions of the Magnuson Moss Warranty Act that apply only to a "written warranty".

**LIMITATION OF LIABILITY:** THIS AGREEMENT SETS OUT THE FULL EXTENT OF OUR RESPONSIBILITIES. NEITHER THE OBLIGOR NOR THE ADMINISTRATOR SHALL BE LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF BUSINESS PROFITS, BUSINESS INTERRUPTION, EXPENSES ARISING OUT OF THIRD PARTY CLAIMS, LOSS OF USE OF THE COVERED PRODUCT, INCONVENIENCE, OR ANY OTHER LOSS), WHETHER OR NOT CAUSED BY OR RESULTING FROM BREACH OF CONTRACT, NEGLIGENCE, OR OTHER WRONGFUL ACT OR OMISSION, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. NEITHER THE OBLIGOR NOR THE ADMINISTRATOR AUTHORIZE ANY PERSON, ENTITY OR SELLING RETAILER TO CREATE FOR THEM ANY OTHER OBLIGATION OR LIABILITY IN CONNECTION WITH THIS AGREEMENT.

**PRIVACY POLICY:** It is Our policy to respect the privacy of Our customers. For information on Our privacy practices, please review Our privacy policy at [www.fortegra.com](http://www.fortegra.com).

**DISPUTE RESOLUTION/ARBITRATION AGREEMENT AND CLASS ACTION WAIVER:** PLEASE READ THIS DISPUTE RESOLUTION/ARBITRATION AGREEMENT AND CLASS ACTION WAIVER, INCLUDING THE OPT-OUT PROVISION, CAREFULLY TO UNDERSTAND YOUR RIGHTS. IT REQUIRES THAT CLAIMS (AS DEFINED BELOW) BE RESOLVED SOLELY THROUGH BINDING ARBITRATION ON AN INDIVIDUAL BASIS, RATHER THAN BY A JURY OR IN A CLASS ACTION.

Arbitration is a method of resolving any Claim without filing a lawsuit. In this Arbitration Agreement and Class Action Waiver (collectively including all of this section of this Agreement), You, We, and the Administrator (the "Parties") are agreeing to submit any and all Claims to binding arbitration on an individual basis for resolution. This Arbitration Agreement and Class Action Waiver sets forth the terms and conditions of our agreement to binding arbitration. The Parties agree that any and all claims, disputes and controversies arising under or related in any way to this Agreement, including but not limited to claims related to the underlying transaction giving rise to this Agreement, claims related to the sale or fulfillment of this Agreement, and claims against any third-party (including the Selling Retailer and/or any of its owners, shareholders, members, affiliates, subsidiaries, divisions, directors, officers, employees, representatives, successors, and assigns) arising under or related in any way to this Agreement or the underlying transaction or the sale or fulfillment of this Agreement (collectively, "Claims"), shall be resolved by final and binding arbitration. "Claims" shall be given the broadest meaning possible and includes, without limitation, Claims arising under contract, tort, statute, regulation, rule, ordinance or other rule of law or equity, and Claims against any of Our or the Administrator's owners, shareholders, members, affiliates, subsidiaries, divisions, directors, officers, employees, representatives, successors, or assigns. "Claims" does not include a claim for public injunctive relief brought under any California statute enacted for a public reason, provided that You are a California resident or purchased Your Service Contract in California. In arbitration, Claims are resolved by an arbitrator and not by a judge or jury. THE PARTIES, INCLUDING YOU, WAIVE ANY RIGHT TO HAVE CLAIMS DECIDED BY A JUDGE OR JURY. In addition, except as expressly stated in the Class Action Waiver or otherwise expressly stated herein, the arbitrator shall have exclusive authority to decide all issues related to the enforcement, applicability, scope, validity, and interpretation of this Arbitration Agreement, including but not limited to any unconscionability challenge or any other challenge that the Arbitration Agreement is void, voidable or otherwise invalid. Notwithstanding this agreement to arbitrate, each of the Parties retains the right to seek remedies in small claims court to resolve any Claim, on an individual basis, within the jurisdiction of small claims court. You acknowledge Your understanding that all Parties hereunder are waiving their rights to go to court, except for small claims court, to resolve any Claims arising under or related in any way to this Agreement.

The Parties agree and acknowledge that the transaction evidenced by this Agreement affects interstate commerce. The Parties further agree that all issues relating to this Arbitration Agreement and Class Action Waiver, including its enforcement, scope, validity, interpretation, and implementation, will be determined pursuant to federal substantive law and the substantive and procedural provisions of the Federal Arbitration Act ("Act"), 9 U.S.C. §§ 1-16. If federal substantive law holds that state law should apply to any issue relating to this Arbitration Agreement and Class Action Waiver, then the law of the state where You purchased the Agreement shall apply, without regards to conflicts of law.

**CLASS ACTION WAIVER.** All Claims must be brought solely in an individual capacity, and not as a plaintiff or class member in any purported class action, collective action, representative action, mass action, private attorney general action or action on behalf of the general public, or similar proceeding (any such action is referred to herein as a "Class Action"). NO CLAIM WILL BE ARBITRATED ON A CLASS ACTION BASIS. The Parties, including You, expressly waive any right or ability to bring, assert, maintain, or participate as a class member in any Class Action in court, arbitration, or any other forum, and the right for anyone to do so on Your behalf. The arbitrator may not consolidate more than one person or entity's claims, and may not otherwise preside over any Class Action. The arbitrator shall not have the authority to combine or aggregate multiple persons' or entities' Claims or discovery, to conduct a Class Action or to make an award to any person or entity not a party

to the arbitration. Notwithstanding anything to the contrary, the Parties agree that the enforcement, applicability, scope, validity, and/or interpretation of this Class Action Waiver shall be decided by a court of competent jurisdiction and not by an arbitrator. If this Class Action Waiver is ruled unenforceable or is interpreted to not prevent a Class Action, then the Arbitration Agreement shall be null and void, and any Claims shall proceed in a court of law and not in arbitration. The Parties agree that if an arbitrator renders a decision regarding the enforcement, applicability, scope, validity, and/or interpretation of this Class Action Waiver, or determines that a Class Action may proceed in arbitration, then: (1) the arbitrator has exceeded his powers, pursuant to §10(a)(4) of the FAA, by taking such action; (2) either party may seek immediate review of that decision by a court of competent jurisdiction; and (3) a court of competent jurisdiction shall apply a “de novo” standard of review of that decision if such standard of review is allowed by the common law or statutes of that state. The Parties, including You, agree that if for any reason a Claim proceeds to Court, rather than arbitration, (1) the Claim will proceed solely on an individual, non-class, non-representative basis, and (2) no Party may be a class representative or class member or otherwise participate in any Class Action.

The arbitration shall be administered by the American Arbitration Association (“AAA”). The arbitration shall be conducted pursuant to the AAA Consumer Arbitration Rules (the “Code”). Information on AAA and a copy of the Code may be found at the following number and URL: American Arbitration Association, (800) 778-7879, [www.adr.org](http://www.adr.org). The arbitration will be governed by federal substantive law and the substantive and procedural provisions of the Federal Arbitration Act (“Act”), 9 U.S.C. §§ 1-16. If federal substantive law holds that state law should apply to any issue relating to the arbitration, then the law of the state where You purchased the Agreement shall apply, without regards to conflicts of law. The arbitration will occur before a single, neutral arbitrator selected in accordance with the Code in effect at the time the arbitration is commenced. If Your total damage claims (not including attorney’s fees) do not exceed \$25,000, then all Claims shall be resolved by the Code’s Procedures for the Resolution of Disputes through Document Submission, except that a Party may ask for a hearing or the arbitrator may decide that a hearing is necessary. If a hearing is held, You have a right to attend the arbitration hearing in person, and You may choose to have any arbitration hearing held in the county in which You live, the closest AAA location to Your residence, or via telephone. In the event that the specified arbitration forum is unavailable, the Parties may agree on a substitute arbitration forum. If the Parties cannot agree, a court of competent jurisdiction may appoint a substitute arbitration forum. For information about how to initiate arbitration with the AAA, the Parties may refer to the AAA Code and forms at [www.adr.org](http://www.adr.org) or call (800) 778-7879. If You initiate arbitration with AAA, You must pay the AAA filing fee in an amount no greater than the fee You would have to pay if You filed a complaint in federal court. We will pay any remaining Costs of arbitration required by the Code (“Arbitration Costs”); however, if the arbitrator determines that any of your claims are frivolous, you shall bear all of the Arbitration Costs. If We initiate arbitration against You, We will pay the AAA filing fee and the Arbitration Costs. Each party will pay his/her/its own attorney’s fees, as well as costs relating to proof and witnesses, regardless of who prevails, unless applicable law and/or the Code gives a party the right to recover any of those fees from the other party. An arbitration award may not be set aside except upon the limited circumstances set forth in the Federal Arbitration Act. An award in arbitration will be enforceable under the Federal Arbitration Act by any court having jurisdiction. The time for commencing an arbitration asserting any Claim shall be determined by reference to the applicable statute(s) of limitations, including the applicable rules governing the commencement of the limitations period, and a Claim in arbitration is barred to the same extent it would be barred if it were asserted in court of law or equity rather than in arbitration.

If any portion of this Arbitration Agreement is deemed invalid or unenforceable, all the remaining portions of this Arbitration Agreement shall nevertheless remain valid and enforceable, provided, however, that if any portion of the Class Action Waiver is deemed invalid or unenforceable, then this Arbitration Agreement shall be invalidated and unenforceable in its entirety. In the event of a conflict or inconsistency between this Arbitration Agreement and Class Action Waiver and the other provisions of this Agreement or any other agreement, this Arbitration Agreement and Class Action Waiver governs.

**OPT-OUT PROVISION.** YOU SHALL HAVE THE RIGHT TO OPT OUT OF THIS ARBITRATION AGREEMENT AND CLASS ACTION WAIVER BY PROVIDING WRITTEN NOTICE OF YOUR INTENTION TO DO SO TO US WITHIN THIRTY (30) DAYS OF THE PURCHASE OF THIS AGREEMENT (THE DATE OF PURCHASE BEING INDICATED ON YOUR SALES ORDER AND RECEIPT FROM THE SELLING RETAILER). To opt out, You must send written notice to either: (1) 10751 Deerwood Park Blvd., Suite 200, Jacksonville, FL 32256, Attn: Legal or (2) [legal@fortegra.com](mailto:legal@fortegra.com), with the subject line, “Arbitration Opt Out.” You must include in Your opt out notice: (a) Your name and address; (b) the date You purchased Your Agreement; and (c) the Selling Retailer. If You properly and timely opt out, then all Claims will be resolved in court rather than arbitration.

**ENTIRE AGREEMENT:** This is the entire **Service Agreement** between the parties, and no representation, promise or condition not contained herein shall modify these items.

**INSURANCE:**

**4WARRANTY’S OBLIGATIONS TO PERFORM UNDER THIS AGREEMENT ARE INSURED BY LYNDON SOUTHERN INSURANCE COMPANY, 10751 DEERWOOD PARK BLVD., SUITE 200, JACKSONVILLE, FL 32256 (800) 888-2738, EXCEPT IN GEORGIA AND FLORIDA.**

**GEORGIA - THE OBLIGOR IS INSURED BY INSURANCE COMPANY OF THE SOUTH, 10751 DEERWOOD PARK BLVD., SUITE 200, JACKSONVILLE, FL 32256 (800) 888-2738.**

**IF THE OBLIGOR FAILS TO PAY AN AUTHORIZED CLAIM WITHIN SIXTY (60) DAYS, OR IF THE OBLIGOR BECOMES INSOLVENT OR CEASES TO CONDUCT BUSINESS DURING THE TERM OF THIS AGREEMENT, YOU MAY SUBMIT YOUR CLAIM DIRECTLY TO THE APPLICABLE INSURER AT THE ABOVE ADDRESS FOR CONSIDERATION**

**STATE REQUIREMENTS AND DISCLOSURES:**

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

**Florida:** This **Agreement** is between the **Provider**, Lyndon Southern Insurance Company (License No. 03698) and **You**, the purchaser. CANCELLATION section is amended as follows: If **You** cancel this **Agreement**, return of premium shall be based upon ninety percent (90%) of the unearned pro-rata premium less any claims that have been paid or less the cost of repairs made on **Your** behalf. If this **Agreement** is cancelled by the **Provider** or **Administrator**, return of premium shall be based upon one hundred percent (100%) of the unearned pro-rata premium less any claims that have been paid or less the cost of repairs made on **Your** behalf. **The rate charged for this service contract is not subject to regulation by the Florida Office of Insurance Regulation.** The **DISPUTE RESOLUTION/ARBITRATION AGREEMENT AND CLASS ACTION WAIVER** section is amended to add the following: Arbitration proceedings shall be conducted in the county in which the consumer resides.

**Georgia:** Coverage is effective upon the expiration of the shortest portion of the manufacturer’s warranty. CANCELLATION section is amended as follows: If **You** cancel the **Agreement** within thirty (30) days of the **Agreement** Purchase Date, and no claim has been made, **We** will refund **You** one hundred percent (100%) of the **Agreement** Purchase Price. After thirty (30) days, or if a claim has been made, **We** shall refund **You** one hundred percent (100%) of the unearned pro rata purchase price, less any claims paid, and less a cancellation fee not to exceed ten percent (10%) of the unearned pro rata purchase price. If **You** cancel this **Agreement** within thirty (30) days of the **Agreement** Purchase Date, a ten percent (10%) penalty per month shall be added to a refund that is not paid or credited within forty-five (45) days after the return of the **Agreement** to **Us**. **We** may cancel this **Agreement** for non-payment of the **Agreement** Purchase Price, material misrepresentation, or fraud. The notice of such cancellation shall be in writing and shall be sent no less than thirty (30) days before the effective date of such cancellation. The notice shall state the reason for, and effective date of, the cancellation. If **We** cancel this **Agreement**, **We** shall refund **You** one hundred percent (100%) of the unearned pro rata purchase price, less any claims paid, and less a cancellation fee not to exceed ten percent (10%) of the unearned pro rata purchase price.

**DISPUTE RESOLUTION/ARBITRATION AGREEMENT AND CLASS ACTION WAIVER** section of this **Agreement** is removed. The “EXCLUSIONS-WHAT IS NOT COVERED” section of this **Agreement** is amended as follows: Any and all pre-existing conditions known by **You** that occur prior to the effective date of this **Agreement**.

**Mississippi: IMPORTANT NOTICE ABOUT YOUR COVERAGE:**

1.) This **Agreement** includes a binding **DISPUTE RESOLUTION/ARBITRATION AGREEMENT AND CLASS ACTION WAIVER** agreement.

- 2.) The **DISPUTE RESOLUTION/ARBITRATION AGREEMENT AND CLASS ACTION WAIVER** agreement requires that any dispute related to **Your** coverage must be resolved by arbitration and not in a court of law.
- 3.) The results of the arbitration are final and binding on **You** and **Us**.
- 4.) In an arbitration, one or more arbitrators, who are independent, neutral decision makers, render a decision after hearing the positions of the parties.
- 5.) When **You** become an **Agreement Holder** under this **Agreement** **You** must resolve any dispute related to the **Agreement** by binding arbitration instead of a trial in court, including a trial by jury.
- 6.) Binding arbitration generally takes the place of resolving disputes by a judge and jury.
- 7.) Should **You** need additional information regarding the binding arbitration provision in the **Agreement**, **You** may contact **Our** toll-free assistance line at **(800) 867-2216**.

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

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

**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 will be applied to refunds not paid or credited within forty-five (45) days of receipt of returned **Service Agreement**.

**Virginia:** If any promise made in this **Agreement** has been denied or has not been honored within sixty (60) days after **Your** request, **You** may contact the Virginia Department of Agriculture and Consumer Services, Office of Charitable and Regulatory Programs at [www.vdacs.virginia.gov/food-extended-service-contract-providers.shtml](http://www.vdacs.virginia.gov/food-extended-service-contract-providers.shtml) to file a complaint.