

Extended Service Plan Terms and Conditions

This Service Plan is not a contract of Insurance. Unless otherwise regulated under state law, the contents of this Service Plan should be interpreted and understood within the meaning of a "service contract" in Public Law #93-637.

1. Parties

"You" and "Your" indicates the owner of the covered product ("Product") who purchased this Service Plan ("Service Plan"). "We," "Us," and "Our" indicate the obligor ("Obligor") of this Service Plan. The Obligor of this Service Plan in all states is Federal Warranty Service Corporation, P.O. Box 105689, Atlanta, GA 30348-5689, 1-866-368-6478, except in California where the Obligor is Sureway, Inc., P.O. Box 105689, Atlanta, GA 30348-5689, 1-866-368-6478, in Florida, the Obligor is United Service Protection, Inc. P.O. Box 105689, Atlanta, GA 30348-5689, 1-866-368-6478 and in Oklahoma, the Obligor is Assurant Service Protection, Inc., P.O. Box 105689, Atlanta, GA 30348-5689, 1-866-368-6478. The administrator ("Administrator") of this Service Plan is Federal Warranty Service Corporation, in all states except California where the Administrator is Sureway, Inc., in Florida where the Administrator is United Service Protection, Inc., and in Oklahoma where the Administrator is Assurant Service Protection, Inc.. The Administrator's address and phone number for all states is P.O. Box 100, Rapid City, SD 57709-0100, 1-866-368-6478. The Administrator indicates the entity that is responsible for the administration of this Service Plan.

2. Product Eligibility

This Service Plan covers only Products used for personal, family or household purposes. Covered Products must be purchased as new, manufactured for use in the United States.

3. Coverage Period

Your coverage begins and ends on the effective and expiration dates identified on the Benefits Summary Page/Receipt included with this Service Plan. If the manufacturer's warranty period or other service contract coverage of the covered Product has expired on or before the purchase date of this Service Plan, the term and coverage begin sixty (60) days after the Service Plan purchase date.

4. Partial Pay & Monthly Pay Options

Partial Pay – Partial Pay means Your Service Plan is not paid in full at the time of purchase but is paid in installments. Payments must be received by the due date or Your Service Plan may be suspended or canceled. Cancellation will be effective as of the last day covered by Your partial payment and You will not receive any refund.

Monthly Pay – Monthly Pay means Your Service Plan continues month-to-month until terminated based on Your payment of the monthly fee. If the monthly fee is not paid the coverage will be canceled. The cancellation will be effective on the last day of the month for which full payment was received.

5. THIS SERVICE PLAN IS INCLUSIVE OF THE MANUFACTURER'S WARRANTY; IT DOES NOT REPLACE THE MANUFACTURER'S WARRANTY, BUT PROVIDES CERTAIN ADDITIONAL BENEFITS DURING THE TERM OF THE MANUFACTURER'S WARRANTY. LOSSES COVERED BY THE MANUFACTURER DURING THE MANUFACTURER'S WARRANTY PERIOD ARE NOT COVERED UNDER THIS SERVICE PLAN.

6. Product Coverage

The following coverage is available. The Product coverage plan purchased by You will be specified on the Benefits Summary Page/Receipt included with this Service Plan. The Benefits Summary Page/Receipt is Your sales receipt that specifies Your covered Product, coverage terms and additional Service Plan information.

Repair Plan – Functional parts and labor coverage for Product failures resulting from mechanical or electrical failure due to normal wear and tear are covered. If We are unable to repair Your covered Product or We deem that repair is not cost effective, We have the option, at Our sole discretion, to replace Your covered Product with a cash settlement or gift card based on the price of a replacement product or provide a replacement product of similar features and functionality, not including delivery/installation fees. The value of the cash settlement or gift card will be determined according to the age of the covered Product using the following schedule:

<u>Product Age</u>	<u>Reimbursement Amount</u>	
1-5 years	75%	} of purchase price of the replacement product
6-10 years	45%	
11-20 years	25%	

We must approve all repairs before they are performed. Genuine factory parts will be used whenever possible; however, if genuine factory parts are not available as determined by Us, the use of non-original manufacturer parts is allowed under this Service Plan that performs to the factory specifications of the Product. Replacement of Your covered Product, or issuance of a cash settlement or gift card shall fulfill this Service Plan in its entirety and will cancel and discharge all further obligations under this Service Plan. The defective products will become Our property, should We unilaterally elect to exercise Our rights to the property. Technological advances may result in a replacement product with a lower selling price than the original covered Product purchase price; therefore, no refunds will be made based on the replacement product cost difference from the original Product purchase price.

Replacement Plan – We have the option, at Our sole discretion, to replace Your covered Product with a cash settlement or gift card up to the original purchase price of the Product or provide a new, rebuilt or reconditioned replacement product of similar features and functionality. You may be responsible for pre-paying postage and packing the Product in the original or comparable packaging to prevent further damage during shipping prior to receiving a replacement product. Replacements will be shipped to You, postage pre-paid by the Administrator. Replacement of Your covered Product, or issuance of a cash settlement or gift card shall fulfill this Service Plan in its entirety and will cancel and discharge all further obligations under this Service Plan. The maximum number of replacements under this Service Plan is one (1. No further replacements will be provided for the remainder of this period.

No Lemon Guarantee – During the term of this Service Plan, if the same component fails three (3) times and that Product requires a fourth (4th) repair, as determined by Us, We will issue a cash settlement or gift card or replacement as outlined in the appropriate coverage section above. Component failures during the Manufacturer's Warranty or during a term outside of this Service Plan coverage period do not count toward the No Lemon Guarantee.

Power Surge – Damage from power surge to Your covered Product will be covered up to a maximum of one thousand dollars (\$1,000.00) over the life of the Service Plan, but You must first make a claim with Your homeowner's/renter's insurance carrier to avoid duplicate recovery.

Food Spoilage – You will be reimbursed for food losses resulting from a covered failure of Your refrigerator or freezer up to two hundred and fifty dollars (\$250) per appliance over the term of this Service Plan; proof of loss will be required.

Deductible – If You purchased a Service Plan that requires a deductible, as specified on the Benefits Summary Page/Receipt of this Service Plan, You will be responsible for paying a deductible for each service call. The deductible is for each occurrence where We approved the service call and is payable to Us at the time the service call is scheduled. If repairs are made to additional Products, a separate deductible will apply to each Product repaired. You will not be responsible for deductible charges on repeat service calls of the original service event for the same issue, completed within the applicable servicers warranty period. Failure to pay the deductible when due may result in the suspension of service.

7. Location of Service

In-home service for applicable service call repairs will be provided at the address where the Service Plan is registered. The covered Product must be easily accessible and removable for servicing. If Your covered Product must be repaired elsewhere, pick-up and return expenses are covered; however, deinstallation or reinstallation costs are not covered by this Service Plan.

8. If You Need Service

Contact the Administrator through the phone number or website specified on the Benefits Summary Page/Receipt of this Service Plan to obtain authorization for a service call repair or referral to the nearest authorized repair center. Service will normally be available during regular business hours of the authorized service provider. In rare instances, if the Administrator cannot locate a servicer, the Administrator may authorize You to locate a servicer near You. You must provide the Administrator with a written estimate for repair prior to commencing with the repair. This Service Plan will reimburse You for any repair expenses paid by You if You have been authorized to locate a servicer and the Administrator has approved the repair estimate. If the Administrator does not think the repair requires a service call and You insist on a service call and no problem is found, You will be solely responsible for paying for a hundred percent (100%) of the service call charge, less any deductible already applied to the service call.

9. Moving Your Product to a New Location in the USA

You can change Your service address at any time by notifying the Administrator in writing at P.O. Box 100, Rapid City, SD 57709-0100.

10. If the Owner of the Product is Changing

You can assign the Service Plan coverage to another person by notifying the Administrator in writing at P.O. Box 100, Rapid City, SD 57709-0100. Information provided by You must include the Service Plan number, date of new ownership, new owner's name, complete address and telephone number.

11. Service Plan Cancellation and Refund

a. Cancellation by You – You may cancel at any time. Notify Us in writing at P.O. Box 100, Rapid City, SD 57709-0100 and include Your original Service Plan. You will receive a refund based on the following: (1) if Your Service Plan and cancellation notice are received within sixty (60) days of the purchase date of this Service Plan, You will be refunded the full Service Plan price; (2) if Your Service Plan and cancellation notice are received after sixty (60) days from the purchase date but before the effective date of this Service Plan, as indicated on the Benefits Summary Page/Receipt of this Service Plan, You will be refunded the full Service Plan price, less an administrative fee of ten percent (10%) of the Service Plan price or twenty-five dollars (\$25), whichever is less; and (3) if Your Service Plan and cancellation notice are received after the effective date of this Service Plan, You will be refunded the prorated amount of the Service Plan price, less any claims paid, less an administrative fee of ten percent (10%) of the Service Plan price or twenty-five dollars (\$25), whichever is less. For Monthly Pay or Partial Pay Service Plans, Your coverage will continue through the last day covered by Your payment and You will not receive any refund. **b. Cancellation by Us** – We can cancel this Service Plan at any time in the event of fraud, nonpayment by You, material misrepresentation or breach of the Service Plan by You. If We cancel this Service Plan, You will be provided with a written notice at least thirty (30) days prior to cancellation at Your last known address, with the effective date for the cancellation and the reason for cancellation. You will be refunded the unearned pro rata Service Plan price, less any claims paid. For Partial Pay Service Plans cancelled by Us, unless cancelled under Section 4. due to non-payment, You will be refunded the prorated amount of the Service Plan price, minus the remaining amount due and not yet paid by You. For Monthly Pay Service Plans, cancelled by Us, Your coverage will continue through the last day covered by Your monthly payment and You will not receive any refund. If this Service Plan was inadvertently sold to You on a Product(s), which was not intended to be covered by this Service Plan, We will cancel this Service Plan and return the full Service Plan price to You.

12. Renewals

We are not obligated to renew Your Service Plan. To inquire if renewal coverage is available, please call Us at the phone number specified on the Benefits Summary Page/Receipt of this Service Plan for pricing and details.

13. Limitation of Liability

For any single claim, the limit of liability under this Service Plan is the least of the cost of (1) authorized repairs, (2) cash settlement or gift card amount as outlined in the Product Coverage section or (3) a replacement product of similar features and functionality.

14. Consumer's Promises and Assurances

It is Your responsibility to protect the covered Product from further damage and follow the owner's manual. In order to keep this Service Plan in force during its term, You promise and assure: (1) full cooperation with the Administrator and authorized service technicians during diagnosis and repair of the Product; (2) accessibility of the Product; (3) a non-threatening and safe environment for in-home service; (4) the presence of an adult at the time of scheduled service; (5) that the Product is not used for business or commercial purposes; (6) that the product is maintained and installed within the manufacturer's recommendations; (7) that You will provide written notice of any defect or deficiency in service within ninety (90) days of discovery by You; and (8) that You will pay each deductible (if any) when due.

15. What is Not Covered – Your Service Plan does not cover:

a. Any Product located outside the United States; **b.** Products fifteen (15) years of age or older for new coverage and products twenty (20) years of age or older for renewal coverage, refurbished products, products sold "as is" or that do not have a manufacturer's warranty; **c.** Products used in recreational vehicles (RVs), motor homes, boats, mobile homes, churches, animal shelters, industrial or commercial settings; **d.** Products purchased for, or donated to non-profit organizations (such as orphanages and group homes); **e.** Service required as a result of any moving or alteration of the Product or repairs made by anyone other than a participating service provider, its agents, distributors, contractors or licensees, or the use of supplies other than those recommended by the manufacturer; **f.** Damage and/or other Product failure due to causes beyond Our control including operator negligence, failure to maintain or place the Product according to the owner's manual instructions, abuse, vandalism, theft, fire, flood, wind, freezing, inadequate power supply, wiring, breakers, ductwork, improper installation, unusual atmospheric conditions, acts of war or acts of God; **g.** Service necessary because of improper storage, improper ventilation, non-compliant plumbing, non-municipal water supply, loss or damage as a result of violation of existing federal, state and municipal codes including repairs to Products not complying with said codes, inconsequential noises, reconfiguration of the Product; **h.** Nonfunctional parts, expendable items, scratches, dents, peeling, hard water damage, walls and infrastructure, decorative finishing, interior liners, door liners, handles, knobs, racks, rollers, drip pan or grates, and shelves; **i.** Cosmetic damage; **j.** Failure due to corrosion, rust, dust, mold, animal, rodent or insect damage, scorching or damage from heat sources, chipping; **k.** Consumable items such as filters, bulbs, drawers, baskets, tubs, water membranes, fuses, hoses; **l.** Food loss resulting from loss of power; **m.** Damage to clothing; **n.** Any repair covered by the original warranty or initiated by the manufacturer, or recall program whether the manufacturer is in business or not; **o.** Unauthorized repairs performed by third parties; **p.** Repair or replacement caused by defects that existed prior to this Service Plan purchase and known by You, which includes installation corrections due to improper installs. Service calls to correct the installation of Your Product, to instruct You on how to use Your Product, to replace or repair house fuses, or to correct house wiring or plumbing; **q.** Normal, periodic or preventative maintenance; **r.** Upgraded, retrofit, or unapproved components, such as electronic thermostats; **s.** Upgrades to comply with regulatory laws; **t.** Refrigerant lines, condensation leaks, drain lines, or evaporation/condenser coils if rusted or corroded; **u.** products with original serial numbers that have been removed, altered or cannot be readily determined; **v.** cabinetry, carpentry, masonry or other miscellaneous enclosures or trim surrounding built-in Products and custom panels; **w.** shipping damage to Products resulting from inadequate packaging by You; **x.** repair of Product(s) upon noncompliance of any part of Section 13. by You; **y.** Incidental and Consequential damage.

16. Arbitration

Read the following arbitration provision carefully. It limits certain rights, including Your right to obtain relief or damages through court action.

To begin Arbitration, either You or We must make a written demand to the other party for arbitration. The Arbitration will take place before a single arbitrator. It will be administered in keeping with the Expedited Procedures of the Commercial Arbitration Rules ("Rules") of the American Arbitration Association ("AAA") in effect when the claim is filed. You may get a copy of these AAA's Rules by contacting AAA at 1633 Broadway, 10th Floor, New York, NY 10019, calling (1-800) 778-7879 or visiting www.adr.org. The filing fees to begin and carry out arbitration will be shared equally between You and Us. This does not prohibit the arbitrator from giving the winning party their fees and expenses of the arbitration. Unless You and We agree, the arbitration will take place in the county and state where You live. The Federal Arbitration Act, 9 U.S.C. § 1, et seq., will govern and no state, local or other arbitration law will apply. **YOU AGREE AND UNDERSTAND THAT this arbitration provision means that You give up Your right to go to court on any claim covered by this provision.** You also agree that any arbitration proceeding will only consider Your claims. Claims by, or on behalf of, other individuals will not be arbitrated in any proceeding that is considering Your claims. Please refer to the State Disclosures section of this Service Plan for any added requirements in Your state. In the event this Arbitration provision is not approved by the appropriate state regulatory agency, and/or is stricken, severed, or otherwise deemed unenforceable by a court of competent jurisdiction, You and We specifically agree to waive and forever give up the right to a trial by jury. Instead, in the event any litigation arises between You and Us, any such lawsuit will be tried before a judge, and a jury will not be impaneled or struck.