1. DEFINITIONS: Throughout this Service Contract ("Plan") the words (1) "you" and "your" refer to the purchaser of this Plan as shown on the invoice and/or cash register receipt including the Lessee, if the product was acquired under a rental or lease-purchase transaction (collectively, RTO Transaction); (2) "we," "our," and "us" refer to the company and include the company and any company that is affiliated or associated with us as referenced in the Provider section of this Plan; (3) "product" refers to area rug sold and used for residential purposes (personal, family or household use) that is constructed of fabric, microfiber, covered fabrics, A & P leather, bonded leather, bycast leather, biscuit leather, or vinyl, that are purchased concurrently with this Plan; (4) "retailer" indicates the store or person that sold you the product(s).

2. PROVIDER: The Provider of this Plan depends on the state in which you purchased the Plan.

3. AGREEMENT: In the event you do not wish to accept the benefits stated herein during the term as described below. THIS 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’S WARRANTY MAY BE EXCLUDED UNDER THIS PLAN AND ARE THE RESPONSIBILITY OF THE MANUFACTURER.

4. AREA RUG COVERED BY THIS PLAN: New Fabric, Microfiber, Covered Fabrics, A & P Leather, Bonded Leather, Bycast Leather, Biscuit Leather, Or Vinyl residential area rug ONLY. This Plan, together with your sales receipt or other proof of purchase of the product(s), shall collectively constitute the entire Plan relating to your product(s) from the manufacturer; initial installation, assembly or hookup of your product(s); during the term of coverage. This Plan during the remainder of the term of coverage. The manufacturer is responsible for product(s) and service covered under its warranty. If you should call for service on a product covered under the manufacturer’s warranty, we will refer your call to the manufacturer.

11. WHAT IS NOT COVERED: Anything not specifically listed in the “COVERAGE” section of this Service Plan is not covered under this Plan. Replacement is limited to the purchase price of your covered item(s) with a maximum of $5,000. This Plan coverage does not cover:

• damage caused by improper cleaning methods or improper cleaning materials;
• damage caused by the application of topical treatments that damage the product(s);
• damage resulting from cleaning methods or products other than those recommended by us and/or the product manufacturer;
• damage caused by wear and tear to fabrics and leathers, such as accumulated soiling from everyday use including body oil, hair oil, perspiration, darkened bodily contact areas;
• leather scratches, cracking and/or peeling of leather, splitting of bicat, bycast bonded leather;
• damage or tears in leather or Vinyl;
• natural flaws, manufacturer’s defects of leather or upholstery, odors, pet damage from teeth, beaks, or claws;
• products sold that are stained and/or damaged at the time of purchase;
• products used for commercial or institutional purposes, home day care, rental purposes other than a RTO Transaction or products sold “as-is” “pre-owned”, rental (other than a RTO Transaction) or non-residential area rug;
• shipping, handling, repair, or replacement necessitated by any loss of use or stain or damage resulting from any cause other than normal usage, such as, but not limited to, loss of use or stains or damage due to misuse, abuse, unauthorized repair by others, collision with any other object, loss or damage resulting from failure to provide the manufacturer’s recommended maintenance or inspection, add-on products or accessories, attachments, corrosion, appliance malfunction, insect infestation, damage or stains caused by war, terrorism, fire, flood, water damage, hurricanes, tornadoes, windstorm, hail, earthquake, smoke, or other heat source, exposure to the cold, theft, negligence, risk, or any other peril;
• A/C, HVAC, floor heating, intercom, or consequential damages whether in contract, tort, or negligence; preventive maintenance;
• claims arising from any breach of implied or express warranty of merchantability or fitness of the product or any warranty of the manufacturer or the product(s) by the manufacturer; (d) removal and reinstallation, except as determined by us; any circumstances for any indirect, consequential or incidental damages, including loss or damage to person or property, arising from the use, misuse, or inability to use the product(s), or inability to use the product(s) to the extent provided in this Section; (e) crushing, scratches of any type other than those expressly stated in the coverage section;
• products no longer in your possession;
• failures that occur outside of the 50 states of the United States of America and the District of Columbia.

To get the best claim experience use our online claim process:

> 24/7 claim filing and claim status
> Complete plan coverage details
> Real time notification and updates
> Cleaning Advice
12. WHAT YOU MUST DO: You must perform maintenance, minor adjustments and periodic inspections as explained in the product manufacturer’s owner’s manual. Should your covered product become stained or damaged, you must submit a claim for coverage within Thirty (30) days from the date you discovered the stain or damage. You are to take the necessary steps to protect your product against any further stains or damage. Non-technical cleaning to provide a normal operating environment as described in the manufacturer’s instruction manual for the covered product(s) is your responsibility.

13. RENEWALS: This Plan is not renewable.

14. TRANSFER: This Plan is not transferable.

15. ACTUAL DAMAGE: If you do not cooperate with the reasonable requests of Plan Provider, there will be no coverage under this Plan. A failure to exercise rights by us does not waive those rights. We do not assume responsibility for statements, stains, or damage by technicians, or any other person or entity not authorized by the Plan Provider. Any provision contained herein which is found to be contrary to prevailing laws shall be deemed null and void and the remaining provisions shall continue in full force and effect.

16. OUR OBLIGATIONS UNDER THIS PLAN ARE LIMITED TO REMOVING STAINS, REPAIRING OR REPLACING FURNITURE AND WE DO NOT MAKE ANY OTHER EXPRESSED OR IMPLIED WARRANTIES AND SHALL NOT BE LIABLE FOR CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES OR CONSEQUENCES OF ANY KIND OR NATURE WHATSOEVER. THIS PLAN DOES NOT ALLOW THE EXCLUSION OR LIMITATION OF INDIRECT OR CONSEQUENTIAL DAMAGES AND THIS LIMITATION OR EXCLUSION MAY NOT APPLY TO YOU. Fraud results in higher costs to the consumer and is illegal. It is our policy to deny service and/or prosecute individuals that submit fraudulent claims.

17. CANCELLATION: You may cancel this Plan at any time for any reason by mailing a written request for cancellation and the original copy of this Plan to the Provider at PO Box 11355, West Palm Beach, FL 33413, (877) 429-2938. If you cancel this Plan within the first 30 days after receipt of this Plan and have not made a claim, you will receive a full refund of the price of this Plan. If you cancel after the first 30 days from receipt of this Plan or at any time after we have paid a claim, you will receive a pro rata refund based on the period remaining on Your Plan, less an administrative fee, not to exceed 10% of the price of the Plan or twenty-five dollars ($25.00), whichever is less, and any less claims paid, where allowed by law. If we cancel, you shall be refunded the unearned pro rata purchase price of this Plan, less any claims paid. We may not cancel this Plan for the following reasons: a) nonpayment by you, b) violation of any of the terms and conditions of the Plan, and c) if required to do so by any regulatory authority. If this Plan was inadvertently sold to you on a product, which was not intended to be covered by this Plan, we will cancel this Plan and return the full purchase price of the Plan to you.

18. DEDUCTIBLE: There is no deductible payment required for the coverage described in this Plan.

19. INSURANCE: THE OBLIGOR UNDER THIS AGREEMENT IS INSURED BY “LYNDON SOUTHERN INSURANCE COMPANY”, 10151 DEERWOOD PARK BLDG., 100, SUITE 500, JACKSONVILLE, FL 32256 (800) 888-27327, EXCEPT IN GEORGIA WHERE THE OBLIGOR IS INSURED BY “THE OBLIGOR UNDER THIS AGREEMENT IS INSURED BY “LYNDON SOUTHERN INSURANCE COMPANY OF THE SOUTH”, 10151 DEERWOOD PARK BLDG., 100, SUITE 500, JACKSONVILLE, FL 32256 (800) 888-2738, AND IN CALIFORNIA WHERE THE OBLIGOR IS INSURED BY “ATLANTIC Specialty INSURANCE COMPANY”, 605 NORTH HIGHWAY 169, SUITE 800, PLYMOUTH, MN 55441 AND EXCEPT IN WASHINGTON WHERE OBLIGOR IS INSURED BY DEALERS ASSURANCE COMPANY, 240 N. FIFTH STREET, SUITE 350, COLUMBUS, OH 43215. 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.

20. ARBITRATION: PLEASE READ THIS ARBITRATION PROVISION CAREFULLY TO UNDERSTAND YOUR RIGHTS. IT PROVIDES THAT ANY CLAIM OR DISPUTE THAT YOU MAY HAVE IN THE FUTURE RELATING TO THIS AGREEMENT AND YOUR DEALINGS WITH US MUST BE RESOLVED SOLELY THROUGH BINDING ARBITRATION.

Arbitration is a method of resolving any claim, dispute or controversy without filing a lawsuit. In this Arbitration Provision, You, We, and the Administrator (the “Parties”) are irrevocably waiving our rights to go to court and are agreeing instead to submit any claims, disputes or controversies between the Parties to binding arbitration. This provision is intended to be self-contained and is not subject to the provisions or conditions of our agreement to binding arbitration. The Parties agree and acknowledge that the transaction evidenced by this Agreement affects interstate commerce and the Federal Arbitration Act (“Act”) applies to this Arbitration Provision. The Parties agree to resolve all claims, disputes and controversies (collectively “Claims”) related in any way to this Agreement by binding arbitration, including but not limited to Claims related to the underlying transaction giving rise to this Agreement, and including further, without limitation, Claims arising under contract, tort, statute, regulation, rule, ordinance or other rule of law or equity. In addition, the arbitrator shall decide issues related to the applicability, scope and validity of this Agreement. Notwithstanding this agreement to arbitrate, each of the Parties retains the right to seek remedies in small claims court to resolve any Claim 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 this Agreement. You agree and hereby expressly waive any right You may have to litigate any of Your Claims in any Small Claims Court, State, County or Federal Court any Claim on a Class Action Basis or in any Other Collective or Representative Proceeding as Either a Representative or Member of a Class, as a Private Attorney General, or to Otherwise Pursue Any Claim in a Class Action in Small Claims, State, County or Federal Court. notwithstanding anything to the contrary in this Arbitration Provision, any dispute regarding the validity and effect of this Class Action Waiver Prohibiting You from Participating in or Filing a Class Action in any court shall be determined exclusively by the Federal Arbitration Act and the application shall be submitted to the American Arbitration Association (“AAA”). The arbitration shall be governed pursuant to the AAA Consumer Arbitration Rules (the “Code”). The arbitration will occur before a single, neutral arbitrator selected in accordance with the Code in effect at the time the arbitration is commenced. You have a right to attend the arbitration hearing in person. You may choose to have any arbitration hearing held in the arena closest AOA location to your residence, or via telephone. For information about how to initiate arbitration with the AAA, the Parties shall refer to the AAA Code and forms at www.adr.org or call (800) 778-7879. If you initiate arbitration with AAA, You must pay any AAA filing fee in effect at the time You initiate arbitration. We will pay all other remaining arbitration costs and expenses, including any remaining AAA costs or expenses and all remaining, reasonable professional fees for the arbitrator’s services. If We initiate arbitration against You, We will pay Your filing fee and all costs associated with the arbitration. We shall bear the expense of Your reasonable and actual attorney’s fees regardless of which party prevails in the arbitration, provided however that this agreement does not apply to arbitrations required to be brought by law. We shall bear all of Your own expenses, including all attorney’s fees. An arbitration award may not be set aside except upon the limited circumstances set forth in the Federal Arbitration Act. An award in arbitration shall be enforceable under the Federal Arbitration Act by any court having jurisdiction. The Parties agree and acknowledge that this arbitration provision is severable, and if any part of 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.

NOTHING RULES OUT THE RIGHT TO BE CONSIDERED AS CONSENT OR AGREEMENT TO CLASS ACTION OR REPRESENTATIVE ARBITRATION. THE PARTIES AGREE AND ACKNOWLEDGE THAT THERE IS NO AGREEMENT OF ANY KIND BETWEEN THE PARTIES TO CONDUCT ANY ARBITRATION ON A CLASS ACTION OR COLLECTIVE BASIS, BY YOU AS A REPRESENTATIVE OF OTHERS, A PRIVATE ATTORNEY GENERAL, AS A MEMBER OF A CLASS OR IN ANY OTHER COLLECTIVE OR REPRESENTATIVE PROCEEDING. FILING A CLASS-ACTION IN ANY COURT SHALL BE DETERMINED EXCLUSIVELY BY A COURT.

This Plan is not a contract of insurance. The purchase of this Plan is not required to either purchase your product or to obtain financing.

The following state specific requirements are added to and become part of your Service Plan and supersede any other provision to the contrary:

Alabama Residents: 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: 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 Consumer Affairs, 4244 S. Market Court, Suite 800, Plymouth, MN 55441 and except in Washington where Obligor is insured by Dealers Assurance Company, 240 N. Fifth Street, Suite 350, Columbus, OH 43215. 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.

California: 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 file your complaint to the Connecticut Department of Consumer Affairs, 4244 S. Market Court, Suite 800, Plymouth, MN 55441 and except in Washington where Obligor is insured by Dealers Assurance Company, 240 N. Fifth Street, Suite 350, Columbus, OH 43215. 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.

Florida: This Agreement is between the Provider, Lyndon Southern Insurance Company (License No. 03698) and You, the purchaser. 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 You cancel this Agreement prior to the thirty (30) day period of coverage, return of premium shall be based upon ninety percent (90%) of the unearned pro-rata premium less any claims that have been made 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. ARBITRATION section is amended as follows: If You return the Product or the Product is sold, lost, stolen, or destroyed, You may cancel this Agreement if You return the Product or the Product is sold, lost, stolen, or destroyed.

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 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 shall be given to You in writing 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.

This is a service plan and not a contract of insurance.
following arbitration, have the right to reject the arbitration award and bring suit in a district court of Oklahoma.

Oregon: The insurance fraud warning statement on page 1 is removed in its entirety. Upon failure of the
Obligor to perform under the Agreement, the insurer shall pay on behalf of the Obligor any sums
which may be claimed against the Agreement or such sums as the insurer may be entitled to
recover under the Agreement. Upon failure of the Obligor to perform under the Agreement,
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: 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.

South Carolina: If you purchased this Agreement in South Carolina, complaints or questions about
this Agreement or the terms and conditions of this Agreement may be directed to the Department of
Insurance, P.O. Box 2147, Columbia, South Carolina 29202-2147, 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, complaints or questions concerning the
 implementation of this Agreement may be directed to the Texas Department of Licensing and
 Regulation, P.O. Box 12157, Austin, Texas 78711, telephone number (512) 463-2906 or (800) 803-9202.
 Administrator: Palladio, LLC, 1700 Palm Beach Lakes Blvd, Suite 1100, West Palm Beach, FL 33401,
(877) 778-2458 Lic # 255. 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. The Insurer or the provider is
subject to limited regulation by the Utah Department of Insurance. To file a complaint, contact the Utah Insurance Department. Coverage afforded under this Agreement is not guaranteed by the insurance fraud warning statement on page 1 is removed in its entirety. Upon failure of the
Obligor to perform under the Agreement, the insurer shall pay on behalf of the Obligor any sums
which may be claimed against the Agreement or such sums as the insurer may be entitled to
recover under the Agreement. Upon failure of the Obligor to perform under the Agreement,
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: 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.

Utah: This Agreement is subject to limited regulation by the Utah Insurance Department. To file a
claim, contact the Utah Department of Insurance. Coverage afforded under this Agreement is not
guaranteed by the insurance fraud warning statement on page 1 is removed in its entirety. Upon failure of the
Obligor to perform under the Agreement, the insurer shall pay on behalf of the Obligor any sums
which may be claimed against the Agreement or such sums as the insurer may be entitled to
recover under the Agreement. Upon failure of the Obligor to perform under the Agreement,
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: 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.

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 fifteen (15) days prior to the effective date of
cancellation. Such notice shall include the effective date of cancellation and the reason for the
cancellation. CANCELLATION section is amended as follows: Any request for a claim for nonpayment of
premium and thirty (30) days prior to the cancellation date for any of the following reasons:
(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 subject to arbitration as an alternative to any judicial proceeding, is governed by 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.

EMERGENCY SERVICE: If after 5pm Eastern Time, You are unable to reach the Administrator and You
require emergency repair, You may contact any manufacturer authorized service repair facility listed
in your phone book or online. You are required to contact the Administrator on the next business
day. Mail Your original repair bill along with the technician’s report and a copy of the Agreement to the Administrator.

Wisconsin: ARBITRATION section of this Agreement is removed. CANCELLATION section is amended as
follows: If We cancel this Agreement, We shall timely provide to the Service Agreement Holder, including the
dates for non-payment of premium and thirty (30) days prior to the cancellation date. Such notice shall include the effective
date of the cancellation and the actual reason for the cancellation, to the last known
address of the Service Agreement Holder. Coverage afforded under this Agreement is not
guaranteed by the insurance fraud warning statement on page 1 is removed in its entirety. Upon failure of the
Obligor to perform under the Agreement, the insurer shall pay on behalf of the Obligor any sums
which may be claimed against the Agreement or such sums as the insurer may be entitled to
recover under the Agreement. Upon failure of the Obligor to perform under the Agreement,
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: 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.

WYOMING: 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.
 ARBITRATION section of this Agreement is removed.