

Supplemental Home Protection Plan Agreement (Florida)

For service or questions, or for multi-unit pricing, call toll-free (877)977-4949 or visit homewarrantyinc.com.

The Supplemental Home Protection Plan ("Agreement") is between the provider/obligor, *Lyndon Southern Insurance Company, 10751 Deerwood Park Blvd., Ste. 200, Jacksonville, Florida 32256, (800)888-2738, Florida License No. 03698* and the purchaser ("You" and "Your").

Plan Administrator ("We", "Us", and "Our") – Home Warranty of the Midwest, Inc., P.O. Box 1, Rock Rapids, IA 51246, (877)977-4949.

Purchase of this Agreement implies consent to all terms and conditions.

Certain items and events are not covered by this Agreement. Please refer to the *Exclusions* section of this Agreement for details.

COVERAGE REQUIREMENTS

- All covered systems and appliances must be in normal operating condition at the time coverage takes effect. Conditions determined to have existed prior to the coverage period or systems and appliances that never functioned properly during the period of this Agreement are pre-existing conditions and are not eligible for coverage under this Agreement.**
- Agreement covers only repairs resulting from normal wear and tear associated with normal usage of covered items.

If full purchase price is received up front, coverage starts on the date of order and continues for the number of years purchased. Initial payment for this Agreement must be received by Us not more than fourteen (14) days after ordering. If payment is later than fourteen (14) days, the Agreement will commence on the day payment is received. Arrangements for monthly payments over the annual term may be available with coverage commencing thirty (30) days after payment is received. Remaining annual purchase price payments may be deducted from service reimbursements. **Coverage for optional items added after the initial order period will have a thirty-day (30) waiting period before claims may be filed on those optional items.**

Multi-Unit Properties: Coverage under this Agreement is for a single residential property or unit only unless multi-unit coverage is purchased. Extra units require an additional fee in order to be covered. Mechanical systems or appliances serving multiple units are not eligible for coverage unless all units serviced by the mechanical system or appliance are covered under an additional fee. Item quantity limits, service cost limits, and prices on optional or extra items, are on a per unit basis. To constitute a multi-unit property under this Agreement, all property's units must be part of a common structure, be part of a single sales transaction involving only one (1) property owner/entity, and not be subject to dividing for future resale.

COVERAGE

- Agreement provides for repair (including parts and labor) on all items for which coverage has been purchased (subject to terms and limitations of this Agreement), less a **one-hundred-dollar (\$100) service fee per incident** or actual cost of service, whichever is less, payable to the company providing service. "Per incident" is defined as a single failure occurring within a single unit or location, requiring a single repair. Failures determined to have occurred outside of these parameters will be assessed additional trade service fees. Failure to pay the service fee or any amount due the servicer from You will result in suspension of warranty coverage until

fee is paid, at which time coverage will then be reinstated with no extension of the original coverage period. In the event a repair performed under this Agreement fails within thirty (30) days following the initial repair, Agreement provides for a recall service call without an additional service fee. Service fee is subject to change without notice.

- Items for which the repair exceeds replacement cost will be deemed non-repairable. We will provide the equivalent dollar value of a new builder's standard version of the item as determined by Us (a builder's standard version does not indicate an exact match of specific efficiencies, brands, colors, finishes, dimensions, features). **When repairing any appliance, We will not pay for any failures that do not contribute to the appliance's primary function including, but not limited to, wireless capability, television or radios built into appliance.** If replacing the item, the customer is responsible for any installation fees. Proof of replacement will need to be provided for coverage to continue to extend to that item for the remainder of the coverage term. Items for which parts are not available due to government-mandated restrictions, parts availability, non-readable or missing model and/or serial numbers will be given the estimated repair amount (using a comparable part) to apply towards replacement. In some instances, we may provide cash in lieu of repair services. This amount is based on what We would expect to pay (which may be less than retail cost) for parts and labor for covered items less the incurred cost of the contractor's diagnosis. If You elect to replacement equipment with used equipment (from eBay, Craigslist and the like), the replacement equipment will be subject to a **THIRTY-DAY (30) WAIT IN CLAIMS**.
- Administrator has sole discretion to choose service personnel and will not reimburse for work performed without its prior approval or by service personnel contacted directly by the customer unless directed to do so by Administrator except in the case of emergency repairs described below.**
- All requests for service not answered immediately will be acknowledged with a return phone call within four (4) hours during normal working hours and forty-eight (48) hours on weekends and holidays. Agreement allows for You to contact service company and schedule service during normal business hours. You may elect to have after-hours service performed at Your own discretion, but You will be responsible for any additional fees associated with expediting service. Administrator reserve the right to obtain a second opinion. In the event of an after-hours emergency, to obtain service please call toll-free 24/7/365 at (877)977-4949 and select the emergency service option.
- If a property has multiple mechanical systems or appliances that require the purchase of additional coverage in order to be covered and additional coverage is not purchased, Administrator reserves the right to determine which mechanical systems and/or appliances are the ones primarily used and covered by this Agreement. In most cases, the system that services the main living area or the largest system will be considered primary.
- Administrator reserves the right to have the repair or replacement performed with aftermarket, off-brand, used, remanufactured, or reconditioned parts.
- Notice of any malfunction must be given to Us prior to Agreement expiration with the initial service call scheduled within thirty (30) days and all approved work must be completed within six (6) months of Agreement expiration.
- Unless a part or item is specifically listed under the "COVERED" section for the particular item below, the item or part is not covered.

HEATING, AND COOLING SYSTEMS

Primary Heating Unit and Primary Cooling Unit

Note: Any unit that performs both heating and cooling functions (including, but not limited to, heat pumps) counts as both systems for the purposes of this Agreement, and additional coverage must be purchased in order for supplemental or backup heating or cooling units to be covered, even if their function is integrated with the primary unit.

COVERED: Main heating (including a heat pump, boiler, or furnace unit) and cooling system (including a heat pump, central air conditioner, or water evaporative cooler unit) and associated parts and components (including blower fan motors, burners, controls, fan blades, heat/cool thermostats, boiler zone control valves, heat exchangers, heating elements, igniter and pilot assemblies, internal system controls, wiring and relays, motors and switches, air handler, capacitors, compressors, condenser fan motors, condenser coils, evaporator coils, fan blades, pumps, refrigerant piping, reversing valves), and refrigerant (other than initial top off) **up to twenty dollars (\$20) per pound** on all authorized sealed system repairs. *If none of the systems listed above exists in the property, coverage may (at Our discretion and with approval granted prior to coverage start) be extended to baseboard, wall, in-floor, or other alternative systems provided they are not explicitly excluded in this section.*

NOT COVERED: Portable or window units; solar heating systems; pellet, corn cob, or wood stoves; radiant cable heat; fireplaces and associated components; chimneys; outside or underground piping; circulation components or redrilling of wells for water source heat pumps; fuel storage tanks; expansion tanks; filters; timers; heat lamps; humidifiers or dehumidifiers; condensate drain pump; flues and vents; improperly sized or mismatched systems; cleaning and maintenance; free-standing or gas log systems, including gas supply lines; dampers; pressure regulators; computerized energy management systems; gas air conditioning systems; electronic air cleaners; water towers; roof jacks and stands; chillers; any system with asbestos; heat recovery units; interconnecting refrigerant lines; water pumps; water cooling towers; improper use of metering devices; pre-coolers; insulation; concrete pads; costs related to adding or recapturing refrigerant; baseboards, casings, registers and radiators tied to boiler systems; costs related to leak tests; use of cranes; costs associated with replacing non-failed parts to bring a system into compatibility (including conversion to R410a); and units located in detached garages. Smart thermostats will be replaced with regular thermostats or given the cash equivalent.

Air Exchanger

COVERED: All parts and components except as noted at NOT COVERED:

NOT COVERED: Filters and low voltage remote control systems.

COVERED SYSTEMS AND APPLIANCES

Note: Unless otherwise noted or extra coverage is purchased, only one (1) of each of the following systems or appliances is included per residential unit.

Water Heater

COVERED: Main unit (including a tank, tankless, power vent unit, or indirect water heaters and components); exhaust blower assembly; water heater elements; gas control valves; and thermostats. **Coverage on water heater is limited to one thousand dollars (\$1,000) per Agreement year.**

NOT COVERED: Solar water heaters and components; thermal expansion or holding tanks; noises; odors; color or purity of water; flues and vents; and insulation blanket. Hot water dispensers are considered secondary water heaters and are not covered unless optional coverage is purchased. Combination water heaters/boilers and components unless purchased as a secondary heating unit.

Garbage Disposal

COVERED: All components and parts except as noted as NOT COVERED:

NOT COVERED: Failures due to stoppages.

Central Vacuum

COVERED: Motor; relay; switches; and wiring.

NOT COVERED: Hoses, receptacles and attachments; inadequate capacity; piping; and blockages.

Garage Door Opener

COVERED: Mechanical parts and components (including drive chains or lead screws, motor, receiver board, relays, transmitters/remotes, switches, and obstruction sensors). Coverage is only for openers located in garages attached to the primary residential structure, or, if no attached garage, on detached garage used as a primary garage not located more than thirty (30) feet from the home. Coverage is for up to three (3) garage door openers on a single unit property.

NOT COVERED: Batteries; damage caused by door malfunctions; door assemblies (including, but not limited to: door panels, tracks, rollers, hinges, cables and springs); frequency interference; touch or key pads; reprogramming; failure caused by improper installation; lost controls; and counter balance mechanisms.

Trash Compactor

COVERED: All components and parts except as noted as NOT COVERED:

NOT COVERED: Lock and key assemblies; and removable buckets.

Built-in or Over-the-Range Microwave

COVERED: All components and parts except:

NOT COVERED: Portable, convection, infrared, high speed, or counter top units; interior linings; glass; shelves; meat probe assemblies or rotisseries; handles; and venting.

Kitchen Refrigerator

COVERED: All components and parts except as noted as NOT COVERED: Coverage on kitchen refrigerator is limited to one thousand dollars (\$1,000) per Agreement year.

NOT COVERED: Ice makers, ice crushers, beverage dispensers, and associated parts; interior thermal shells or liners; food spoilage; inaccessible refrigerant leaks/repairs; door seals/gaskets and handles.

Dishwasher

COVERED: All components and parts (including racks, portable units in home at time of Agreement inception) except as noted at NOT COVERED.

NOT COVERED: Cleaning or repair due to failure caused by foreign objects, scale, rust, minerals, and other deposits; soap/rinse aid dispensers; door gaskets/seals, handles and knobs; baskets; rollers; and rack replacement is at Our discretion.

Range/Oven/Cooktop Stove

COVERED: All components and parts except:

NOT COVERED: Clocks (unless they affect the function of the oven); meat probe assemblies or rotisseries; racks; magnetic induction; glass; self-cleaning function; handles and knobs, door seals/ gaskets, venting; and convection function in a combination oven/microwave. Thermostatic controllers will only be replaced with standard controls.

Clothes Washer

COVERED: All components and parts except as noted as NOT COVERED:

NOT COVERED: Fabric softener dispensers; filter screens; knobs and dials; and damage to clothing.

Clothes Dryer

COVERED: All components and parts except as noted as NOT COVERED:

NOT COVERED: Venting; knobs and dials; damage to clothing.

OPTIONAL COVERAGES

Pool or Spa

COVERED: Pump motor and assembly; heating system. A separate fee is required for both pool and built-in spa equipment unless they utilize all common covered equipment. **Coverage on pool or spa is limited to five hundred dollars (\$500) per Agreement year.**

NOT COVERED: Lights; liners; filter systems; removal of wet sand from sand filter system; structural defects; solar equipment; jets; ornamental fountains or waterfalls and associated parts; pool cover and related equipment; fill valves; built-in or detachable cleaning equipment and related parts; heat pump; portable spas; timer or remote control systems and associated systems; related plumbing; two (2) and three-way (3) valves; and any concrete encased, below-ground, or inaccessible system or components; failure due to improper pH levels; and salt water cell or circuit board.

Well Pump

COVERED: All components and parts of well pump utilized as the main source of water to the home (including well pump, controls, impellers, motor, and pump seals). **Coverage on well pumps is limited to five hundred dollars (\$500) per Agreement year.**

NOT COVERED: Well casings; pressure or storage tanks; plumbing or electrical lines leading to or connecting pressure tank and main dwelling (including, but not limited to, wiring from control box to the pump); redrilling of wells; booster pumps; contamination or lack of water; excavation or other charges necessary to gain access; shared systems between two or more residences.

Jetted Bathtub

COVERED: Built-in bathtub whirlpool motor and pump assemblies; accessible electrical controls; air pumps; drains; and gaskets. **Coverage on jetted bathtub is limited to five hundred dollars (\$500) per Agreement year.**

NOT COVERED: Jets; bathtub shell or liner; caulking or grouting; conditions of water flow restriction due to scale, rust, or dry operation of equipment; and cost associated with gaining access to electrical, component parts, or plumbing.

Water Softener

COVERED: All parts and components except those classified as "not covered" below. **Coverage on water softener is limited to four hundred dollars (\$400) per Agreement year.**

NOT COVERED: Rental units are not eligible for coverage; resin bed; and resin bed replacement.

Ice Maker

COVERED: If parts are not available, Our obligation is limited to cash in lieu of repair. **Coverage on ice maker repairs or replacements is limited to two hundred dollars (\$200) per Agreement year.**

NOT COVERED: Standalone ice makers and beverage dispenser.

EXCLUSIONS

1. Conditions resulting from Your negligence, acts of God, or situations beyond what We consider to be normal usage are not covered (including, but not limited to: abuse, pet/pest damage, theft, water, salt water, flood, fire, lightning, freezing, wind, earth movement, improper installation/ alteration, prior work not done to industry standards, lack of adequate power or water supply, power failure/surges, blown fuses or tripped breakers, unplugged appliances). Items must operate normally following power interruption for coverage to apply.
2. Service will not be performed on systems with hazardous/toxic materials or asbestos, nor does Agreement provide for any removal, disposal, or demanufacturing of an appliance or mechanical system or any costs associated with the removal, reclamation, or disposal of materials, chemicals, or fluids associated with repair or replacement of a mechanical system or appliance.
3. Any system or appliance outside the confines of the home is not covered except for central air conditioning or heat pump units, optional pool or spa equipment, optional well pumps.
4. Agreement covers only single-family residential-use property. Multiple units are covered if the appropriate fee is paid. Appliances or mechanical systems used for commercial or home business use (included, but not limited to, daycare, beauty salon, catering) are not eligible for coverage.
5. Agreement does not cover any appliance or system or part failure that is under a manufacturer's warranty, recall notice and/or service bulletin, or manufacturer's defect, nor any appliance or system whose manufacturer warranty has been voided.
6. Cosmetic and non-operational repairs are not covered (including, but not limited to: noise, odor, corrosion, clocks/timers, self-cleaning function, or other parts not affecting the core operation of the item, loss of some optional functions, computerized monitoring equipment). Agreement does not pay for repairs associated with lack of performance due to improperly sized or mismatched systems; failure to conduct routine maintenance; build-up of lime, scale, sediment or other chemical deposits; color or purity of water.
7. Agreement does not pay for services associated with routine maintenance (including, but not limited to, cleaning, lubricating, filter replacement) or when no failed parts are detected or failure is unable to be duplicated.
8. This Agreement is not an insurance policy and will not duplicate or substitute for coverage provided under any insurance policy.
9. Any removal, repair, or replacement of systems whose defect is caused by moisture (including, but not limited to, mildew, mold, rot, fungus, rust, corrosion) is not covered.
10. Consumable or expendable items are not covered (including, but not limited to, filters and light bulbs).
11. We will not be responsible for any work or expense (including permits) needed to bring systems into compliance with federal, state, local, utility, or any other jurisdiction's codes or regulations.
12. Agreement does not cover any consequential damages, including, but not limited to: food spoilages; clothing damages; damages to persons, real property, personal property, or any other items (whether covered by this Agreement or not) due to the failure of, or lack of timely repair or replacement of, an appliance or system.
13. Removal or reconstruction of, or subsequent or incidental damage to, systems; appliances; units; and walls, floors, carpeting, tile,

ceilings and the like necessary to make repairs is not covered. Cost to remove any item from the home to be repaired is not covered.

14. Any system or appliance where You have failed or refused to provide a service company access to the item or its supporting systems is exempt from coverage.
15. This Agreement does not cover delays or failures to provide service caused by (or related to) any of the exclusions listed therein; shortages of labor or materials; or unwillingness of the servicer to perform service, verbal abuse, threat of legal action or requests of the servicer to violate ethical standards or misrepresent the true nature of the diagnosis.
16. Any system or appliance that is operating within regulatory (including, but not limited to, EPA, OSHA, state or local building codes) or industry trade (including, but not limited to, ASHRAE, BPI) standards for carbon monoxide emissions or refrigerant loss is considered safe for operation and is not eligible for repair or replacement under this Agreement until levels exceed these standards.

LIMITS OF LIABILITY

Your sole remedy under this Agreement is the recovery of cost of the required repair or replacement, whichever is less. You agree that in no event will Our liability exceed five thousand dollars (\$5,000) per covered item or fifteen thousand dollars (\$15,000) aggregate during the Agreement period.

This Agreement contains the entire Agreement and understanding among the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous Agreements, understandings, inducements and conditions, express or implied, oral or written, of any nature whatsoever with respect to the subject matter hereof. The express terms hereof control and supersede any course of performance and/or usage of the trade inconsistent with any of the terms hereof.

TRANSFER, CANCELLATION AND RENEWAL

1. **Transfer:** This Agreement is transferable to a new owner(s) of a covered property but remains tied to the originally warranted systems and appliances of the covered property.
2. **Cancellation by Us:** We reserve the right to change or cancel this Agreement upon thirty (30) days' written notice stating the reason for an effective date of cancellation mailed to Your last known address in Our records. In the event of material misrepresentation (including misrepresentation of equipment condition), or failure to pay, cancellation may be immediate and without notice unless otherwise stated below in "STATE-SPECIFIC AMENDMENTS." If We cancel this Agreement, We shall refund to You one hundred percent (100%) of the unearned prorated purchase price based on months remaining on the Agreement, except for cancellation for nonpayment by You, in which case no refund will be provided. No cancellation fee shall be assessed if this Agreement is cancelled by Us unless otherwise stated below in "STATE-SPECIFIC AMENDMENTS."
3. **Cancellation by You:** You may cancel this Agreement at any time for any reason by submitting a written cancellation request to: Home Warranty of the Midwest, Inc., P.O. Box 1, Rock Rapids, IA 51246 or email Us at info@homewarrantyinc.com with Your Agreement number in the subject line. Cancellation becomes effective at the end of the current month of coverage:
 - a. If You cancel this Agreement within the first thirty (30) days

from the date of purchase and no claims have been made, You are entitled to a refund of the full purchase price of the Agreement and no cancellation fee will be assessed unless otherwise stated below in "STATE-SPECIFIC AMENDMENTS." If You are entitled to a refund for such cancellation and such refund is not paid within forty-five (45) days, a penalty of ten percent (10%) of the purchase price shall be added to Your refund for each month such refund remains unpaid.

- b. If You cancel this Agreement after thirty (30) days from the date of purchase or after a claim has been made, You are entitled to a prorated refund of the unearned purchase price based on months remaining on the Agreement, less the cost of claims paid and a cancellation fee of the lesser of fifty dollars (\$50) or ten percent (10%) of the purchase price, unless otherwise stated below in "STATE-SPECIFIC AMENDMENTS."
 - c. For monthly Agreements, cancellation becomes effective at the end of the current month of coverage. After thirty (30) days following the start date of the Agreement, You have the option to cancel and not to renew the Agreement during any month, and Your Agreement will expire at the end of the month for which You paid the monthly fee. You will not be charged the monthly fee the following month, and You will not receive any refund.
4. **Renewal:** Agreements are renewable at Our discretion and where permitted by law. Administrator will notify You of renewal rate and Agreement terms if applicable. Agreements on a monthly payment plan will be considered continuous service contracts and will continue in perpetuity unless Administrator are notified in writing of Your wish to cancel by sending written notice to Home Warranty of the Midwest, Inc., with office located at 303 S. 2nd Ave., Rock Rapids, IA 51246 or by canceling on the website homewarrantyinc.com. Plan renewals take effect from the expiration of the original Agreement period and are for a period of one (1) year. Any renewals effectuated after the expiration date of the Agreement will be subjected to a thirty-day (30) waiting period before coverage will resume. Annual notification of auto-renewals will be provided beginning ninety (90) days prior to the anniversary date of the original Agreement period.
- AUTOMATIC RENEWAL.** This Agreement will automatically renew on a periodic basis unless canceled by You by sending written notice to Home Warranty of the Midwest, Inc., with office located at 303 S. 2nd Ave., Rock Rapids, IA 51246 or by canceling on the website homewarrantyinc.com. You must indicate Your affirmative consent to automatic renewal below.
- Signature: _____
5. **Email/Phone Consent:** You agree that Administrator, or a third party acting on Our behalf, may contact You in the future by telephone, electronic mail, or U.S. mail regarding renewal of, changes to, terms regarding, or new products related to Your plan. You may opt out by contacting Administrator.

MISCELLANEOUS

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 Agreement, 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. 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 URL: American Arbitration Association, 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 commenced. If Your total damage claims (not including attorney's fees) do not exceed twenty-five thousand dollars (\$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.

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. Administrator 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 Administrator initiate arbitration against You, Administrator 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 never-

theless 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 ORIGINAL PURCHASE OF THIS AGREEMENT (THE DATE OF PURCHASE BEING INDICATED ON YOUR SALES ORDER AND RECEIPT FROM THE SELLER). 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, 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 Seller. If You properly and timely opt out, then all Claims will be resolved in court rather than arbitration.

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 item. 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 item. You further agree and acknowledge that We, and the Administrator under this Agreement, are not the supplier of the covered item. 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".

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.

STATE-SPECIFIC AMENDMENTS

Florida residents: 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 Us 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 made or less the cost of repairs made on Your behalf. **The rate charged for this service Agreement is not subject to regulation by the Florida Office of Insurance Regulation.** This Agreement may not provide listing period coverage free of charge. This Agreement may not exclude coverage because of the presence of rust or corrosion unless the rust or corrosion was a contributing cause of the breakdown or failure of a covered appliance, unit or system. This Agreement does not cover replacement of functional components of HVAC systems for reasons of compatibility or efficiency requirements of the manufacturer unless additional coverage for such circumstance is purchased, to add such coverage contact Administrator (877)977-4949.

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.