

**SLF PREMIUM PROTECTION PLAN
GENERAL TERMS AND CONDITIONS**

DEFINITIONS: "Plan" refers to the Furniture Protection Plan. "Product" means the furniture care kit and other protection and repair products or advice that We may provide. "Retailer" means the authorized entity selling You the Plan. "Furniture" means the qualifying indoor furniture, outdoor furniture, mattress, adjustable bases and/or area rugs described below and delivered concurrently with Your purchase of the Plan. The "Obligor", "We", "Our", or "Us", means **Sam Levitz Furniture Company Inc. , whom can be contacted at 3430 E. 36th Street, Tucson AZ, 85713 or call 1-800-426-2848 or email service@samlevitz.com**, and is authorized to process claims, payments or cancellation refunds. "You" or "Your" means the person or persons named on the sales receipt for the Plan, including the lessor of the Furniture, if the Furniture was acquired under a lease-to-own arrangement ("LTO Arrangement"). "Residential" means non-commercial use.

PLAN TERM: The coverage period for the Plan is five (5) years. A Ten (10) year PLAN is available for adjustable bases. Plans purchased commence with the covered Furniture date of delivery. Please retain a copy of this PLAN and the original receipt for the Furniture as it may be needed to obtain service.

QUALIFYING FURNITURE: Upholstered Fabric and Microfiber Furniture, Upholstered, Vinyl and Leather Indoor and Outdoor Furniture, Wood and Solid Surface Furniture, Mattresses, Area Rugs and/or Adjustable Bases, all of which are purchased concurrently with the Plan. This Plan is available for new Furniture only that is sold through Us, or by Our authorized Retailer. Furniture covered by this Plan must be received by You, from Us free of stains or damage.

HOW THIS PROTECTION PLAN WORKS: If the new Furniture, Mattress, Area Rug and/or Adjustable Base covered by this Plan becomes damaged as described below during normal Residential use, and You cannot correct the damage using procedures provided by US, the affected area or damaged part will be repaired or replaced. You may be required to ship the damaged part to a designated facility at Your cost. We will pay for any shipping or transportation cost to send the repaired or new part back to You. At Our sole discretion, if We cannot repair the damage or replace a damaged part, the complete piece of Furniture will be replaced with the same or a similar piece of furniture having an equal retail purchase price as the damaged Furniture. Service or replacement is limited to the damaged Furniture only and the Plan does not transfer to any Furniture received as a replacement under this Plan. This Plan will not pay any shipping or transportation costs associated with replacement. Only Furniture shown on the original receipt and that remains in Your possession is eligible for coverage. This Plan does not eliminate the need for routine care and maintenance of Your Furniture which shall be Your sole responsibility.

TO OBTAIN SERVICE: Damage to covered Furniture must be reported to Us within thirty (30) days of discovery. You can report Your claim by contacting Our customer service department at **1-800-426-2848 or online at www.samlevitz.com**. You must have YOUR: (1) Original receipt showing Your purchase of the covered Furniture and this PLAN; (2) The original delivery date of the covered Furniture; and (3) The discovery date of the damage. You shall reasonably cooperate with the Administrator in its efforts to perform Our obligations under this Plan. Failure to comply with the provisions in this Plan may void any claim.

PROTECTION PLAN PROVISIONS: This Plan is not renewable or transferable and does not supersede any applicable manufacturer's warranty. You are the only person eligible for coverage under this Plan. If You do not cooperate with the reasonable requests of Our representatives, this PLAN becomes void and YOU will be entitled to receive a pro rata refund of the purchase price of the Plan calculated based on the elapsed time since the commencement of the Plan, less any claims paid by Us. If You financed the purchase of this Plan, any refund owed pursuant to this provision will be paid directly to the lender of record. If You purchased this Plan under an LTO Arrangement, any refund owed pursuant to this provision will be paid directly to the Lessor of record, unless You have taken ownership of the property. Our failure to exercise rights under this Plan does not waive those rights.

LTO ARRANGEMENTS: If the Furniture is acquired under a LTO Arrangement, any cash settlement or refund will be paid to the owner of the Furniture at the time the settlement is made. This will be the Lessor if You have not yet acquired ownership of the Furniture, however You will retain a beneficial interest in this Plan and all non-cash benefits described herein shall be rendered to You. Any of Your obligations under the Plan shall remain Your responsibility during the term of any LTO Arrangement, except as provided by law. Any reference to purchased, sold, or similar terms shall include leases and its derivatives. Any reference to "purchaser" shall mean You under the LTO Arrangement, and not the Lessor.

PLAN COVERAGE FOR INDOOR FURNITURE: Damage and/or stains to all covered Furniture and/or area rugs must be reported within thirty (30) days of discovery to the Administrator and includes:

For Damage to Upholstered Fabric, Microfiber, Vinyl and Leather Indoor Furniture:

- All Stains (See Exclusions. Accumulation of stains is not covered.)
- Dye Transfer
- Burn or Singe Marks Caused by Brief Contact with Flame or Heat
- Rips, Tears or Punctures (other than those caused by animals)
- Upon Expiration of the Original Manufacturer's or Store's warranty: failure of motors and associated components such as mechanisms, motors, wires and switches; including handles

For Damage to Wood and Solid Surface Indoor Furniture:

- All Stains (See Exclusions – Accumulation of stains is not covered.)
- Dye Transfer
- Burn or Singe Marks Caused by Brief Contact with Flame or Heat
- Fading from the Sun
- Scratch or Gouge that Penetrates the Finish (Normal Wear and Tear Surface Scratches Are Not Covered)
- Checking, Cracking, Bubbling and Peeling of the Finish or Lifting of Veneers (from a Specific Incident)
- Accidental Chipping and Breakage of Glass or Mirrors

IMPORTANT EXCLUSIONS FOR INDOOR FURNITURE: We will NOT cover the following:

- **Fading of the upholstery, color loss, and/or discoloration**
- **Failure or loosening of threads or splitting of seams, stress tears, loss of foam resiliency, spring or coil damage, damage to zippers, pilling or fraying of upholstery or any stains or damage to the seat platform (the area directly under loose seat cushions)**
- **Wood surface scratch or gouge that does not penetrate through the finish**
- **Cracking or peeling of upholstered fabric or leather**
- **Leather surface scratches that do not penetrate through the upholstery, such as scuffs or scrape marks**
- **Flaws and manufacturer's defects that cause rips, cuts, punctures, or color loss**
- **Dye lot or texture variation**
- **Mattresses and Box Springs**
- **General soiling, normal wear and tear, or a gradual buildup or accumulation of dirt, dust, body oils, perspiration, and other damage that cannot be attributed to a single occurrence**

LIMIT of LIABILITY FOR INDOOR FURNITURE: Our cost and liability to provide service, repair or replacement under this Plan is limited to the lesser of the cost of authorized repairs or replacement of the covered Furniture with a product of equal or similar features and functionality. In no event will the Our total liability for repairs or replacement exceed the lesser of the original purchase price of the covered Furniture excluding tax and delivery costs paid during the purchase of the covered Furniture or \$25,000.

PLAN COVERAGE FOR OUTDOOR FURNITURE: Damage to covered Furniture must be reported within thirty (30) days of discovery to the Plan Administrator and includes:

For Damage to Fabric and Vinyl Upholstery and Solid Surface Outdoor Furniture:

- Food and Beverage Stains or Human or Pet Bodily Fluids
- Burn or Singe Marks Caused by Brief Contact with Flame or Heat
- Liquid Marks and Rings
- Rips, Cuts or Punctures (except those caused by animals)
- Glass Chipping, Breakage or Cracking
- Upon expiration of the Original Manufacturer's warranty, Mechanical and Structural Breakdown to Fabric or Vinyl Upholstery and Solid Surface Furniture as a Result of: Breakage of Frames/Welds or Panels

IMPORTANT EXCLUSIONS FOR OUTDOOR FURNITURE: We will not cover the following:

- **Stains or damage to outdoor fire pits or heaters**
- **Stains or damage to umbrellas Stains or damage caused by transit, delivery, redelivery, assembly or movement between residences or storage or while in storage**
- **Fading of the upholstery, color loss, and/or discoloration**
- **Failure or loosening of threads or splitting of seams, stress tears, loss of foam resiliency, spring or coil damage, damage to zippers, pilling or fraying of upholstery or any stains or damage to the seat platform (the area directly under loose seat cushions) cloth**
- **Wood surface scratch, gouge, dents or chips**
- **Cracking or peeling of vinyl**
- **Except for breakage to Frames and Mechanisms as provided in the Plan Coverage, repair, replacement or maintenance in connection with operational or structural failure due to defects in materials or workmanship, normal wear and tear, or accidental damage from handling and assembly**
- **General soiling, normal wear and tear, or a gradual buildup or accumulation of dirt, dust, body oils, perspiration, and other damage that cannot be attributed to a single occurrence**
- **Bursting or cracking of frames/welds, tubing and extrusion caused by exposure to moisture and freezing temperatures; frame/weld rusting**
- **Any damage caused by animals**

LIMIT of LIABILITY FOR OUTDOOR FURNITURE: Our cost and liability to provide service, repair or replacement under this Plan is limited to the lesser of the cost of authorized repairs or replacement of the Covered Furniture with a product of equal or similar features and functionality. In no event will the Our total liability for all repairs or replacement exceed the lesser of the original purchase price of the Covered Furniture excluding tax and delivery costs paid during the purchase of the Covered Furniture (or) \$15,000.

PLAN COVERAGE FOR AREA RUGS: Stains to covered Area Rugs must be reported within thirty (30) days of discovery to the Administrator and include:

Area Rug Stains from:

- Food and Beverage Stains
- Ink from Pens
- Lipstick
- Human or Pet Bodily Fluids
- Accumulation of stains is not covered

IMPORTANT EXCLUSIONS FOR AREA RUGS: We will not cover the following:

- Any stain or damage not specifically listed under the Coverage section above
- Wall-to-wall carpets or Area Rugs made of non-colorfast fibers or backing
- Fading of the Area Rug, color loss, and/or discoloration
- Normal wear and tear to Area Rug such as soiling from everyday use including body oil, hair oil, perspiration, or darkened body contact areas
- Failure or loosening of threads, splitting of seams, loose or unattached fringe, unraveling of edges, stress tears, pilling or fraying
- Stains from markers or felt-tip pens
- General soiling or a gradual buildup or accumulation of dirt, dust, body oils, perspiration, and other damage that cannot be attributed to a single occurrence.

LIMIT of LIABILITY FOR RUGS: Our cost and liability to provide service, repair or replacement under this Plan is limited to the lesser of the cost of authorized repairs or replacement of the covered Area Rug with a product of equal value. In no event will the Our total liability for all repairs or replacement exceed the lesser of the original purchase price of the covered Area Rug excluding tax and delivery costs paid during the purchase of the covered Area Rug or \$5,000.

PLAN COVERAGE FOR ADJUSTABLE BASES: The Manufacturer of the Furniture may supply a warranty that provides one year or more of coverage for defects in materials and workmanship to bed bases, electrical parts (electronics, electrical components, massage motors, and lift motors) and mechanical parts (other than electrical parts). Such warranty may cover the cost of parts and labor to correct the defect to your adjustable base foundation. Commencing after the expiration of any manufacturer's warranty, this Plan will provide for the repair or replacement of the Furniture's base motor, mechanisms, electrical components, and controllers if damaged due to a defect in materials or workmanship arising out of normal residential use. **Power Surge Protection:** This PLAN provides power surge protection from the date of delivery in the absence of any other insurance coverage. If your product is damaged as a result of a power surge, We will service your product in accordance with the terms herein. To the extent that damages are covered or should be covered under the Manufacturer's warranty, they will not be covered by this Plan. Damage or malfunction must be reported within thirty (30) days of discovery to the Administrator in order to be covered.

IMPORTANT EXCLUSIONS FOR ADJUSTABLE BASES: We will not cover the following:

- Equipment sold without a manufacturer's warranty, maintenance, repair or replacement necessitated by loss or damage resulting from any cause other than normal residential use and operation of the Furniture in accordance with the manufacturer's specifications and owner's manual, including but not limited to: theft, exposure to weather conditions, water, water leaks, operator negligence, outside contractors, misuse, intentional damage or willful abuse, improper electrical/power supply, etc.
- Damage from exceeding weight limit restrictions and guidelines for proper distribution of weight as set forth in the user's manual
- Unauthorized repairs, improper installation or attachments
- Cosmetic damage to case or cabinetry or other non-operating parts or components
- Damages as a result of lack of manufacturer specified maintenance, improper or unauthorized equipment modifications, vandalism, pet or animal damage, rodent or insect infestation, rust, dust, corrosion, defective batteries, battery leakage, or acts of nature or any other peril originating from outside the Furniture
- Service necessary because of improper storage, improper ventilation, reconfiguration of equipment, use or movement of the equipment, including the failure to place the equipment in an area that complies with the manufacturer's published space or environmental requirements
- Any utilization of equipment that is inconsistent with either the design of the equipment or the way the manufacturer intended the equipment to be used
- Mattresses, frames, cabling, cords or items supplied by the Retailer, as well as consumables such as batteries
- Cleaning or preventive maintenance

LIMIT of LIABILITY FOR ADJUSTABLE BASES: Our cost and liability to provide service, repair or replacement under this Plan is limited to the lesser of: (1) the cost of authorized repairs or (2) replacement of the Furniture with an item of equal or similar features and functionality. In no event will Our total liability for repairs or replacement exceed the lesser of: (1) the original purchase price of the Furniture excluding tax and delivery costs paid during the purchase of the Furniture (or) (2) \$10,000.

BLANKET EXCLUSIONS. "Blanket Exclusions" APPLY TO ANY AND ALL WARRANTED FURNITURE, ADJUSTABLE BASES AND RUGS.

- Any loss covered by homeowner's or renter's insurance
- "As is", "pre-owned", showroom-displayed, or rental (other than an LTO Arrangement) furniture.
- Failure to use reasonable means to protect your Furniture from further damage after a failure or damage occurs
- Inherent design or structural defects in fabrics and leathers, including but not limited to, natural inconsistencies in upholstery or delamination
- Natural stone, marble and scratches on glass
- Any Stain or Damage caused by a Contractor, such as but not limited to Plumber, Painter or other Service or Maintenance Personnel
- Any periodic checkups, preventative maintenance, lubrication, and general cleaning of nonfunctional or aesthetic parts including but not limited to plastic parts, knobs, rollers, baskets or accessories used in conjunction with the covered Furniture, such as pillows and buttons
- Custom installations. (Furniture installed in cabinetry and other types of built-in applications are eligible for service as long as you make the Furniture accessible to the service technician. We are not responsible for dismantling or reinstallation of fixed infrastructure when removing or returning repaired or replaced Furniture into a custom installation).
- Service required as a result of any alteration of the equipment or repairs made by anyone other than the authorized service provider, its agents, distributors, contractors or licensees or the use of supplies other than those recommended by the manufacturer
- Stains or damage caused by improper cleaning methods or improper cleaning materials, or damage caused by the application of topical treatments (other than those provided by Us, for the covered Furniture) or failure to comply with manufacturer's warranty
- Stains or damage from acid, bleach, caustic solutions, mildew, mold or reoccurring damage as a result of lifestyles, even if otherwise covered by this Plan
- Furniture with removed or altered serial numbers.
- Repairs recommended by a repair facility not necessitated by mechanical or electrical breakdown
- Any repair that is a result of in-warranty parts not provided or shipped by the manufacturer
- Damage or equipment failure which is covered or should be covered by manufacturer's warranty, manufacturer's recall, or factory bulletins (regardless of whether or not the manufacturer is doing business as an ongoing enterprise)
- Cleaning or preventive maintenance
- Damages covered by insurance or another service contract
- Consequential damages or delay in rendering service under this contract or loss of use during the period that the Furniture is at the repair center or otherwise awaiting parts
- Failures that occur outside the Fifty (50) States of the United States of America
- Water damage by leaking appliances, water heaters, skylights, and pipes
- Initial or subsequent installation, assembly or hookup of Your Furniture is not covered
- Any indirect, consequential or incidental damages, including loss or damage to person or property, arising from the use of, or inability to use, or from the repair or replacement of the Furniture
- Any and all pre-existing conditions that existed prior to the effective date of this Plan
- Normal wear and tear to fabrics and leathers, such as soiling from everyday use including body oil, hair oil, perspiration, or darkened body contact areas
- Stains or damage caused by transit, delivery, redelivery, assembly or movement between residences or storage or while in storage
- Furniture purchased for group homes, assisted living residences, and nursing homes that is used by its residents or by the general public
- Service, maintenance, repair, or replacement necessitated by any loss or damage resulting from any cause other than normal RESIDENTIAL usage, such as, but not limited to, loss or damage due to misuse, abuse, unauthorized repair by others, collision with any other object, loss or damage resulting from failure to provide manufacturer's recommended maintenance or inspection, add-on products or accessories, furniture used outdoors, attachments, rust, corrosion, battery leakage, sand, dirt, rodent or insect infestation, damage or stains caused by acts of God, fire, water, water leaks, windstorm, hail, earthquake, exposure to the sun or other heat source, exposure to the cold, theft, negligence, riot, outside contractors or any other peril
- Any breach of implied or expressed warranty of merchantability or fitness of the Furniture from the Manufacturer or Retailer
- Removal and reinstallation, except as determined by Us
- Intentional damage or willful abuse or misuse of the covered Furniture
- Charges related to "no problem found" diagnosis. Non failure problems, including but not limited to, items not covered, noises, squeaks, etc. Intermittent issues are not Furniture failures.
- Consumer educational purposes or unsatisfactory power connections
- Custom installations. (Furniture installed in cabinetry and other types of built-in applications) are eligible for service as long as you make the Furniture accessible to the service technician. We are not responsible for dismantling or reinstallation of fixed infrastructure when removing or returning repaired or replaced Furniture into a custom installation.
- Damage to motors and associated components due to power surges, low voltage/amperage, normal wear and tear, or any damage caused by an external power source
- Repair, replacement or maintenance in connection with operational or structural failure due to defects in materials or workmanship, normal wear and tear, or accidental damage from handling and assembly, except as listed for motors.
- Animal and Pet damage, other than pet bodily fluids, such as damage from teeth, beaks or claws
- Incontinence
- Odors or stains of unknown origin

CANCELLATION: This Plan may be cancelled by You for any reason, including, but not limited to, the Furniture covered by the Plan being sold, lost, stolen or destroyed. To cancel the Plan, contact the Administrator toll-free at **1-800-426-2848**. If You cancel this Plan within the first thirty (30) days after receipt of the Plan and no claims have been made hereunder, You will receive a full refund of the purchase price. If You cancel this Plan after the first thirty (30) days of receipt of the Plan, or if a claim has been made hereunder, YOU will receive a pro rata refund of the purchase price of the Plan calculated based on the elapsed time since the commencement of the Plan, less any claims paid. Cancellations initiated by You after the first thirty (30) days may be subject to a cancellation fee in an amount not to exceed 10% of the purchase price of the Plan, or twenty five dollars (\$25), whichever is less. If We do not pay a refund due to You as a result of the cancellation of the Plan within 45 days after receiving notification from You of cancellation of the Plan, We will pay to You a penalty for each month of any refund amount that remains outstanding equal to 10 percent of the refund amount due. In the event of cancellation by US, written notice to You will be provided at least 15 days prior to the cancellation and will contain the effective date of the cancellation and the reason for cancellation. Prior notice is not required if the reason for cancellation is nonpayment of Our fee, material misrepresentation or a substantial breach of duties by You relating to the Furniture or its use. If a Plan is cancelled by Us for any reason other than the nonpayment of Our fee, You will be refunded 100% of the unearned pro rata purchase price paid by You, less any claims paid. **If You financed the purchase of this Plan, any refund due as a result of the cancellation of the Plan will be paid directly to the lender of record.** If You purchased this Plan under an LTO Arrangement, any refund owed pursuant to this provision will be paid directly to the Lessor of record unless You have taken ownership of the property.

ARBITRATION: If We cannot resolve any disputes with You related to the Plan, including claims, You and We agree to resolve those disputes through binding arbitration or small claims court instead of through courts of general jurisdiction. Further, You and We agree to waive our rights to a trial by jury and to not participate in any class arbitrations or class actions. This Plan is evidence of a transaction in interstate commerce and the Federal Arbitration Act applies to and governs the enforcement of any arbitration hereunder. The provisions of this Arbitration section shall survive the termination of this Plan.

YOU AND WE UNDERSTAND AND AGREE THAT, BECAUSE OF THIS PROVISION NEITHER YOU NOR US WILL HAVE THE RIGHT TO GO TO COURT EXCEPT AS PROVIDED ABOVE OR TO HAVE A JURY TRIAL OR TO PARTICIPATE AS ANY MEMBER OF A CLASS OF CLAIMANTS PERTAINING TO ANY CLAIM.

FRAUD RESULTS IN HIGHER COSTS TO THE CONSUMER AND IS ILLEGAL.

You are not required to purchase this Addendum as a condition of a loan or a condition for the sale of any property. This is not an insurance policy. Obligations of the obligor under this service contract are backed by the full faith and credit of the obligor, Sam Levitz Furniture Company, Inc. We may be contacted at 3430 E. 36th Street Tucson, AZ 85713 or by calling 1-800-426-2848 or email at www.service@samlevitz.com.

You are not required to purchase this PLAN as a condition of a loan or a condition for the sale of any property.

THIS IS THE ENTIRE AGREEMENT BETWEEN THE PARTIES AND NO REPRESENTATION, PROMISE OR CONDITION NOT CONTAINED HEREIN SHALL MODIFY THESE TERMS. THE ENTIRE AGREEMENT INCLUDES THESE TERMS AND CONDITIONS, AS WELL AS YOUR RECEIPT SHOWING THE PURCHASE OF THIS PLAN AND THE COVERED FURNITURE.

STATE OF ARIZONA SPECIFIC REQUIREMENTS:

The following state variations shall control if inconsistent with any other terms and conditions of this Plan:

Arizona Residents: If Your written notice of cancellation is received prior to the PLAN expiration date, the Administrator shall refund the remaining pro-rata price, regardless of prior services rendered under the PLAN.

Pre-existing conditions are not excluded, if such conditions were known or should have reasonably been known by Us or the person selling the service contract on our behalf.

Arbitration cannot be an absolute dispute remedy and both parties must agree to arbitration. The ARBITRATION section of the PLAN does not prohibit an Arizona resident from following the process to resolve complaints under the provisions of A.R.S. §20-1095.09, Unfair trade Practices as outlined by the Arizona Department of Insurance. To learn more about this process, YOU may contact the Arizona Department of Insurance at 100 N. 15th Avenue, Suite 261, Phoenix, AZ 85007, Attn: Consumer Protection. YOU may directly file any complaint with the A.D.O.I. against a Service Company issuing an approved Service Contract under the provisions of A.R.S. §§ 20-1095.04 and/or 20- 1095.09 by contacting the Consumer Protection Division of the A.D.O.I. at 800-325-2548.

IMPORTANT NOTE: IF YOUR PLAN COVERAGE PROVIDES FOR ALL STAINS COVERAGE, ANY TYPE OF STAIN WILL BE COVERED UNLESS IT IS EXCLUDED IN THE IMPORTANT EXCLUSIONS SECTION. PLEASE READ THIS SECTION CAREFULLY AND CALL THE ADMINISTRATOR IF YOU HAVE ANY QUESTIONS.

**SLF "PROTECTION PLUS PLAN" ENHANCEMENT ADDENDUM
GENERAL TERMS AND CONDITIONS**

All coverages listed below are in addition to the coverages offered in the SLF Premium Furniture Protection Plan. Please carefully read this Protection Plus Plan Enhancement Addendum to understand your coverage benefits.

DEFINITIONS: "Addendum" refers to this Protection Plus Plan Enhancement Addendum. "Retailer" means the authorized entity selling You the Addendum. "Furniture" means the qualifying Furniture or Mattress described below and delivered concurrently with Your purchase of this Addendum. "We", "Our", or "Us", means Sam Levitz Furniture Co. "You" or "Your" means the person or persons named on the sales receipt for this Addendum, including the lessor of the Furniture ("Lessor"), if the Furniture was acquired under a lease-to-own arrangement ("LTO Arrangement"). "Service/Delivery Area" refers to zip codes that we travel to for delivery on a consistent basis.

ADDENDUM TERM: The coverage period for this Addendum is three (3) or five (5) years depending on the specific part of the Furniture as defined below. This Addendum commences with the covered Furniture date of delivery. Please retain a copy of this Addendum and the original receipt for the Furniture as it may be needed to obtain service.

QUALIFYING FURNITURE: Upholstered Fabric, Vinyl (Faux Leather) and Leather Indoor Furniture, Wood and Solid Surface Furniture and Mattresses, all of which are purchased concurrently with this Addendum. This Addendum is available for new Furniture only that is sold by Us. Furniture covered by this Addendum must be received by You from Us free of defects or damage. Non-new furniture may qualify for a clearance Plan that can be sold on clearance furniture from a Clearance Center, Outlet, or as a floor sample. These items may have existing imperfections or damage which will be listed as exclusions to the clearance Plan.

HOW THIS ADDENDUM WORKS: If the new Furniture covered by this Addendum becomes damaged as described below during Your normal RESIDENTIAL use, and You cannot correct the damage using procedures provided by Us, the affected area or damaged part will be repaired or replaced. If the furniture is located outside of Our Service/Delivery Area, You may be required to ship the damaged part to a designated facility at Your cost. We will pay for any shipping or transportation cost to send the repaired or new part back to You. At Our sole discretion, if We cannot repair the damage or replace a damaged part, the complete piece of Furniture will be replaced with the same or similar piece of furniture having an equal retail purchase price as the damaged Furniture. Service or replacement is limited to the damaged Furniture only and this Addendum does not transfer to any Furniture received as a replacement under this Addendum. This Addendum will not pay any shipping or transportation costs associated with this replacement if within Our Service/Delivery Area. Only Furniture shown on the original receipt and that remains in Your possession is eligible for coverage. This Addendum does not eliminate the need for routine care and maintenance of Your Furniture, which shall be Your sole responsibility.

TO OBTAIN SERVICE: Damage to covered Furniture must be reported by You, to Us within thirty (30) days of discovery. You can report Your claim by contacting Our customer service department at **1-800-426-2848** or online at www.service@samlevitz.com. You must have Your: (1) original receipt showing Your purchase of the covered Furniture and this Addendum; (2) the original delivery date of the covered Furniture; and (3) the discovery date of the damage. You may be required to provide a photograph of the effected part of the Furniture. You shall reasonably cooperate with Us in Our efforts to perform Our obligations under this Addendum. Failure to comply with the provisions in this Addendum may void any claim.

ADDENDUM PROVISIONS: This Addendum is not renewable or transferable and does not supersede any applicable manufacturer's warranty. You are the only person eligible for coverage under this Addendum. If You do not cooperate with the reasonable requests of Our representatives, this Addendum becomes void and You will be entitled to receive a pro rata refund of the purchase price of this Addendum calculated based on the elapsed time since the commencement of this Addendum, less any claims paid. If You financed the purchase of this Addendum any refund owed pursuant to this provision will be paid directly to the lender of record. If You purchased this Addendum under an LTO Arrangement, any refund owed pursuant to this provision will be paid directly to the Lessor of record, unless You have taken ownership of the property. Our failure to exercise rights under this Addendum does not waive those rights.

LTO ARRANGEMENTS: If the Furniture is acquired under a LTO Arrangement, any cash settlement or refund will be paid to the owner of the Furniture at the time the settlement is made. This will be the Lessor if You have not yet acquired ownership of the Furniture. However, You will retain a beneficial interest in this Addendum and all non-cash benefits described herein shall be rendered to You. Any of Your obligations under this Addendum shall remain Your responsibility during the term of any LTO Arrangement, except as provided by law. Any reference to purchased, sold, or similar terms shall include leases and its derivatives. Any reference to purchaser shall mean You under the LTO Arrangement and not the Lessor.

ADDENDUM COVERAGE FOR INDOOR FURNITURE: Damage or defects to all covered Indoor Furniture must be reported to Us within thirty (30) days of discovery and includes:

For Damage or Defects to Upholstered Fabric, Vinyl (Faux Leather) and Leather Indoor Furniture:

- Cushion Cores – 3 years
- Seams, Zippers and Buttons – 3 years
- Fabric, Vinyl, Faux Leather, Bonded Leather – 3 years
- Cracking, Drying or Peeling – 3 years
- Frame, Spring System, Mechanism (excluding massage chairs) – 5 years

For Damage or Defects to Power Massage Chairs:

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- Cushion Cores – 3 years
- Seams, Zippers and Buttons – 3 years
- Fabric, Vinyl, Faux Leather, Bonded Leather, Leather – 3 years
- Cracking, Drying or Peeling – 3 years
- Motor – 5 years

For Damage or Defects to Wood and Solid Surface Indoor Furniture:

- Drawers and Glides – 5 years
- Hinges and Hardware – 5 years
- Case Construction – 5 years
- Fireplace electronic inserts – 3 years

For Damage or Defects to Wood and Solid Surface Indoor Furniture in the Promotional/RTA Price point (\$1-\$299)

- Drawers and Glides – 3 years
- Hinges and Hardware – 3 years
- Finish and Veneers – 3 years
- Case Construction – 3 years

For Damage or Defects to Clearance or Floor Model Indoor Furniture:

- Cushion Cores – 2 years
- Frame and Spring System – 3 years
- Recliner and Sleeper Mechanisms – 3 years
- Motors and Wires – 3 years
- Seams and Stitches – 3 years
- Drawers and Glides – 3 years
- Hinges and Hardware – 3 years
- Case and Leg Construction – 3 years
- Veneers and Laminates – 3 years (from chipping and peeling)
- Mattress Warranty Up to \$999 mattress value – 3 years
- Mattress Warranty Over \$999 mattress value – 5 years

IMPORTANT EXCLUSIONS FOR INDOOR FURNITURE: We will NOT cover the following:

- **Fading of the upholstery, color loss, and/or discoloration**
- **Wood surface scratch or gouge that does not penetrate through the finish**
- **Leather surface scratches that do not penetrate through the upholstery, such as scuffs or scrape marks**
- **Dye lot or texture variation**
- **General soiling, normal wear and tear, or a gradual buildup or accumulation of dirt, dust, body oils, perspiration, and other damage that cannot be attributed to a single occurrence**
- **Damage or defects when furniture is used in a rental, business, commercial, institutional or other non-residential environment**

LIMIT of LIABILITY FOR INDOOR FURNITURE: Our cost and liability to provide service, repair or replacement under this Addendum is limited to the lesser of the cost of the authorized repairs or replacement of the covered Furniture with a product of equal or similar features and functionality. In no event will Our total liability for repairs or replacement exceed the lesser of the original purchase price of the covered Furniture excluding tax and delivery costs paid during the purchase of the covered Furniture, or \$25,000.

IMPORTANT EXCLUSIONS FOR CLEARANCE/FLOOR MODEL FURNITURE: We will NOT cover the following:

- **Any Existing damage or staining on the furniture which exist at time of purchase**
- **Cosmetic or superficial damage**
- **Fading of the upholstery, color loss, and/or discoloration**
- **Wood surface scratch or gouge that does not penetrate through the finish**
- **Leather surface scratches that do not penetrate through the upholstery, such as scuffs or scrape marks**
- **Dye lot or texture variation**
- **General soiling, normal wear and tear, or a gradual buildup or accumulation of dirt, dust, body oils, perspiration, and other damage that cannot be attributed to a single occurrence**
- **Damage or defects when furniture is used in a rental, business, commercial, institutional or other non-residential environment**

LIMIT of LIABILITY FOR CLEARANCE/FLOOR MODEL FURNITURE: Our cost and liability to provide service, repair or replacement under this Addendum is limited to the lesser of the cost of authorized repairs or replacement of the covered Furniture with a product of equal or similar features and functionality. In no event will Our total liability for repairs or replacement exceed the lesser of the original purchase price of the covered Furniture excluding tax and delivery costs paid during the purchase of the covered Furniture or \$25,000.

BLANKET EXCLUSIONS. "Blanket Exclusions" APPLY TO ANY AND ALL WARRANTED FURNITURE

- Any loss that may be covered by homeowner's or renter's insurance
- Damage or defects when furniture is used in a rental, business, commercial, institutional or other non-residential environment
- Failure to use reasonable means to protect Your Furniture from further damage after a failure or damage occurs
- Inherent design or structural defects or inconsistencies in fabrics and leathers, including but not limited to, natural inconsistencies in upholstery or delamination
- Natural stone, marble and scratches on glass
- Any Stain or Damage caused by a Contractor, such as but not limited to a Plumber, Painter or other Service or Maintenance Personnel
- Any service, periodic checkups, preventative maintenance, lubrication, and general cleaning of nonfunctional or aesthetic parts including but not limited to plastic parts, knobs, rollers, baskets or accessories used in conjunction with the covered Furniture, such as pillows and buttons
- Custom installations. (Furniture installed in cabinetry and other types of built-in applications) are eligible for service as long as you make the Furniture accessible to the service technician. We are not responsible for dismantling or reinstallation of fixed infrastructure when removing or returning repaired or replaced Furniture into a custom installation.
- Service required as a result of any alteration of the equipment or repairs made by anyone other than the authorized service provider, its agents, distributors, contractors or licensees or the use of supplies other than those recommended by the manufacturer
- Stains or damage caused by improper cleaning methods or improper cleaning materials, or damage caused by the application of topical treatments (other than those provided by Us, or the Manufacturer specifically for the covered Furniture) or failure to comply with the manufacturer's warranty
- Stains or damage from acid, bleach, caustic solutions, mildew, mold or reoccurring damage as a result of lifestyles, even if otherwise covered by this Addendum
- Furniture with removed or altered serial numbers
- Any repair that is a result of in-warranty parts not provided or shipped by the manufacturer
- Cleaning or preventive maintenance
- Any damage which may be covered by other insurance, or another service contract
- Consequential damages or delays in rendering service under this contract or loss of use during the period that the Furniture is at the repair center or otherwise awaiting parts
- Water damage by leaking appliances, water heaters, skylights, and pipes
- Damage or failure to Your furniture due to the initial or subsequent installation not performed by Us, is not covered
- Any indirect, consequential or incidental damages, including loss or damage to person or property, arising from the use of, or inability to use, or from the repair or replacement of the Furniture
- Any and all pre-existing conditions that existed prior to the effective date of this Addendum
- Normal wear and tear to fabrics and leathers, such as soiling from everyday use including body oil, hair oil, perspiration, or darkened body contact areas
- Stains or damage caused by transit, delivery, redelivery, assembly or movement between residences or storage or while in storage
- Furniture purchased for group homes, assisted living residences, and nursing homes that is used by the general public
- Service, maintenance, repair, or replacement necessitated by any loss or damage resulting from any cause other than normal RESIDENTIAL usage, such as, but not limited to, loss or damage due to misuse, abuse, unauthorized repair by others, collision with any other object, loss or damage resulting from failure to provide manufacturer's recommended maintenance or inspection, add-on products or accessories, furniture used outdoors, attachments, rust, corrosion, battery leakage, sand, dirt, rodent or insect infestation, damage or stains caused by acts of God, fire, water, water leaks, windstorm, hail, earthquake, flooding, exposure to the sun or other heat source, exposure to the cold, theft, negligence, riot, outside contractors or any other peril
- Any breach of implied or expressed warranty of merchantability or fitness of the Furniture from the Manufacturer or Us
- Removal and reinstallation, except as determined by Us
- Intentional damage or willful abuse or misuse of the covered Furniture
- Charges related to "no problem found" diagnosis. Non failure problems, including but not limited to, items not covered, noises, squeaks, etc. Intermittent issues are not Furniture failures.
- Consumer educational purposes or unsatisfactory power connections
- Damage to motors and associated components due to power surges, low voltage/amperage, normal wear and tear, or any damage caused by an external power source not supplied by Us
- Animal and Pet damage
- Incontinence
- Odors or stains of unknown origin

CANCELLATION: This Plan may be cancelled by You for any reason, including, but not limited to, the Furniture covered by the Plan being sold, lost, stolen or destroyed. To cancel the Plan, contact the Administrator toll-free at **1-800-426-2848**. If You cancel this Plan within the first thirty (30) days after receipt of the Plan and no claims have been made hereunder, You will receive a full refund of the purchase price. If You cancel this Plan after the first thirty (30) days of receipt of the Plan, or if a claim has been made hereunder, YOU will receive a pro rata refund of the purchase price of the Plan calculated based on the elapsed time since the commencement of the Plan, less any claims paid. Cancellations initiated by You after the first thirty (30) days may be subject to a cancellation fee in an amount not to exceed 10% of the purchase price of the Plan, or twenty five dollars (\$25), whichever is less. If We do not pay a refund due to You as a result of the cancellation of the Plan within 45 days after receiving notification from You of cancellation of the Plan, We will pay to You a penalty for each month of any refund amount that remains outstanding equal to 10 percent of the refund amount due. In the event of cancellation by US, written notice to You will be provided at least 15 days prior to the

cancellation and will contain the effective date of the cancellation and the reason for cancellation. Prior notice is not required if the reason for cancellation is nonpayment of Our fee, material misrepresentation or a substantial breach of duties by You relating to the Furniture or its use. If a Plan is cancelled by Us for any reason other than the nonpayment of Our fee, You will be refunded 100% of the unearned pro rata purchase price paid by You, less any claims paid. **If You financed the purchase of this Plan, any refund due as a result of the cancellation of the Plan will be paid directly to the lender of record.** If You purchased this Plan under an LTO Arrangement, any refund owed pursuant to this provision will be paid directly to the Lessor of record unless You have taken ownership of the property.

ARBITRATION: If We cannot resolve any disputes with You related to this Addendum, including claims, You and We agree to resolve those disputes through binding arbitration or small claims court instead of through courts of general jurisdiction. Further, You and We agree to waive Our rights to a trial by jury and to not participate in any class arbitrations or class actions. This Addendum is evidence of a transaction in interstate commerce and the Federal Arbitration Act applies to and governs the enforcement of any arbitration hereunder. The provisions of this Arbitration section shall survive the termination of this Addendum.

YOU AND WE UNDERSTAND AND AGREE THAT, BECAUSE OF THIS PROVISION NEITHER YOU NOR US WILL HAVE THE RIGHT TO GO TO COURT EXCEPT AS PROVIDED ABOVE OR TO HAVE A JURY TRIAL OR TO PARTICIPATE AS ANY MEMBER OF A CLASS OF CLAIMANTS PERTAINING TO ANY CLAIM.

FRAUD RESULTS IN HIGHER COSTS TO THE CONSUMER AND IS ILLEGAL.

You are not required to purchase this Addendum as a condition of a loan or a condition for the sale of any property. This is not an insurance policy. Obligations of the obligor under this service contract are backed by the full faith and credit of the obligor, Sam Levitz Furniture Company, Inc. We may be contacted at 3430 E. 36th Street Tucson, AZ 85713 or by calling 1-800-426-2848 or email at www.service@samlevitz.com.

THIS IS THE ENTIRE AGREEMENT BETWEEN THE PARTIES AND NO REPRESENTATION, PROMISE OR CONDITION NOT CONTAINED HEREIN SHALL MODIFY THESE TERMS. THE ENTIRE AGREEMENT INCLUDES THESE TERMS AND CONDITIONS, THE WELCOME LETTER, AND YOUR RECEIPT SHOWING THE PURCHASE OF THIS ADDENDUM AND THE COVERED FURNITURE.

STATE OF ARIZONA SPECIFIC REQUIREMENTS:

Arbitration cannot be an absolute dispute remedy and both parties must agree to arbitration. The ARBITRATION section of the Addendum does not prohibit an Arizona resident from following the process to resolve complaints under the provisions of A.R.S. §20-1095.09, Unfair trade Practices as outlined by the Arizona Department of Insurance. To learn more about this process, You may contact the Arizona Department of Insurance at 100 N. 15th Avenue, Suite 261, Phoenix, AZ 85007, Attn: Consumer Protection. You may directly file any complaint with the A.D.O.I. against a Service Company issuing an approved Service Contract under the provisions of A.R.S. §§ 20-1095.04 and/or 20- 1095.09 by contacting the Consumer Protection Division of the A.D.O.I. at 800-325-2548.

Pre-existing conditions are not excluded, if such conditions were known or should have reasonably been known by Us or the person selling the service contract on our behalf.