

10 YEAR ADJUSTABLE BASE PROTECTION PLAN

- Keep this Protection Plan and your original invoice
- Si usted necesita un Plan de Protección en Español, favor llamamos al (877) 350-3161

PLAN NO. CC-SPE-AB-10Y-1

TERMS OF SERVICE:

This Protection Plan ("Protection Plan") is a Service Contract between you, ("You"; "Your") the original purchaser and consumer, and Service Contract Specialists, Inc. ("SCS"; "We") located at: 19 Smiley Ingram Road Cartersville, GA 30121 (877) 350-3161, except in Arizona, Virginia, and Washington, where the obligor is Dealers Alliance Corporation located at: 15920 Addison Road, Addison, TX 75001, (800)282-8913 or, in Florida, where the obligor is Dealers Assurance Company (license number: 02977), located at: 15920 Addison Road, Addison, TX 75001, (800) 282-8913. This Protection Plan is administered by SCS.

- This Protection Plan is not a cleaning or maintenance contract, insurance policy, or Your original manufacturer's warranty. This Plan covers Your covered furniture for certain mechanical and structural breakdowns and accidental damage from normal household use, as listed in the "WHAT IS COVERED" section.
- This Protection Plan is only valid for new furniture purchased at the same time as this Protection Plan, and appears on the sales ticket (sales receipt) as such. It is valid for a period of ten (10) years ("the Term") beginning on the delivery date of Your new furniture.
- SCS liability under this agreement is limited to the retail price You paid for Your covered furniture.
- If a covered event occurs during the Term of this Protection Plan, SCS agrees to provide Service ("Service") as outlined in the "SERVICE PROCEDURES" section of this Protection Plan.
- This Protection Plan includes this document as well as Your sales ticket (sales receipt). You must provide a sales ticket (sales receipt) for Your covered furniture and a copy of this Protection Plan to receive service.

REQUIREMENTS FOR REQUESTING SERVICE:

Failure to meet any of the following requirements can result in a denial of Service under this Protection Plan.

- The furniture must have been delivered and installed soil-free and damage-free from the store where it was purchased;
- You must have performed all routine and preventative maintenance, as recommended by the manufacturer;
- Any damage must be reported to SCS within thirty (30) days of the date that the stain or damage occurred. Notify SCS by calling (877) 350-3161;

SERVICE PROCEDURES:

If SCS determines that the reported damage is covered under this Protection Plan, SCS will perform one or more of the following:

- SCS may dispatch an authorized technician to repair the damaged area;
- SCS may replace all or part of the affected area, component, or piece of furniture. Replacement parts may be new or rebuilt or refurbished as determined by SCS;
- SCS may provide for a store credit at the original store where purchased in an amount equal to the original purchase price of the affected piece of furniture ("Reselection"). Your Reselection store credit is only valid for 60 days after notification by SCS;
- Replacement or Reselection will complete Your coverage under this Protection Plan on the area, component, or piece of furniture. Replaced or Reselected furniture may be eligible for a new SCS Protection Plan at the discretion of SCS;
- If You submit a covered claim for damage and the particular store location where You originally purchased Your furniture has closed, no longer carries SCS as a supplier, changed ownership, or has stopped selling new furniture since Your purchase, You may be refunded the purchase price of this plan.

WHAT IS COVERED:

This Protection Plan provides Service for certain mechanical and structural breakdowns as described in the "WHAT IS COVERED" section of this Protection Plan:

- 1. Breakage of mechanisms including sleeper mechanisms, reclining mechanisms, and heating and vibrating mechanisms:
- 2. Breakage of steel frames;
- Breakage of welds;
- 4. Failure of integral electrical components including wiring, motors, and remote control devices;
- 6. Lifting and lowering mechanisms;
- 7. Drive motor;
- 8. Junction box.

WHAT IS NOT COVERED:

This Protection Plan provides no Service or benefit for any of the following:

General

- Any damage that is not specifically listed under the section titled "WHAT IS COVERED;"
- When the actions listed in the "REQUIREMENTS FOR REQUESTING SERVICE" have not been followed.

Ineligible Furniture & Components

- Furniture sold with damage prior to delivery ("as is");
- Components and mechanisms integrated into furniture; including, but not limited to, sinks, plumbing, TV lifts, fireplace, clocks, and refrigerators;
- Mattresses:

Improper Maintenance, Care or Misuse

- Damage on furniture that has not been properly cared for or maintained, as per Your manufacturer's warranty;
- Damage resulting from the improper use or misuse of furniture, including the use of furniture beyond the purpose for which it had been designed:
- Damage resulting from the improper, in-home movement of furniture;
- Damage caused by animals, unless otherwise specified in the "WHAT IS COVERED" section of this document.
- · Intentional damage;
- Furniture that shows signs of infestation including, but not limited to, insects, termites, cockroaches, and rodents.

Manufacturer Quality Issues

 Defects in design, materials or workmanship not specifically listed in the "WHAT IS COV-ERED" section.

Non-Household Environments

- Damage that occur during any delivery or installation process, or before the furniture is delivered to Your residence:
- Damage that occur while the furniture is not located within Your residence:
- Damage that occur while the furniture is in storage, or being moved to or from storage, or between residences;
- Furniture that is, or has been, used for commercial, institutional, or rental purposes, including daycare.

Wear & Tear Caused By Repeated Use (over time) Damage caused by wear such as, but not limited to, the following:

- · Scuffing or other surface abrasions;
- · Pilling, pulls, snags, seam separation or fraying of fabric;

Miscellaneous

- · Dyes and caustic solutions and chemicals;
- · Odors:
- Damage covered under any manufacturer's warranties, or under any homeowner's, renter's, or other insurance policy;
- Damage caused by structural problems, including, but not limited to, skylights, roofs, or water pipes;
- Damage caused by appliance malfunctions, including, but not limited to, air conditioners and water heaters;
- Damage caused by fire, smoke, flood, or other natural disaster;
- Damage caused by theft, vandalism, or as a result of any other illegal activity;
- Damage caused by independent contractors such as, but not limited to, maintenance personnel, painters, or other repair or contractor services;

CANCELLATION

You may cancel this Plan by calling Us at: (877) 350-3161 during normal business hours (Monday through Friday, 8:00 a.m. to 7:00 p.m. or Saturday 8:00 a.m. to 5:00 p.m. eastern time). If cancelled within (30) days, You will receive a refund equal to the purchase price of this Plan. After thirty (30) days, You will receive a pro-rated refund based on the portion of the coverage period that has expired minus the cost of any claims paid. We may not cancel this Plan except for fraud, material misrepresentation or non-payment of premium by You. Notice of such cancellation will be mailed to You at Your last known address at least thirty (30) days prior to cancellation and will include the effe tive date and reason for cancellation. If We cancel, the return premium is based upon one-hundred percent (100%) of the unearned pro-rated premium.

ADDITIONAL TERMS AND INFORMATION

In the event that You miss a service appointment, You may be charged a fee of up to \$100. The purchase price of Your Protection Plan is listed in Your sales ticket (sales receipt). There is no deductible under the Protection Plan. No claims will be paid without prior authorization. You may not sell or transfer Your rights under this Protection Plan to another person. This Plan is not renewable or transferable.

The obligations of us under this plan are limited to repairing or replacing furniture and we do not make any other expressed or implied warranties and shall not be liable for any consequential or indirect damages whatsoever, some states do not allow the exclusion or limitation of indirect or consequential damages and this limitation or exclusion may not apply to you. Obligations of the provider under this service agreement are insured under a service contract reimbursement insurance policy. If the provider fails to pay or provide service on a claim within 60 days after proof of loss has been filed, the service contract holder is entitled to make a claim directly against the reimbursement insurance company at: Dealers Assurance Company, 15920 Addison Road, Addison, TX 75001, (800) 282-8913. STATE VARIATIONS: The following state-specific paragraphs amend the contract. The statespecific amendatory endorsements are only effective in the states to which they apply:

Alabama: Section: "Cancellation" is amended to include the following: "A ten percent penalty per month shall be added to a refund that is not paid or credited within 45 days after return of the service contract to the provider."

Connecticut: If Your Covered Furniture is returned, sold, lost, stolen, or destroyed, you have the right to cancel this service contract. If You purchased this Plan in Connecticut, You may pursue arbitration to settle disputes between You and the provider of this Plan. You may mail Your complaint to: State of Connecticut, Insurance Department, P.O. Box 816, Hartford, CT 06142-0816, Attn: Consumer Affairs. The written complaint must describe the dispute, identify the price of the product and cost of repair, and include a copy of this service contract. If the examiner is unable to resolve the dispute through mediation, he or shall transfer it to the Arbitration Unit within the Insurance Department for arbitration proceedings. Claims made to the reinsurance company may be made by telephone at the number provided in this Plan.

Florida: The price charged for this service contract is not subject to regulation by the Florida Office of Insurance Regulation. You have the right to receive this contract via United States mail, rather than electronic transmission. If You do not communicate to Us your willingness to receive this service contract by electronic submission, We will mail You a paper copy.

Georgia: Section: "Cancellation" is amended to include the following: "You may cancel this service contract at any time. If You cancel this service contract, You will be entitled to a refund equal to the unearned pro rata premium but We will not deduct claims paid under any circumstance. All refunds due under this Contract shall conform to the requirements of Georgia Code § 33-24-44." Maine: Section: "Cancellation" is amended to include the following: "A monthly penalty equal to 10% of the provider fee outstanding will be added to a refund that is not paid to You within 45 days after return of the service contract to the Us."

Maryland: Section: "Cancellation" is amended to include the following: "If You cancel this agreement and We do not provide You a refund within 45 days of cancellation, You will be entitled to a penalty equal to 10% of the value of the price you paid for the service contract for each month We do not pay You the refund." If we fail to perform required services, this service contract is extended until We provide services due.

Massachusetts: Section: "Cancellation" is amended to include the following: "If You cancel this agreement and We do not provide You a refund within 45 days after return of the service contract to Us, a 10 percent penalty per month shall be added to Your refund."

New Hampshire: In the event You do not receive satisfaction under this contract, You may contact the New Hampshire insurance department, at 21 S. Fruit Street, #14, Concord, NH 03301 or at 603-271-2261.

New Jersey: Section: "Cancellation" is amended to include the following: "If We fail to provide You a refund within 45 days after You return the service contract, We shall pay You a penalty of 10 percent of the purchase price for each 30 day period or portion thereof that the refund remains unpaid."

New York: Section: "Cancellation" is amended to include the following: "If We fail to provide You a refund within 30 days after You return the service contract, We shall pay You a penalty of 10 percent of the purchase price for each month that the refund remains unpaid."

South Carolina: In the event of a dispute with the provider of this Plan, You may contact the South Carolina Department of Insurance, Capitol Center, 1201 Main Street, Ste. 1000, Columbia,

South Carolina 29201 or (800) 768-3467. Section: "Cancellation" is amended to include the following: "A 10 percent penalty shall be added to any refund not paid by Us within 30 days of return of the contract to Us."

Virginia: If any promise made in the contract has been denied or has not been honored within 60 days after your request, you may contact the Virginia Department of Agriculture and Consumer Services, Office of Charitable and Regulatory Programs at www.vdacs.virginia.gov/food-extendedservice- contractproviders.shtml to file a complaint.

Wisconsin: THIS CONTRACT IS SUBJECT TO LIMITED REGULATION BY THE OFFICE OF THE COMMISSIONER OF INSURANCE. Section: "Cancellation" is amended to include the following two provisions: "If We do not pay You any refund due within 45 days after You return the service contract to Us, We shall pay You a per month penalty equal to 10% of the refund amount outstanding which We will add to Your refund; In the event of a total loss of the property covered under this contract, You are entitled to cancel this contract and receive a pro rata refund, less any claims paid."