

AGREEMENT
FURNITURE & UPHOLSTERY – PREFERRED COVERAGE
This **Agreement** is not a Contract of Insurance

THIS **AGREEMENT** DESCRIBES THE PROTECTION YOU WILL RECEIVE IN RETURN FOR PAYMENT BY **YOU**. **You** must keep this **Agreement**, **Your** sales invoice and receipt for the product **You** purchased. They are integral parts of this **Agreement** and **You** may be required to produce them to obtain service. **You** must maintain the **Covered Product** as recommended by the manufacturer's owner's manual and product warranty. Refer to **Your** sales receipt or invoice to determine the term of this **Agreement**.

NOTICE: (1) THE PURCHASE OF THIS AGREEMENT IS NOT REQUIRED TO EITHER PURCHASE YOUR COVERED PRODUCT OR TO OBTAIN FINANCING; (2) THIS AGREEMENT DOES NOT REPLACE THE MANUFACTURER WARRANTY OR SELLING RETAILER'S LIMITED PRODUCT WARRANTY, IF ANY, ON YOUR COVERED PRODUCT.

DEFINITIONS:

"We", "Us" and "Our": The company obligated under this Agreement, **Lyndon Southern Insurance Company**, 10151 Deerwood Park Blvd., Building 100, Suite 500, Jacksonville, FL 32256 (800) 888-2738, Florida License No. 03698.

"You" and "Your": The original purchaser of the **Covered Product(s)**, or the Lessee, if the Product was acquired under a lease-to-own arrangement ("LTO Arrangement"), and any authorized transferee/assignee of the original purchaser.

"Administrator": City Furniture, 6701 N Hiatus Road, Tamarac, FL 33321

"Selling Retailer": The entity selling the **Covered Product** and this **Agreement**.

"Covered Product": Only the consumer product(s) with respect to which **You** purchased this **Agreement**, as listed on **Your** sales receipt or invoice from the Selling Retailer.

"Accidental Damage": A single, unexpected, sudden and unintentional event and does not include accumulated damage from continual or multiple events, failure to take sufficient care to protect the **Covered Product**, protection against reckless, abusive, willful or intentional mishandling and use of the **Covered Product**, and any other limitations listed in the "What is Not Covered" section of this **Agreement**. The use of this coverage requires an explanation of where and when the accident occurred as well as a detailed description of the actual event.

TERM: The term of this **Agreement** will begin on the date of delivery of **Your Covered Product** and continue for the period indicated on **Your** sales receipt or invoice. The listed manufacturer defects coverage will begin upon expiration of the shortest portion of the manufacturer's warranty. **Your** furniture is covered by an In-Home Service program if so marked on **Your** invoice, in which event, **Your** invoice is incorporated into and becomes an integral part of this **Agreement**. The term is one (1) or three (3) years, as shown on **Your** invoice.

WHAT IS COVERED: NOT ALL DEFECTS AND ACCIDENTAL DAMAGE TO THE PRODUCT ARE COVERED UNDER THIS **AGREEMENT**. Please read it carefully.

Manufacturer Defects: **Administrator** will repair or replace any furniture with manufacturer's defects in workmanship and materials for one (1) year or three (3) years from date of delivery of the **Covered Product**.

Manufacturer Warranty: **Your** furniture may be covered by a manufacturer's limited warranty, which will usually provide for repair or replacement of defective furniture at the manufacturer's discretion. **Administrator** will provide the repair or replacement service for any manufacturer's warranty.

Accidental Damage to Fabric, Leather & Vinyl Upholstery, Wood, Wood Veneer and Wood Laminate Products: **Administrator** will repair or replace any furniture with damage caused by accidental scratches, rips and tears, burns, or watermarks.

Parts will be replaced at **Administrator's** option with those of like kind and quality as solely determined by **Administrator**, and may be new or remanufactured. **Administrator** is not responsible for and does not guarantee color match or dye lots on fabric, leather, vinyl or wood finishes, or manufacturer's discontinuation. If the **Covered Product**: (1) cannot be repaired; (2) if the cost of the repair exceeds the original purchase price; or (3) if the parts are no longer available or are discontinued by the manufacturer, the **Covered Product** will be replaced with a product of similar quality and features as determined by **Administrator**, not to exceed the purchase price of the **Covered Product**, excluding sales tax, delivery and installation costs. **You** are responsible for any sales tax, delivery and installation costs associated with a replacement item that is in excess of the original purchase price of the covered product. **In the event a Covered Product is replaced and is part of a matching set of products, the covered product and the other matching set items will be replaced at the Administrator's discretion not to exceed the original purchase price of the covered product and matching set of products.**

LTO ARRANGEMENTS: Where the product was initially acquired under a LTO Arrangement, any cash settlement or refund will be paid to the owner of the **Covered Product** at the time the settlement is made. This will be the Lessor if **You** have not yet acquired ownership of the property pursuant to the terms and conditions of **Your** LTO Arrangement, in which case any refund will be credited to **Your** account. In all other respects, the Lessee will retain a beneficial interest in this **Agreement** and all non-cash benefits described herein shall be rendered to the Lessee. Any owner obligations related to maintenance of the **Covered Product** shall be the responsibility of the Lessee during the term of any LTO Arrangement except as provided by law. Any reference to purchased, sold, or similar terms shall include leased and its derivatives. Any reference to purchaser shall mean the Lessee under the LTO Arrangement and not the Lessor.

HOW TO OBTAIN SERVICE: **YOU MUST CONTACT THE ADMINISTRATOR FOR AUTHORIZED SERVICE WITHIN THIRTY (30) DAYS OF NOTICING THE DEFECT OR DAMAGE TO THE COVERED PRODUCT. PLEASE READ THE "WHAT IS COVERED" AND "WHAT IS NOT COVERED SECTION OF THIS AGREEMENT"**. Call **Administrator** toll-free at 954.718.3344 between the hours of 8:00 AM and 5:00 PM eastern standard time Monday through Friday or visit <https://www.cityfurniture.com/account/orders> to submit **Your** claim online. A photo is required of the **Covered Product** prior to repair or replacement of furniture. **Administrator** will perform this service in **Your** home in the City Furniture trading area within the state of Florida. **You** will be entitled to a store credit equal to the **Agreement** purchase price if **You** do not use the program. The store credit must be applied against a purchase within thirty (30) days after **Your** original **Agreement** expires.

LIMIT OF LIABILITY: **Our** limit of liability for the **Covered Product** is the lesser of the cost of authorized repairs or replacement with a product with similar quality and features as solely determined by **Us**, provided however, in no event will **Our** total liability for repairs or replacement exceed **Your** purchase price of the **Covered Product**, excluding sales tax, delivery, shipping and installation costs. Upon replacement, **We** no

longer have any obligation for the replaced product under this **Agreement**. SERVICE COSTS, TRIP CHARGES, BREAKDOWN CHARGES, INSPECTION FEES OR ESTIMATES FOR REPAIRS NOT AUTHORIZED BY THE ADMINISTRATOR ARE NOT COVERED UNDER THIS **AGREEMENT** AND ARE **YOUR** RESPONSIBILITY.

WHAT IS NOT COVERED: We will not cover loss or damage caused by the following: (1) Abuse; (2) Any damage caused by pets; (3) Damage or odor as a result of moving or improper storage conditions; (4) Damage caused by fire, smoke, flood or other natural disaster, theft or vandalism; (5) Furniture that is used for commercial purposes; (6) Damage not reported within thirty (30) days of occurrence; (7) Products with removed or altered construction; (8) Clearance, floor model or "as is"; (9) Natural characteristics or markings on fabric, leather, wood and marble; (10) Normal wear; (11) Electronics are not covered; (12) This Agreement covers items on the original purchase only.

IN NO EVENT SHALL **WE**, OR ANY OF **OUR** AGENTS BE LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES WHETHER IN CONTRACT, TORT, OR NEGLIGENCE. THIS **AGREEMENT** DOES NOT COVER ANY LOSS OR DAMAGE NOT SPECIFICALLY LISTED HEREIN.

RENEWAL: This **Agreement** is not renewable.

TRANSFERABILITY: This **Agreement** is transferable by the original purchaser for the balance of the original extended protection period and requires no transfer fee. The **Covered Product** may be registered by mailing a copy of this **Agreement** and Invoice to the **Administrator**, and providing the date of new ownership, new owner's name, complete address, and telephone number. THE MANUFACTURER'S WARRANTY OR SELLING RETAILER'S GUARANTEE MAY NOT BE TRANSFERRABLE.

TERRITORIES: The **Agreement** territory is limited to the State of Florida. It does not include any U.S. Territories including Guam, Puerto Rico, or U.S. Virgin Islands, and does not include Canada.

SUBROGATION: If **We** pay for or render service for a loss, **We** may require **You** to assign **Us Your** rights of recovery against others. **We** will not pay for or render service for a loss if **You** impair these rights to recover. **Your** rights to recover from others may not be waived. **You** will be made whole before **We** retain any amount **We** may recover.

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/the Administrator/Obligor** (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 related in any way to this **Agreement**, including but not limited to claims related to the underlying transaction giving rise to this **Agreement**, or claims related to the sale, financing 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 contract, tort, statute, regulation, rule, ordinance or other rule of law or equity, and Claims against any of **Our/Administrator's/Obligor's** owners, shareholders, members, affiliates, subsidiaries, divisions, directors, officers, employees, representatives, agents, 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 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 number and URL: American Arbitration Association, (800) 778-7879, 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 is commenced. If **Your** total damage claims (not including attorney's fees) do not exceed \$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 or call (800) 778-7879. 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. **We** 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 **We** initiate arbitration against **You**, **We** 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 nevertheless 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 PURCHASE OF THIS AGREEMENT (THE DATE OF PURCHASE BEING INDICATED ON YOUR AGREEMENT. To opt out, **You** must send written notice to either: (1) 10151 Deerwood Park Blvd., Building 100, Suite 500, Jacksonville, FL 32256, Attn: Legal or (2) legal@fortegra.com, with the subject line, "Arbitration/Class Action Waiver 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 Selling Retailer. If **You** properly and timely opt out, then all Claims will be resolved in court rather than arbitration.

CANCELLATION: **You** may cancel this **Agreement** for any reason at any time. If **You** cancel **Your Agreement** within thirty (30) days of receipt of **Your Agreement**, **You** must first return to the Selling Retailer for a full refund or to the **Administrator** should the Selling Retailer not be available. If **You** cancel after thirty (30) days of receipt of **Your Agreement**, **You** must first return to the Selling Retailer or to the **Administrator** should the Selling Retailer not be available, and **You** shall receive a refund equal to 90% of the unearned pro rata premium less any claims that have been paid or less the cost of repairs made on **Your** behalf of the **Agreement** holder. If **We** should cancel this **Agreement**, **You** will receive a refund equal to 100% of the unearned pro rata premium. **We** may not cancel this **Agreement** except for fraud, material misrepresentation, or non-payment by **You**, or if required to do so by a regulatory authority. Notice of such cancellation will be in writing and given at least thirty (30) days prior to cancellation. Any cancellation, expiration, or termination of this **Agreement**, including by **You** or by **Us**, shall not cancel, expire or terminate the Arbitration Agreement and Class Action Waiver, which shall remain in effect (unless **You** opted out of the Arbitration Agreement and Class Action Waiver in a timely and proper manner).

STATE REQUIREMENTS AND DISCLOSURES:

Florida: This **Agreement** is between the Provider, Lyndon Southern Insurance Company (License No. 03698) and **You**, the purchaser. **The rate charged for this Agreement is not subject to regulation by the Florida Office of Insurance Regulation.** ARBITRATION section is amended to add the following: Arbitration proceedings shall be conducted in the county in which the consumer resides.