

This is a legal contract (referred to hereinafter as the "Plan") and it contains a binding Arbitration Agreement below that governs all disputes related to the Plan. Please read the Plan carefully and completely. By purchasing it, you understand that it is such a contract and acknowledge that you have had the opportunity to read the terms and conditions set forth herein.

Obligors: The company obligated under this Plan in all states except in Florida and Washington is **N.E.W. Customer Protection Company, Inc.**, whose address is P.O. Box 061078, Chicago, Illinois 60606-1078, telephone 1-866-856-3882. If purchased in Florida, the company obligated under this Plan is: **National Electronics Warranty Corporation of Florida** (a Service Warranty Association), P.O. Box 1340, Sterling, Virginia 20167, telephone 1-866-856-3882. If purchased in Washington, the company obligated under this Plan is: **ServicePlan, Inc.**, 175 W. Jackson, 11th Floor, Chicago, IL 60604.

Definitions: (1) "we", "us" and "our": refers to the company obligated under this Plan, as indicated in the "Obligor" section above; (2) "administrator" refers to: (a) National Electronics Warranty, LLC in all states and DC except in AL and FL; (b) N.E.W. Customer Protection Company, Inc. in AL; (c) National Electronics Warranty Corporation of Florida (a service warranty association) in FL ("NEW" refers collectively to National Electronics Warranty, LLC, N.E.W. Customer Protection Company, Inc. and National Electronics Warranty Corporation of Florida). The administrator can be contacted at: P.O. Box 1340, Sterling, Virginia, 20167; (3) "breakdown": refers to the mechanical or electrical failure of the product caused by: a) defects in materials/and or workmanship, b) normal wear and tear, c) dust, heat, or humidity, d) power surges, and unintentional and accidental damage from handling as a result of normal use ("ADH") (only if you purchased a Plan which includes this coverage, as indicated below); (4) "product": refers to the consumer item(s) which You purchased concurrently with and is covered by this Plan; (5) "you", "your" and "service contract holder": refers to the individual who purchased the product and this Plan, or the approved transferee; (6) "retailer": refers to the retailer from which you purchased the product and this Plan.

Instructions: You must keep this Plan and sales receipt, as you may be required to produce them to obtain service. This Plan, including the terms, conditions, limitations, exceptions and exclusions, and the sales receipt constitute the entire agreement. Your rights under this Plan may vary from state to state.

To Obtain Service: Call NEW 24 hours a day, seven days a week, at 1-800-861-9389 to process your claim. You must call NEW prior to having service; all repairs must be authorized in advance. We will not reimburse you for work done by unauthorized servicers or others. Services on goods that are essential to the health and safety of you will commence within 24 hours after the report of the claim. Foreign language assistance is available for Your convenience.

What Is Covered:

For Replacement Plans: For any product with a purchase price under \$200, this Plan covers the replacement of your product in the event your product experiences a breakdown which is not covered under any insurance policy or any other warranty or service contract. We will, at our discretion, replace the product with a product of like kind and quality that performs to the factory specifications of the original product, or reimburse you for the purchase price of the product, including sales tax, with a check, when required due to a breakdown. This Plan includes coverage for breakdowns due to ADH for the following products: laptops and other portable devices. You are required to ship the Product to us for replacement; NEW will pay for the cost of shipping your product to us. At our sole discretion, we may require that you return the covered product to us as a condition to receiving a replacement product.

For Video Game/CD/DVD Replacement Plans: This Plan provides for the replacement of your product in the event your product experiences a breakdown which is not covered under any insurance policy or any other warranty or service contract. If your product is found to be inoperable as a result of normal wear and tear, or heat, dust and internal humidity, it will be replaced with a refurbished product with the same title as your original product. In the event a refurbished product is not available, we will, at our discretion, provide you with a replacement product or reimburse you in an amount equal to the original purchase price of the product. Once your product has been replaced or you have received reimbursement for your product pursuant to this Plan, we shall have fulfilled all of our obligations under this Plan. At our sole discretion, we may require that you return the covered product to us as a condition to receiving a replacement product.

For Video Game System Bundle Repair Plans: This Plan covers parts and labor costs to repair or replace Your video game system, as well as up to nine (9) video games purchased during the term of the Plan, in the event your product experiences a breakdown which is not concurrently covered under any insurance policy or any other warranty or service contract. NEW will pay for the cost of shipping your product to and from our service center or replacement facility. Repair or replacement of the product will be at our discretion, when required due to a breakdown, in accordance with the terms and conditions stated herein. **Note:** Repair or replacement for breakdowns due to power surges and ADH shall be provided regardless of whether a Product is covered under any other warranty or service plan. If we determine that we cannot service your product as specified in this Plan, We may, at our discretion, replace it with a replacement product of like kind and quality that performs to the factory specifications of the original product, or issue you a gift card or check for the original purchase price of the product, including taxes, as indicated on your sales receipt. Non-original manufacturer's parts may be used for repair of the product. You are responsible for backing up all computer software and data prior to commencement of any repairs. We are not responsible for restoring software or data to your product. At our sole discretion, we may require that you return the covered product to us at our expense as a condition to receiving a replacement product.

For Repair Plans: For any product with a purchase price of \$200 or higher, this Plan covers parts and labor costs to repair your product in the event it experiences a breakdown which is not covered under any insurance policy or any other warranty or service contract. We will, at our discretion, repair or replace the product, or reimburse you for authorized repairs to or replacement of the product, when required due to a covered breakdown. This Plan includes coverage for breakdowns due to ADH for the following products: laptops and other portable devices. If in-home service is provided for the full term of your manufacturer's warranty, it will be provided under this Plan. If in-home service is not provided, you will be responsible for delivery or the cost of delivery of the Product to the service center for repair or replacement. This Plan also covers up to \$45.00 of the cost of installation, removal or reinstallation of the product in connection with repair or replacement of the Product. For the entire term of this Plan, one (1) annual cleaning on all laser driven products (e.g. camcorders, non-portable DVD players, etc) is provided. We are not responsible for restoring software to your product. If We determine that We cannot service Your product as specified in this Plan, We may, at our discretion, replace it with a product of like kind and quality that performs to the factory specifications of the original product, or issue you a gift card or check for the original purchase price of the Product, including taxes, as indicated on your sales receipt. Non-original manufacturer's parts may be used for repair of the Product. At our sole discretion, we may require that you return the covered product to us as a condition to receiving a replacement product.

In addition to the above coverage, if You purchased a refrigerator, freezer, washer or dryer, You will receive the following additional benefits beginning on the date of purchase. **NOTE:** The amounts below will be applied towards the maximum liability of this Plan.

- **Laundry Allowance** - If you purchased a Plan for a washer or dryer, you will receive up to a twenty-five dollar (\$25) reimbursement for laundry cleaning services per qualified service repair if your product is out for service for more than seven (7) consecutive days. You are required to submit an itemized list for each laundry reimbursement claim to the administrator.

- **Food Spoilage** – If You purchased a Plan for a refrigerator or freezer, you will be receive up to a three-hundred dollar (\$300) reimbursement for food losses resulting from the covered breakdown of your refrigerator or freezer for the period of time specified on your receipt, on a per refrigerator or freezer, per incident basis. Documented proof of loss will be required.

No Lemon Policy: During the term of this Plan, after three (3) service repairs have been completed on an individual product for the same defect, and that product requires a fourth repair, as determined by us, we will replace it with a product of like kind and quality that performs to the factory specifications of the original product, not to exceed the original purchased price of the Product. (**NOTE:** This No Lemon Policy does not apply to Replacement Plans or breakdowns caused by ADH.)

Term of Coverage:

For Replacement Plans: Your term begins on your date of purchase and continues for a period of two (2) years. The Plan is inclusive of the manufacturer's warranty; it does not replace the manufacturer's warranty, but provides certain additional benefits during the term of the manufacturer's warranty. After the manufacturer's warranty expires, the Plan continues to provide some of the manufacturer's benefits as well as certain additional benefits listed within the Plan's terms and conditions. Except for power surge and ADH coverage, for those products that are eligible for this coverage, which begin on Your date of purchase, all other coverages begin upon the expiration of the manufacturer's warranty.

For Video Game/CD/DVD Replacement Plans: Your term and coverage begins on Your date of purchase and continues for a period of one (1) year. During the first thirty (30) days you may be required to return the product to the retailer to process your claim if your product experiences a breakdown.

For Video Game System Bundle Repair Plans: Your term begins on your date of purchase and continues for a period of two (2) years. The Plan is inclusive of the manufacturer's warranty; it does not replace the manufacturer's warranty, but provides certain additional benefits during the term of the manufacturer's warranty. After the manufacturer's warranty expires, the Plan continues to provide some of the manufacturer's benefits as well as certain additional benefits listed within the Plan's terms and conditions. Except for power surge and ADH coverage, which begin on your date of purchase, all other coverages begin upon the expiration of the manufacturer's warranty. In the event your product is being serviced by an authorized service center when the Plan expires, the term of the Plan will be extended until the covered repair has been completed.

For Repair Plans: Your term begins on Your date of purchase and continues for a period of two (2), three (3), or four (4) years depending on the Plan You purchased. The Plan is inclusive of the manufacturer's warranty; it does not replace the manufacturer's warranty, but provides certain additional benefits during the term of the manufacturer's warranty. After the manufacturer's warranty expires, the Plan continues to provide some of the manufacturer's benefits as well as certain additional benefits listed within the Plan's terms and conditions. Except for power surge and ADH coverage, for those products that are eligible for this coverage, which begin on Your date of purchase, all other coverages begin upon the expiration of the manufacturer's warranty. In the event your product is being serviced by an authorized service center when the Plan expires, the term of the Plan will be extended until the covered repair has been completed.

For Major Appliance Plans: Your term begins on your date of purchase and continues for either two (2) or four (4) years depending on the Plan You purchased. The Plan is inclusive of the manufacturer's warranty; it does not replace the manufacturer's warranty, but provides certain additional benefits during the term of the manufacturer's warranty. After the manufacturer's warranty expires, the Plan continues to provide some of the manufacturer's benefits as well as certain additional benefits listed within the Plan's terms and conditions. In the event your product is being serviced by an authorized service center when the Plan expires, the term of the Plan will be extended until the covered repair has been completed.

Limit of Liability: For any single claim, the limit of liability under this Plan is the least of the cost of (1) The total authorized repairs up to the purchased price of the covered Product, (2) replacement with a product of like kind and quality that performs to the factory specifications of the original product, (3) reimbursement for authorized repairs or replacement, or (4) the price that you paid for the product. The total liability under this Plan is the purchase price you paid for the product; in the event that the total of all authorized repairs exceeds the purchase price paid for the product or we replace the product, we shall have satisfied all of our obligations under this Plan.

Deductible: There is no deductible required to obtain service for Your Product.

Replacement Products: We may, at our discretion, replace your product with a NEW, REMANUFACTURED, REFURBISHED OR A PRODUCT OF LIKE KIND AND QUALITY THAT PERFORMS TO THE FACTORY SPECIFICATIONS OF THE ORIGINAL PRODUCT.

WHAT IS NOT COVERED: (1) INCIDENTAL, CONSEQUENTIAL OR SECONDARY DAMAGES, INCLUDING BUT NOT LIMITED TO ANY DELAY IN RENDERING SERVICE UNDER THIS CONTRACT, FOR LOSS OF DATA, OR FOR LOSS OF USE DURING THE PERIOD THAT THE PRODUCT IS AT A REPAIR CENTER OR OTHERWISE AWAITING PARTS; (2) ANY AND ALL PRE-EXISTING CONDITIONS THAT OCCUR PRIOR TO THE EFFECTIVE DATE OF THIS CONTRACT; (3) DAMAGE FROM ACCIDENT (UNLESS COVERAGE OTHERWISE NOTED ABOVE), ABUSE, MISUSE, OR INTRODUCTION OF FOREIGN OBJECTS INTO THE PRODUCT; (4) UNAUTHORIZED PRODUCT MODIFICATIONS OR ALTERATIONS; (5) FAILURE TO FOLLOW THE MANUFACTURER'S INSTRUCTIONS; (6) THIRD PARTY ACTIONS (FIRE, COLLISION, VANDALISM, THEFT, ETC.); (7) THE ELEMENTS OR ACTS OF GOD; (8) LOSS OR DAMAGE CAUSED BY WAR, INVASION OR ACT OF FOREIGN ENEMY, HOSTILITIES, CIVIL WAR, REBELLION, RIOT, STRIKE, LABOR DISTURBANCE, LOCKOUT OR CIVIL COMMOTION; (9) DAMAGE CAUSED BY DEFECTIVE BATTERIES OR REPLACEMENT OF DEFECTIVE BATTERIES; (10) WITH THE EXCEPTION OF DAMAGE MANIFESTING FROM POWER SURGES, DAMAGE COVERED BY ANY OTHER WARRANTY OR SERVICE CONTRACT; (11) PREVENTATIVE MAINTENANCE; (12) DAMAGE WHICH IS NOT REPORTED WITHIN THIRTY (30) DAYS AFTER EXPIRATION OF THIS CONTRACT; (13) COST OF INSTALLATION, SET-UP, DIAGNOSTIC CHARGES, REMOVAL OR REINSTALLATION OF THE PRODUCT, EXCEPT AS PROVIDED HEREIN; (14) ANY PRODUCT USED IN A COMMERCIAL SETTING OR RENTAL BASIS; (15) PERIODIC CHECKUPS AND/OR MAINTENANCE AS DIRECTED BY THE MANUFACTURER, INCLUDING BUT NOT LIMITED TO ALIGNMENT, TUNING AND REPAIRING FINISHES; (16) ANY LOSS OTHER THAN A COVERED BREAKDOWN OF THE PRODUCT; (17) PRODUCTS NOT ORIGINALLY COVERED BY A MANUFACTURER'S WARRANTY; (18) NON-FUNCTIONAL OR AESTHETIC PARTS INCLUDING BUT NOT LIMITED TO PLASTIC PARTS, KNOBS, ROLLERS, BASKETS, MISSING BUTTONS, CLASPS, SCREWS, BEADS, AND ANY OTHER DECORATIVE EMBELLISHMENTS AND/OR ACCESSORIES ATTACHED TO THE PRODUCT; (19) SCRATCHES (EXCEPT FOR THE VIDEO GAME/DVD/CD PLANS), PEELING AND DENTS; (20) UNAUTHORIZED REPAIRS AND/OR PARTS; (21) PRODUCT REPAIRS THAT SHOULD BE COVERED BY THE MANUFACTURER'S WARRANTY OR ARE THE RESULT OF A RECALL REGARDLESS OF THE MANUFACTURER'S ABILITY TO PAY FOR SUCH REPAIRS; (22) ACCESSORIES USED IN CONJUNCTION WITH A COVERED PRODUCT; (23) DAMAGE, WARPING OR RUSTING OF ANY KIND TO THE HOUSING, CASE OR FRAME OF THE PRODUCT OR ANY NON-OPERATING PART; (24) PARTS NORMALLY DESIGNED TO BE REPLACED PERIODICALLY BY YOU OR CONSUMED DURING THE LIFE OF THE PRODUCT INCLUDING BUT NOT LIMITED TO BATTERIES (EXCEPT AS OTHERWISE NOTED IN THE "WHAT IS COVERED" SECTION), RIBBONS, TAPES, BULBS, HOSES, FILTERS, FUSES, KNOBS, VACUUM CLEANER BELTS, OR BAGS; (25) DAMAGE INCURRED DURING TRANSPORTATION; (26) LOSS OR DAMAGE RESULTING FROM THE FAILURE TO PROVIDE MANUFACTURER'S RECOMMENDED MAINTENANCE; (27) IMPROPER INSTALLATION OF COMPONENTS OR PERIPHERALS; (28) BURNED-IN PHOSPHOR (INCLUDING IMAGE GHOSTING), IN CATHODE RAY TUBES OR ANY OTHER TYPE OF DISPLAY, AND PIXEL BURNOUT NOT IN ACCORDANCE WITH THE MANUFACTURER'S SPECIFICATIONS; (29) PRODUCTS WITH REMOVED OR ALTERED SERIAL NUMBERS; (30)

PRODUCTS SOLD "AS-IS" INCLUDING BUT NOT LIMITED TO FLOOR MODELS (UNLESS COVERED BY A FULL MANUFACTURER'S OR RETAILER'S WARRANTY ON YOUR DATE OF PURCHASE) AND DEMONSTRATION MODELS; (31) SERVICE WHERE NO PROBLEM CAN BE FOUND; (32) COLOR FADING OF PICTURE FOR ANY TELEVISION, UNLESS SUCH FADING IS BEYOND EXPECTED NORMAL WEAR AND TEAR OR NOT ACCORDING TO THE MANUFACTURER'S SPECIFICATIONS OVER THE LIFE OF THE PRODUCT; (33) ANY DAMAGE TO RECORDING MEDIA INCLUDING ANY SOFTWARE PROGRAMS, DATA, OR CONFIGURATION/SETUP INFORMATION RESIDENT ON ANY MASS STORAGE DEVICES SUCH AS HARD DRIVES, CD-ROM DRIVES, DVD DRIVES, MEMORY STICKS, TAPE DRIVES OR TAPE BACKUP SYSTEMS, AS A RESULT OF THE MALFUNCTIONING OR DAMAGE OF AN OPERATING OR NON-OPERATING PART, OR AS A RESULT OF ANY REPAIRS OR REPLACEMENT UNDER THIS CONTRACT; (34) ANY DAMAGE CAUSED BY A COMPUTER VIRUS; (35) WATER AND GAS LINES BEYOND THE COVERED PRODUCT; (36) ALL SOFTWARE, INCLUDING CUSTOMIZED OR PROPRIETARY SOFTWARE, AND THOSE SOFTWARE ERRORS THAT CONFIRM IMPROPERLY FUNCTIONING OR DEFECTIVE SOFTWARE; (37) DAMAGE TO RUGS, CARPETS, TARPS, PICTURES, GLASS, LAMPS, AND ACCESSORIES; (38) FADING CAUSED BY SUNLIGHT, WIND OR WEATHER; (39) DAMAGE FROM EXCESSIVE HEAT; (40) DAMAGE FROM TRANSIT, MOVING, DELIVERY, PACKING OR UNPACKING, ASSEMBLY, INSTALLATION OR REMOVAL; (41) DAMAGE CAUSED BY AN ANIMAL; AND (42) WATER OR LIQUID MARKS OR RINGS FROM NORMAL HOUSEHOLD FOOD AND BEVERAGE PRODUCTS.

Transfer: This Plan may be transferred. You may transfer the balance of this Plan by contacting NEW at P.O. Box 1818, Sterling, VA 20167 or telephone number, specified herein. Information provided by you must include the Plan number, date of transfer, new owner's name, complete address and telephone number.

Renewal: Repair plans are renewable, at our discretion. Replacement plans are not eligible for renewal.

Cancellation: You may cancel this Plan at any time by surrendering it or providing written notice to the retailer at the address where you purchased this Plan. You may also cancel this Plan by surrendering it or providing written notice to NEW at P.O. Box 1818, Sterling, VA 20167. This Plan may be canceled by you for any reason. In the event you cancel this Plan within thirty (30) days of receipt of this Plan, you shall receive a full refund of any payments made by you under this Plan. In the event you cancel this Plan after thirty (30) days of receipt of this Plan, you shall receive a pro-rata refund of any amount owed based upon elapsed time less an administrative fee not to exceed ten percent (10%) of the price of this Plan or twenty-five dollars (\$25), whichever is less, and less any claims that have been paid or repairs that have been made. We or NEW may not cancel this Plan except for fraud, material misrepresentation or non-payment by you; or if required to do so by any regulatory authority. If we or NEW cancel this Plan, you shall receive a refund of one hundred percent (100%) of the pro-rata unearned portion of the Plan price less any claims which have been paid. We or NEW may not cancel this Plan without providing you with written notice at least thirty (30) days prior to the effective date of cancellation. Such notice shall include the effective date of cancellation and the reason for cancellation. In Alabama, Arkansas, Hawaii, Maryland, Minnesota, Missouri, Nevada, New York, South Carolina, Washington and Wyoming: If you cancel Your Plan within thirty (30) days of receipt of Your Plan and do not receive a refund or credit within thirty (30) days of receipt of the returned service contract, a ten percent (10%) penalty per month shall be applied to the refund. If your Product qualifies for the buy back benefit and, and you have a buy back of that product in accordance with the terms and conditions of the buy back agreement, then this Plan may be cancelled as of the date the buy back is completed. Upon this cancellation you shall receive a pro rata refund based on the above terms and any state cancellation provision applicable to you. Please contact customer service at 1-800-861-9389 to process the cancellation.

Insurance: This is not a Plan of insurance. Except in the state of Washington, obligations of the Obligor under this Plan are insured under an insurance policy issued by Virginia Surety Company, Inc., 175 West Jackson Blvd., Chicago, Illinois 60604. If you have filed a claim in writing under this Plan and the Obligor fails to pay or provide service within sixty (60) days of filing such a claim, or if the Obligor becomes insolvent or otherwise financially impaired, you may submit your claim in writing with a copy of this Plan and the sales receipt for the product to Virginia Surety Company, Inc., 175 West Jackson Blvd., Chicago, Illinois 60604, Attention: Service Plan Claims, 1-800-209-6206. In WA: Obligations of the Obligor under this Plan are backed by the full faith and credit of the Obligor.

ARBITRATION AGREEMENT: Please read this Arbitration Agreement carefully. It affects your rights. Most of your concerns about this Plan or the Program can be addressed simply by contacting us at 1-866-856-3882. In the unlikely event we cannot resolve any disputes, including any claims under this Plan, that you or we may have, **YOU AND WE AGREE TO RESOLVE THOSE DISPUTES THROUGH BINDING ARBITRATION OR SMALL CLAIMS COURT INSTEAD OF THROUGH COURTS OF GENERAL JURISDICTION. YOU AND WE AGREE THAT ANY ARBITRATION WILL TAKE PLACE ON AN INDIVIDUAL BASIS ONLY. YOU AND WE AGREE TO WAIVE OUR RIGHTS TO A TRIAL BY JURY AND TO PARTICIPATE IN CLASS ARBITRATIONS AND CLASS ACTIONS.** Arbitration is more informal than a lawsuit in court. Arbitration uses a neutral arbitrator instead of a judge or jury. It has more limited discovery than in court and is subject to limited review by courts. Arbitrators can award the same damages and relief that a court can award.

For the purpose of this arbitration agreement, references to "we" and "us" include (1) the Plan Obligor and Administrator, as defined above, and their respective parents, subsidiaries, affiliates, service contract insurers, agents, employees, successors and assigns; and (2) United States Military Exchange Services and its wholly owned subsidiaries, affiliates, agents, employees, successors and assigns. This Plan evidences a transaction in interstate commerce, and thus the Federal Arbitration Act governs the interpretation and enforcement of this Arbitration Agreement. This Arbitration Agreement shall survive the termination of this Plan.

This Arbitration Agreement is intended to be interpreted broadly, and it includes any dispute: (1) arising out of or relating in any way to the Program or to this Plan or to the relationship between you and us, whether based in contract, tort, statute, fraud, misrepresentation or otherwise; (2) that arose either before this Arbitration Agreement or Plan was entered into by you and us or that arises after this Arbitration Agreement or Plan is terminated; and (3) that currently is the subject of a purported class action litigation in which you are not a member of a certified class. Notwithstanding the foregoing, this Arbitration Agreement does not preclude you from bringing an individual action in small claims court or from informing any federal, state or local agencies or entities of your dispute. Such agencies or entities may be able to seek relief on your behalf.

If you or we intend to seek arbitration you and we must first send to the other a written Notice of Claim ("Notice") by certified mail. Your Notice to Us should be addressed to: Legal Department, 22660 Executive Drive, Suite 122, Sterling VA 20166. The Notice must describe the dispute and state the specific relief sought. If you and we do not resolve the dispute within 30 days of receipt of the Notice, you or we may initiate an arbitration proceeding with the American Arbitration Association ("AAA"). You can obtain the forms necessary to initiate an arbitration proceeding by visiting www.adr.org or by calling 1-800-778-7879. After we receive notice that you have commenced arbitration, we will reimburse you for payment of any filing fee to the AAA. If you are unable to pay a required filing fee, we will pay it if you send a written request by certified mail to: Legal Department: 22660 Executive Drive, Suite 122, Sterling VA 20166. The arbitration shall be administered by the AAA in accordance with the Commercial Arbitration Rules and the Supplementary Procedures for Consumer Related Disputes (the "Arbitration Rules") in effect at the time the arbitration is initiated and as modified by this Arbitration Agreement. You can obtain a copy of the Arbitration Rules by visiting www.adr.org or by calling 1-800-778-7879.

The arbitrator appointed by the AAA to decide the dispute is bound by the terms of this Arbitration Agreement. All issues are for the arbitrator to decide, including the scope of this Arbitration Agreement, with the exception that issues relating to the enforceability of this Arbitration Agreement may be decided by a court. Unless you and we agree otherwise, any arbitration hearings will take place in the county or parish of your billing address. If your dispute is for \$10,000 or less, you may choose to conduct the arbitration hearings either by submitting documents to the arbitrator or by appearing before the arbitrator in person or by telephone. If your dispute is for more than \$10,000, the right to arbitration hearings will be determined by the Arbitration Rules. We will pay all filing, administration and arbitrator fees for any arbitration initiated pursuant to this Arbitration Agreement, unless your dispute is found by the arbitrator to have been frivolous or brought for an improper purpose under Federal Rule of Civil Procedure 11(b). In that case, the payment of such fees shall be governed by the Arbitration Rules.

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At the conclusion of the arbitration hearings, the arbitrator shall issue a written decision which includes an explanation of the facts and law upon which the decision is based. If the arbitrator finds in your favor and issues a damages award that is greater than the value of the last settlement offer made by us or if we made no settlement offer and the arbitrator awards you any damages, we will: (1) pay you the amount of the damages award or \$7,500, whichever is greater; and (2) pay your attorney, if any, twice the amount of the attorney's fees and the actual amount of any expenses reasonably incurred when pursuing your dispute in arbitration. You and we agree not to disclose any settlement offers to the arbitrator until after the arbitrator has issued the written decision. The arbitrator may resolve any disputes regarding attorney's fees and expenses either during the arbitration hearings or, upon request, within 14 days of the arbitrator's written decision. While the right to the attorney's fees and expenses discussed above is in addition to any right you may have under applicable law, neither you nor your attorney may recover duplicate awards of attorney's fees and expenses. Although we may have the right under applicable law to recover attorney's fees and expenses from you if we prevail in the arbitration, we hereby waive the right to do so.

To the extent either declaratory or injunctive relief is sought in the arbitration, such relief can be awarded only to the extent necessary to provide the relief warranted by a party's individual claim. **YOU AND WE AGREE THAT EACH MAY BRING CLAIMS AGAINST THE OTHER ONLY IN AN INDIVIDUAL CAPACITY AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING.** Unless you and we agree otherwise, the arbitrator may not consolidate the dispute of another person with your or our dispute and may not preside over any form of a representative or class proceeding. If this specific provision of this Arbitration Agreement is found to be unenforceable, then the entirety of this Arbitration Agreement shall be null and void. This specific provision of this arbitration agreement is found to be unenforceable, then the entirety of this arbitration agreement shall be null and void.

State Variations

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

Alabama Residents: You may cancel this Plan within twenty (20) days of the receipt of this Plan. If no claim has been made under the Plan, the Plan is void and we shall refund to you the full purchase price of the Plan including any premium paid for the applicable insurance policy. Any refund due to you will be credited to any outstanding balance of your account, and the excess, if any, shall be refunded to you. A ten (10) percent penalty per month shall be added to a refund that is not paid or credited within forty-five (45) days after you cancel the Plan. If you cancel this Plan after twenty (20) days of receipt of this Plan, we shall refund to you the unearned portion of the full purchase price of the Plan including the unearned portion of any premium paid for any applicable insurance policy. Any refund due to you will be credited to any outstanding balance of your account, and the excess, if any shall be refunded to you.

Arizona Residents: If your written notice of cancellation is received prior to the expiration date, the Administrator shall refund the remaining pro-rata price, regardless of prior services rendered under the Plan. The pre-existing condition exclusion does not apply to conditions occurring prior to the sale of the consumer product by the Obligor, its assignees, subcontractors and/or representatives.

California Residents: For all products other than home appliances and home electronic products, the Cancellation provision is amended as follows: If the Plan is cancelled: (a) within sixty (60) days of the receipt of this Plan, you shall receive a full refund of the price paid for the Plan provided no service has been performed, or (b) after sixty (60) days, you will receive a pro rata refund, less the cost of any service received.

Connecticut Residents: The expiration date of this Plan shall automatically be extended by the duration that the product is in our custody while being repaired. In the event of a dispute with the Administrator, you may contact The State of Connecticut, Insurance Department, PO Box 816, Hartford, CT 06142-0816, Attn: Consumer Affairs. The written complaint must contain a description of the dispute, the purchase price of the product, the cost of repair of the product and a copy of the Plan.

Florida Residents: The Plan shall be cancelled by us for fraud or material misrepresentation, including but not limited to commercial or rental use. Unauthorized repair or replacement of covered equipment shall result in the cancellation of the Plan by us. In the event of cancellation by us, written notice of cancellation shall be mailed to you not less than sixty (60) days before cancellation is effective. This Plan can be cancelled by you at any time for any reason by emailing, mailing or delivering to us notice of cancellation. If the Plan is cancelled: (a) within thirty (30) days of the receipt of the Plan, you shall receive a full refund of the price paid for the Plan provided no service has been performed, or (b) after thirty (30) days, you will receive a refund based on 100% of unearned pro rata premium less any claims that have been paid or less the cost of repairs made by us. If we cancel the Plan, the return premium is based upon 100% of the unearned pro rata premium.

Georgia Residents: This Plan shall be non-cancelable by us except for fraud, material misrepresentation, or failure to pay consideration due therefore. The cancellation shall be in writing and shall conform to the requirements of Code 33-24-44. You may cancel at any time upon demand and surrender of the Plan and we shall refund the excess of the consideration paid for the Plan above the customary short rate for the expired term of the Plan. This Plan excludes coverage for incidental and consequential damages and pre-existing conditions only to the extent such damages or conditions are known to you or reasonably should have been known to you. As stated in the Arbitration Agreement of this Plan, either party may bring an individual action in small claims court. The Arbitration Agreement Addendum does not preclude You from bringing issues to the attention of federal, state, or local agencies or entities of Your dispute. Such agencies or entities may be able to seek relief on Your behalf. You and We agree to waive the right to a trial by jury and to participate in class arbitrations and class actions. Nothing contained in the arbitration provision shall affect your right to file a direct claim under the terms of this Plan against Virginia Surety Company, Inc. pursuant to O.C.G.A. 33-7-6.

Illinois Residents: You may cancel this Plan for any reason at any time. If you cancel within thirty (30) days of contract purchase, and we have not paid a claim, you will receive a full refund, less a cancellation fee of \$50.00 or 10% of the Plan price. If you cancel after thirty (30) days or any time after we pay a claim, you will receive a pro-rata refund of the Plan price based on the days remaining, less any claims that have been paid, less a cancellation fee of \$50.00 or 10% of the Plan price.

Maine Residents: You may cancel this Plan within twenty (20) days of the receipt of this Plan if sent by mail or within ten (10) days if delivered at the point of sale. If no claim has been made under the Plan, the Plan is void and we shall refund to you the full purchase price of the Plan including any premium paid for the applicable insurance policy. Any refund due to you will be credited to any outstanding balance of your account, and the excess, if any, shall be refunded to you. A ten (10) percent penalty per month shall be added to a refund that is not paid or credited within forty-five (45) days after you cancel the Plan. If you cancel this Plan after twenty (20) days of receipt of this Plan if sent by mail or within ten (10) days if delivered at the point of sale, we shall refund to you the unearned pro rata premium, less any claims paid. An administrative fee not to exceed ten (10) percent of the premium fee by you may be charged by us. Any refund due to you will be credited to any outstanding balance of your account, and the excess, if any shall be refunded to you. 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. If a Plan is cancelled by us, you will be refunded 100% of the unearned pro rata provider fee, less any claims paid. An administrative fee not to exceed 10% of the provider fee paid by you may be charged by us.

Nevada Residents: You are entitled to a "Free Look" period for this Plan. If you decide to cancel this Plan within thirty (30) days of purchase, you are entitled to a one hundred percent (100%) refund of any fees paid. If you cancel this Plan after thirty (30) days of purchase, you will receive a pro rata refund based on the days remaining, less a cancellation fee of twenty-five dollars (\$25.00) or ten percent (10%) of the Plan fee, whichever is less. If we fail to pay the cancellation refund within 45 days of your written request we will pay you a penalty of ten percent (10%) of the purchase price for each thirty (30) day period or portion thereof that the refund and any accrued penalties remain unpaid. If this Plan is canceled by Us, no cancellation may become effective until at least 15 days after the notice of cancellation is mailed to you. We can cancel this Plan due to unauthorized repairs which result in a material change in the nature or extent of the risk, occurring after the first effective date of the current Plan, which causes the risk of loss to be substantially and materially increased beyond that contemplated at the time the Plan was issued or last renewed. If you or we cancel this Plan no cancellation fee will be imposed and no deduction for claims paid will be applied. If your covered failure results in a loss of heating, cooling, or electrical power to your air conditioner or refrigerator/freezer, repairs on your covered product will commence within 24 hours after you report your claim. If these repairs cannot be completed within three (3) calendar days, we will send you a report indicating the status of these repairs.

New Mexico Residents: If this Plan has been in force for a period of seventy (70) days, we may not cancel before the expiration of the Plan term or one (1) year, whichever occurs first, unless: (1) you fail to pay any amount due; (2) you are convicted of a crime which results in an increase in the service required under the Plan; (3) you engage in fraud or material misrepresentation in obtaining this Plan; (4) you commit any act, omission, or violation of any terms of this Plan after the effective date of this Plan which substantially and materially increase the service required under this Plan; or (5) any material change in the nature or extent of the required service or repair occurs after the effective date of this Plan and causes the required service or repair to be substantially and materially increased beyond that contemplated at the time you purchased this Plan.

New Hampshire Residents: Contact us at 1-866-268-7221 with, questions, concerns, or complaints about the program. In the event you do not receive satisfaction under this Plan, You may contact the State of New Hampshire Insurance Department, 21 South Fruit Street, Suite 14, Concord, New Hampshire 03301, telephone number: 1-603-271-2261.

North Carolina Residents: The purchase of this Plan is not required either to purchase or to obtain financing for a home appliance.

Oklahoma Residents: The "Cancellation" section is deleted and replaced by the following: you may cancel this contract at any time by surrendering it or providing written notice to the retailer at the address where you purchased this Plan. You may also cancel this Plan by surrendering it or providing written notice to NEW at the address listed below. You may cancel this Plan for any reason. In the event you cancel this Plan within 30 days of receipt of the Plan, You shall receive a full refund of any payments made by you under this Plan. In the event you cancel this Plan after 30 days of receipt of this Contract, You shall receive a refund based upon 100% of the unearned pro-rata premium less an administrative fee not to exceed 10% of the unearned pro-rata premium or \$25, whichever is less, and less the cost of claims paid. We or NEW may not cancel this Plan except for fraud, material misrepresentation or non-payment by you; or if required to do so by any regulatory authorization. If we or NEW cancel this Plan, you shall receive a refund of 100% of the unearned pro-rata premium. We or NEW may not cancel this Plan without providing you with written notice at least thirty days prior to the effective date of cancellation. Such notice shall include the effective date of cancellation and the reason for cancellation. The following sentence is added to this contract: Coverage afforded under this contract is not guaranteed by the Oklahoma Insurance Guaranty Association. Oklahoma service warranty statutes do not apply to commercial use references in this Plan. The Arbitration Provision of this Contract is amended to include the following: While arbitration is mandatory, the outcome of any arbitration shall be non-binding on the parties, and either party shall, following arbitration, have the right to reject the arbitration award and bring suit in a district court of Oklahoma. The last sentence of the Arbitration Provision of this contract is replaced with the following: If this specific provision of this arbitration agreement is found to be unenforceable, then the entirety of this arbitration agreement shall be null and voidable.

Oregon Residents: The Arbitration section of this Plan is replaced with the following: There will be mutual agreement at the time of the dispute. The Arbitration will occur in Oregon (unless another location is mutually agreed upon), and arbitration must be according to Oregon laws.

South Carolina Residents: To prevent any further damage, please refer to the owner's manual. In the event the service Plan provider does not provide covered service within sixty (60) days of proof of loss by the Plan holder, the Plan holder is entitled to apply directly to the Insurance Company. A ten percent (10%) penalty per month shall be added to a refund that is not paid or credited within forty-five (45) days after return of the Plan to us. If the Insurance Company does not resolve such matters within sixty (60) days of proof of loss, they may contact the SC Department of Insurance, P.O. Box 100105, Columbia, SC 29202-3105, (800) 768-3467.

Texas Residents: If you purchased this Plan in Texas, unresolved complaints concerning a provider or questions concerning the registration of a service Plan provider may be addressed to the Texas Department of Licensing and Regulation, P.O. Box 12157, Austin, Texas 78711, telephone number (512) 463-6599 or (800) 803-9202. You may apply for reimbursement directly to the insurer if a refund or credit is not paid before the forty-sixth (46th) day after the date on which the Plan is returned to the provider. Texas license number: 116.

Utah Residents: NOTICE. This plan is subject to limited regulation by the Utah Insurance Department. To file a complaint, contact the Utah Insurance Department. Coverage afforded under this Plan is not guaranteed by the Utah Property and Casualty Guarantee Association. This Plan may be cancelled due to unauthorized repair which results in a material change in the nature or extent of the risk, occurring after the first effective date of the current policy, which causes the risk of loss to be substantially and materially increased beyond that contemplated at the time the policy was issued or last renewed. Failure to notify within the prescribed time will not invalidate the claim if you can show that notification was not reasonably possible. If we cancel this contract due to fraud or material misrepresentation, you will be notified thirty (30) days prior to cancellation. If we cancel this Plan due to nonpayment, you will be notified ten (10) days prior to Plan cancellation.

WASHINGTON RESIDENTS: Obligations of the Obligor under this Plan are backed by the full faith and credit of the Obligor. The Arbitration Agreement Section is amended to provide that any binding arbitration will be held at a location closest to your permanent residence.

Wisconsin Residents: THIS PLAN IS SUBJECT TO LIMITED REGULATION BY THE WISCONSIN OFFICE OF THE COMMISSIONER OF INSURANCE. This Plan shall not be cancelled due to unauthorized repair of the covered equipment, unless we are prejudiced by your failure to obtain such authorization. If this Plan is canceled, no deduction shall be made from the refund for the cost of any service received. **Section 23 of the "What is not Covered" section of this Plan does not apply.**

Wyoming Residents: This Plan will be considered void and we will refund you the full purchase price of the Plan or credit your account if you have not made a claim under this Plan and you have returned the Plan to us a) within 20 days after the date we have mailed the Plan to you, b) within 10 days after you have received the Plan if the Plan was furnished to you at the time the Plan was purchased, or c) within a longer time period if specified in the Plan. A ten percent (10%) penalty per month shall be added to a refund that is not paid or credited within forty-five (45) days after return of the Plan to us. The right to void the Plan provided in this subsection applies only to the original Plan purchaser and is not transferable. If we cancel this Plan for reasons other than nonpayment, a material misrepresentation made by you to us or because of a substantial breach of duties by you relating to the

product or its use, we will mail a written notice to you at least ten (10) days prior to cancellation. The notice of cancellation shall state the effective date of cancellation and the reason for cancellation. In the event covered service is not provided by us within sixty (60) days of proof of loss by you, you are entitled to apply directly to the reimbursement insurance company. The Arbitration Agreement provision in this Plan is replaced with the following: "If there are disputes between You and Us that are not resolved by negotiations, You and We may in a separate written agreement voluntarily consent to arbitration. Any arbitration proceedings shall be conducted within the state of Wyoming." For the purpose of this Arbitration Agreement, references to "We", "Us" and "Our" include the Plan Obligor and Administrator, as defined above, and their respective parents, subsidiaries, affiliates, service contract insurers, agents, employees, successors and assigns; and (2) United States Military Exchange Services.

To obtain a large-type copy of the terms and conditions of this Plan, please call 1-800-861-9389.

Administered by:

N.E.W.

P.O. Box 1340 • Sterling, VA 20167 • 1-800-861-9389

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