

**TERMS AND CONDITIONS  
FITNESS EQUIPMENT and BICYCLE PLAN ("PLAN")**

**Service Plan Administrator ("Administrator"):**  
**Safeware ("SAFEWARE")**  
**5700 Perimeter Drive Suite E**  
**Dublin, OH 43017**  
**(800) 800-6132**  
**www.safeware.com**

**PLEASE READ THESE TERMS AND CONDITIONS CAREFULLY:** This is a legal contract (referred to hereinafter as the "Plan"). 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. It describes the protection you will receive in return for payment by You.

**INSTRUCTIONS:** Please keep this document in a safe place along with the sales receipt You received when You purchased Your Product, as You may need them to verify your coverage at the time of service. You must maintain the Product as recommended by the manufacturer's owner's manual or product warranty. Refer to the Declarations Page of this Plan, or Your sales invoice or receipt to determine the term of this Plan. This Plan including the terms, conditions, limitations, exceptions and exclusions, including Your sales receipt, constitute the entire agreement between the parties identified herein. Your rights under this Plan may vary from state to state.

**DEFINITIONS:**

- (1) "We", "Us" and "Our" mean the company obligated under this Plan, Safeware, 5700 Perimeter Drive, Suite E, Dublin, OH 43017, (800-800-1492) in all states except in Florida and Oklahoma where it is LYNDON SOUTHERN INSURANCE COMPANY, 10151 Deerwood Park Boulevard, Building 100, Suite 330, Jacksonville, Florida 32256 (800)888- 2738, and in New Mexico and Washington where it is Dealers Alliance Corporation, 3518 Riverside Drive, Upper Arlington, OH 43221 800-282-8913, and in Maine where it is the Selling Retailer;
- (2) "You" and "Your" refer to the purchaser of the product(s) covered by this Plan or to the person to whom this Plan was properly transferred;
- (3) "Product" means the item(s) which you purchased concurrently with and is covered by this Plan;
- (4) "Failure" means the failure of Your Product to perform its intended function due to mechanical or electrical breakdown resulting from defects in materials or workmanship during normal usage of your Product;
- (5) "Deductible" means the amount you are required to pay, as set forth in the section entitled "DEDUCTIBLE" below for covered repairs and replacements;

**PRODUCT ELIGIBILITY:** This Plan covers Products purchased as new or used and manufactured for use in the United States. For new Products, the manufacturer's warranty must be valid within the United States and provide a minimum of ninety (90) days parts and labor coverage. For used products to be eligible for coverage, the selling retailer must provide a minimum of sixty (60) days parts and labor. Residential Coverage Plans only cover residential use of Your Product. Commercial Coverage Plans are available only for Products used in certain commercial environments including, but not limited to, hotels, motels, multi-housing, country clubs, homeowner's associations, corporations, senior living centers, hospitals, schools, churches and police and fire stations. Products used in dues-facility gyms, spas and health clubs where the primary source of income is fitness/membership dues, are excluded from coverage, unless You have purchased the additional coverage. Accessories and/or add-on options purchased separately and not essential to the basic function of the Product are not eligible for coverage.

**WHAT IS COVERED:** We agree to repair or replace Your Product in the event Your Product is rendered inoperable due to a mechanical or electrical Failure during the term of this Plan, if the Product is not covered under any insurance, warranty, guarantee and/or Plan. Parts used to repair or replace Your Product may be new, used, refurbished, and/or non-original

manufacturer parts that perform to the factory specifications of Your Product. This Plan does not cover repair or replacement of the Product for any of the causes, or provide coverage for any losses set forth in the section entitled "WHAT IS NOT COVERED" below. Coverage does not apply to accessories that are used in conjunction with or to enhance the performance of the Product.

1. **New Residential Equipment Repair Plan:** If You purchased this Plan, in the event of a covered claim, We will furnish labor and/or parts required to repair the mechanical or electrical Failure of Your Product. In lieu of repairing the Product, We reserve the right, at Our sole discretion, to replace Your Product with a product of equal or similar features and functionality. If Your Product is replaced, We will have no further obligation to repair or replace Your Product and You will not be entitled to make any further claims under this Plan.
2. **New Residential Equipment Labor Only Plan:** If You purchased this Plan, in the event of a covered claim, We will furnish the labor required to repair the mechanical or electrical Failure of Your Product. This Plan does not provide coverage for replacement parts or components, and You will not be eligible for a product replacement, even if it is determined the product is not repairable.
3. **Used Residential Equipment Repair Plan:** If You purchased this Plan, in the event of a covered claim, We will furnish labor and/or parts required to repair the mechanical or electrical Failure of Your Product. In lieu of repairing the Product, We reserve the right, at Our sole discretion, to replace Your Product with a product of equal or similar features and functionality. If Your Product is replaced, We will have no further obligation to repair or replace Your Product and You will not be entitled to make any further claims under this Plan.
4. **New Commercial Equipment Repair Plan:** If You purchased this Plan, in the event of a covered claim, We will furnish labor and/or parts required to repair the mechanical or electrical Failure of Your Product. In lieu of repairing the Product, We reserve the right, at Our sole discretion, to replace Your Product with a product of equal or similar features and functionality. If Your Product is replaced, We will have no further obligation to repair or replace Your Product and You will not be entitled to make any further claims under this Plan.
5. **New or Used Residential Bicycle Repair Plan:** If You purchased this Plan, in the event of a covered claim, We will furnish labor and/or parts required to repair the mechanical or electrical Failure of Your Product. In lieu of repairing the Product, We reserve the right, at Our sole discretion, to replace Your Product with a product of equal or similar features and functionality. If Your Product is replaced, We will have no further obligation to repair or replace Your Product and You will not be entitled to make any further claims under this Plan. *Note: the Bicycle Repair Plan limits two drive train repairs or replacements per contract.*

Technological advances may result in a replacement product with a lower selling price than Your original Product. No refunds will be made based on the replacement product cost difference. If Your Product is not repairable and a replacement product is not available, We will reimburse You up to the original purchase price of Your Product, excluding taxes and less claims paid, if any, and this Plan will be fulfilled and all obligations satisfied. In no event shall Administrator or We be liable for any damages as a result of the unavailability of repair parts. You may be required to ship or deliver the defective Product prior to receiving reimbursement or a replacement product. Any and all parts or units replaced under this Plan become Our property in their entirety.

#### **ADDITIONAL BENEFITS TO YOUR PLAN:**

**POWER SURGE PROTECTION:** This Plan also covers the Failure of Your Product resulting from a power surge caused by power outage while Your Product is properly connected to a surge protector approved by the Underwriter's Laboratory. **POWER SURGE DOES NOT COVER DAMAGES CAUSED BY IMPROPER INSTALLATION OR CONNECTION TO AN INCORRECT POWER SOURCE.**

**NO LEMON GUARANTEE:** If We have completed three service repairs for the same problem on an individual component of Your Product, which first began after the manufacturer's warranty period had expired, and if that Product component requires a fourth repair for the identical problem as determined by Us, We reserve the right to replace Your Product with one of equal or

similar features and functionality, not to exceed the original purchase price of Your Product, excluding shipping, handling, and taxes, or reimburse You up to the original purchase price of Your Product, excluding taxes and less claims paid, if any. Once a Product is replaced, then this Plan is considered fulfilled and We shall have no further obligation to provide service under this Plan. Preventative maintenance checks, cleaning, product diagnosis, customer education, accessory repairs/replacements, computer software related problems, and any unauthorized repairs done outside of the USA are not considered repairs for the purposes of this NO LEMON GUARANTEE.

**DEDUCTIBLE:** There is no Deductible required to obtain service on Your Product.

**PLACE OF SERVICE:** If Your Plan includes **In-Home/On-Site Service**, We will arrange for Your Product to be serviced at Your residence or place of business, provided You have prepared the following provisions: (1) accessibility to the Product; (2) a non-threatening and safe environment; and (3) an adult over the age of 18 to be present for the period of time Our authorized technician is scheduled for service and while Our authorized technician is on Your property servicing Your Product. In the event it is necessary to continue certain repair services at the repair center, You may be required to ship/transport the Product to the designated repair center; in such circumstances, the shipping/transportation charges will be covered by this Plan. **In-Home/On-Site Service** will be provided by the authorized service provider during regular business hours, local time, Monday through Friday, except holidays.

If Your Plan includes **Depot Service**, You will be responsible for shipping and insurance of the Product to the designated Depot Center. We will pay for return shipping of the Product to Your residence or place of business. If Your Product qualifies for **Carry-In Service**, You are responsible for transporting Your product to and from the designated service center. If We require You to ship Your Product, any shipping charges will be Your responsibility. If Your Plan originally included Carry-In, Depot or Mail-In service, but has been built-in and rendered as a permanent fixture inside or outside of Your residence or place of business and You are unable to transport or ship the Product in accordance with the terms conditions of this Plan, You will be responsible for the On-Site service call charge. The service call charge is payable to the servicer at the time of service. If Our diagnosis indicates that the failure is not covered by this Plan; You may be responsible for all service fees incurred for such diagnosis.

**LIMIT OF LIABILITY:** The total amount that We will pay for repairs or replacement made in connection with all claims that You make pursuant to this Plan shall not exceed the original purchase price of Your Product, less taxes. In the event We make payments for repairs, which in the aggregate, are equal to the original Product purchase price or We replace Your Product, We will have no further obligations under this Plan. **IN NO EVENT SHALL THE TOTAL OF ALL CLAIMS OR REPLACEMENTS EXCEED THE ORIGINAL PRICE PAID BY YOU FOR THE COVERED PRODUCT, LESS TAXES.**

**WE SHALL NOT BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO, PROPERTY DAMAGE, LOST TIME OR LOST DATA RESULTING FROM THE FAILURE OF ANY PRODUCT OR EQUIPMENT OR FROM DELAYS IN SERVICE OR THE INABILITY TO RENDER SERVICE. WE SHALL NOT BE LIABLE FOR ANY AND ALL PRE-EXISTING CONDITIONS THAT OCCUR PRIOR TO THE EFFECTIVE DATE OF THIS PLAN, INCLUDING INHERENT PRODUCT FLAWS.**

**PLAN TERMS:**

**New Residential Equipment and Commercial Equipment and Bicycle Repair Plans:** Coverage under these Plans begin on the date of product purchase or date of installation by the selling retailer (proof of installation date will be required if different from product purchase date) and continues for the period of time defined on Your sales receipt. This 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. During the manufacturer's warranty period, any parts, labor, on-site service or shipping costs covered by that warranty are the sole-responsibility of the manufacturer; upon expiration of the shortest portion of the manufacturer's original parts and/or labor warranty, this Plan continues to provide many of the manufacturer's benefits as well as certain additional benefits listed within this Plan, and will furnish replacement parts and/or labor necessary to restore Your covered product to standard manufacturer's operating condition.

**New Residential Equipment Labor Only Plan:** Coverage under this Plan begins on the date of product purchase or date of installation by the selling retailer (proof of installation date will be required if different from product purchase date) and continues for the period of time defined on Your sales receipt. This Plan is inclusive of the manufacturer's labor warranty; it does not replace the manufacturer's labor warranty, but provides certain additional benefits during the term of the manufacturer's warranty. During the manufacturer's warranty period, any parts, labor or on-site service or shipping costs covered by that warranty are the sole responsibility of the manufacturer; upon expiration of the shortest portion of the manufacturer's original labor warranty, this Plan will furnish the labor necessary to restore Your covered product to standard manufacturer's operating condition.

**Used Residential Equipment and Bicycle Repair Plan:** Coverage under this Plan begins on the date of product purchase or date of installation by the selling retailer (proof of installation date will be required if different from product purchase date) and continues for the period of time defined on Your sales receipt. This Plan is inclusive of the selling retailer's warranty; it does not replace the selling retailer's warranty; and, provides certain additional benefits during the term of the selling retailer's warranty. During the selling retailer's warranty period, any parts, labor, on-site service or shipping costs covered by that warranty are the sole responsibility of the selling retailer; upon expiration of the retailer's warranty, this Plan continues to provide many of the manufacturer's and/or retailer's warranty benefits, as well as certain additional benefits listed within this Plan, and will furnish replacement parts and/or labor necessary to restore Your covered product to standard manufacturer's operating condition.

**IF YOUR PRODUCT NEEDS REPAIR:** If you need to file a claim under this Plan, You must contact the Administrator for the appropriate authorized service center. Call the toll-free number at [(800) 800-6132 between the hours of 8:00 AM and 5:00 PM eastern standard time or go online to [www.safeware.com](http://www.safeware.com). For faster service, please have your proof of Product purchase (sales receipt) available when you contact the Administrator. **THIS PLAN MAY BECOME VOID IF YOU MAKE UNAUTHORIZED REPAIRS.** When you receive authorization for repairs, the service representative will advise you of the designated service center. A copy of the proof of Product purchase (sales receipt), and a brief written description of the problem must accompany your Product. We will not be liable for freight charges or damage due to improper packaging. Do not return your Product to your retailer unless so instructed by the Administrator. If your Plan expires during the time of an approved repair or replacement, this Plan is extended until the repair or replacement has been completed.

**WHAT IS NOT COVERED:** THIS PLAN DOES NOT COVER ANY LOSS, REPAIRS OR DAMAGE CAUSED BY OR RESULTING FROM:

(A) PRE-EXISTING CONDITIONS INCURRED OR KNOWN TO YOU (PRE-EXISTING MEANS A CONDITION THAT WITHIN ALL REASONABLE MECHANICAL OR ELECTRICAL PROBABILITY RELATES TO THE ELECTRICAL OR MECHANICAL FITNESS OF YOUR COVERED MERCHANDISE PRIOR TO CONTRACT ISSUANCE);

(B) IMPROPER PACKAGING AND/OR TRANSPORTATION DAMAGE DURING SHIPMENT TO A SERVICE CENTER OR RELOCATION OF THE COVERED EQUIPMENT;

(C) INSTALLATION, REMOVAL, REINSTALLATION OR IMPROPER INSTALLATION OF COMPONENTS, UPGRADES, ATTACHMENTS OR PERIPHERALS;

(D) PRODUCTS AND/OR COMPONENTS THAT ARE USED IN APPLICATIONS THAT REQUIRE CONTINUOUS BUSINESS AND/OR COMMERCIAL OPERATION UNLESS A COMMERCIAL PLAN IS PURCHASED, OR ARE USED IN PROFESSIONAL DUES PAYING FITNESS CENTERS UNLESS ADDITIONAL COVERAGE IS PURCHASED, OR OFFERED ON A RENTAL BASIS, OR COIN-OPERATED PRODUCTS;

(E) DAMAGE OR FAILURE CAUSED BY RIOT, NUCLEAR RADIATION, WAR OR HOSTILE ACTION, RADIOACTIVE CONTAMINATION, ETC.;

(F) DAMAGE FROM FREEZING OR OVERHEATING;

(G) INADEQUATE PLUMBING, ELECTRICAL OR GAS SERVICE;

(H) INTERRUPTION OF GAS OR ELECTRICAL SERVICE;

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(I) NEGLIGENCE, MISUSE, ABUSE, INTENTIONAL PHYSICAL / MECHANICAL / ELECTRONIC DAMAGE, PHYSICAL DAMAGE OR MALICIOUS MISCHIEF, THEFT OR MYSTERIOUS DISAPPEARANCE, VANDALISM, RUST, CORROSION, WARPING, BENDING, ANIMAL OR INSECT INFESTATION, ETC. TO THE COVERED PRODUCT OR ANY COMPONENT;

(J) DAMAGE OR OTHER EQUIPMENT FAILURE DUE TO CAUSES BEYOND YOUR CONTROL SUCH AS ENVIRONMENTAL CONDITIONS, EXPOSURE TO WEATHER CONDITIONS OR ACTS OF NATURE INCLUDING, BUT NOT LIMITED TO: FIRE, FLOODS, SMOKE, SAND, DIRT, LIGHTNING, MOISTURE, WATER DAMAGE OF ANY KIND, WHETHER FROM FRESH WATER, SALTWATER OR OTHER WATER INTRUSION, STORMS, WIND OR WINDSTORM, HAIL, EARTHQUAKE, ETC.;

(K) REPAIRS NECESSITATED BY OPERATION OUTSIDE THE MANUFACTURER OPERATIONAL OR ENVIRONMENTAL SPECIFICATIONS;

(L) BATTERY FAILURE OR LEAKAGE;

(M) COLLISION WITH ANOTHER OBJECT, COLLAPSE, EXPLOSION, LIQUID SPILLAGE OF ANY KIND BY ANY OWNER, EMPLOYEE, THIRD PARTY, REPAIR PERSONNEL, ETC., UNLESS COVERED UNDER A PLAN WHICH SPECIFICALLY INCLUDES ANY OF THE DEFINED CAUSES;

(N) ACCIDENTAL DAMAGE, INCLUDING PHYSICAL/MECHANICAL/ELECTRONIC DAMAGE CAUSE BY DROPPING, COLLISIONS, OR SPILLS;

(O) DAMAGE, WARPING, BENDING OR RUSTING OF ANY KIND TO THE HOUSING, CABINETRY, SUPPORTS, OUTSIDE CASING OR FRAME OF THE PRODUCT;

(P) IMPROPER OR INADEQUATE STORAGE;

(Q) DAMAGE TO A COVERED PART CAUSED BY A NON-COVERED PART;

(R) IMPROPER INSTALLATION OF CUSTOMER REPLACEABLE COMPONENTS, MODULES, PARTS AND/OR INSTALLATION OF INCORRECT PARTS;

(S) ANY RESULTANT MALFUNCTION OR DAMAGE OF OR TO AN OPERATING PART OF THE COVERED PRODUCT FROM FAILURE TO PROVIDE MANUFACTURER'S RECOMMENDED MAINTENANCE OR OPERATION/STORAGE OF THE COVERED PRODUCT IN CONDITIONS OUTSIDE MANUFACTURER SPECIFICATIONS OR USE OF A COVERED PRODUCT IN SUCH A MANNER AS WOULD VOID COVERAGE UNDER THE MANUFACTURER'S WARRANTY OR THAT ARE USED IN A MANNER INCONSISTENT WITH THE DESIGN OF THE EQUIPMENT OR MANUFACTURER INSTRUCTIONS OR SPECIFICATIONS;

(T) OPERATIONAL ERRORS ON THE PART OF THE CONSUMER;

(U) REMOVAL, INSTALLATION, REINSTALLATION, UNAUTHORIZED REPAIR, UNAUTHORIZED MODIFICATION OR ADJUSTMENT, ALTERATION OR MANIPULATION, OF ANY INTERNAL COMPONENT OR COVERED PRODUCT MADE BY ANYONE OTHER THAN AN AUTHORIZED SERVICE TECHNICIAN;

(V) LOSS OF POWER, IMPROPER USE OF ELECTRICAL/POWER, POWER "BROWN-OUT", POWER OVERLOAD OR POWER SURGE UNLESS COVERED AS FURTHER DEFINED IN THE ADDITIONAL BENEFITS TO YOUR PLAN SECTION OF THIS DOCUMENT;

(W) COVERED PRODUCTS SUBJECT TO A MANUFACTURER RECALL, WARRANTY OR REWORK TO REPAIR DESIGN OR COMPONENT DEFICIENCIES, IMPROPER CONSTRUCTION, MANUFACTURER ERROR, ETC. REGARDLESS OF THE MANUFACTURER'S ABILITY TO PAY FOR SUCH REPAIRS;

(X) EQUIPMENT SOLD WITHOUT A MANUFACTURER'S WARRANTY OR "AS IS";

(Y) COVERED PRODUCTS WITH REMOVED OR ALTERED SERIAL NUMBERS;

(Z) CONSEQUENTIAL DAMAGES OR DELAY IN RENDERING SERVICE UNDER THIS CONTRACT, OR LOSS OF USE OR DATA DURING THE PERIOD THE COVERED PRODUCT IS AT AN AUTHORIZED REPAIR FACILITY OR OTHERWISE AWAITING PARTS;

(AA) NON-FAILURE PROBLEMS INCLUDING BUT NOT LIMITED TO NOISES, SQUEAKS, ETC.;

(AB) NORMAL PERIODIC OR PREVENTATIVE MAINTENANCE, USER EDUCATION, SET UP ADJUSTMENTS;

(AC) CLEANINGS OR ANY REPAIR COVERED BY A MANUFACTURER WARRANTY, PLAN OR OTHER INSURANCE;

(AD) REPAIRS FOR COSMETIC DAMAGE OR IMPERFECTIONS OR TO STRUCTURAL ITEMS;

(AE) FAILURE TO PRODUCT ATTACHMENTS NOT PROVIDED BY THE MANUFACTURER OR INCLUDED IN THE ORIGINAL SALE;

(AF) REPAIR OR REPLACEMENT COSTS FOR LOST COMPONENTS NOT ORIGINALLY COVERED BY THE MANUFACTURER'S WARRANTY OR ARE CONSIDERED EXPENDABLE OR CONSUMER REPLACEABLE ITEMS OR ANY NON-OPERATING OR NON-MOTOR DRIVEN MECHANICAL PART, INCLUDING BUT NOT LIMITED TO PLASTIC PARTS, OR OTHER PARTS SUCH AS ACCESSORY CABLES, BATTERIES, BELTS (EXCEPT FOR TREADMILL WALKING BELTS), BOLTS, CABINETS, CABLES, CORDS, DIALS, DOORS, DRIVE BELTS, FINISH DEFECTS, FRAMES, HANDLES, HINGES, KEYPADS, KEYS, KNOBS, LATCHES, LED'S, LCD'S, LIGHTS, ORNAMENTATION, PAINT, PLASTIC BODY OR MOLDING, RACKS, REMOTE CONTROLS, SEATS, SHELVES, SOFTWARE MEDIA, SUPPORTS, SUSPENSION, SWITCHES, WIRING, OR ANY OTHER PARTS OR MATERIALS WHICH ARE DESIGNED TO BE CONSUMED DURING THE LIFE OF THE COVERED PRODUCT;

(AG) LIABILITY OR DAMAGE TO PROPERTY, OR INJURY, OR DEATH TO ANY PERSON ARISING OUT OF THE OPERATION, MAINTENANCE OR USE OF THE COVERED PRODUCT;

(AH) COSTS ASSOCIATED WITH TEARING APART WALLS, CARPETING, FLOORS AND CABINETS ASSOCIATED WITH CUSTOM INSTALLATIONS;

(AI) SERVICE OR REPLACEMENT OUTSIDE OF THE UNITED STATES OF AMERICA OR CANADA;

(AJ) SERVICE EVENTS NOT REPORTED DURING THE TERM OF THE PLAN.

IF YOUR COVERED PRODUCT EXPERIENCES A FAILURE OR DAMAGE THAT IS EXCLUDED FROM COVERAGE UNDER THIS SECTION OR IN THE EVENT OF A REPAIR INCIDENT WHEREIN THERE IS A "NO PROBLEM FOUND" DIAGNOSIS FROM THE MANUFACTURER OR A MANUFACTURER-AUTHORIZED REPAIR SOURCE, THEN YOU ARE RESPONSIBLE FOR ALL REPAIR COSTS INCLUDING SHIPPING COSTS AND/OR THE COST OF ON-SITE SERVICE.

SHOULD THE MANUFACTURER OF YOUR PRODUCT GO OUT OF BUSINESS OR THE MANUFACTURER NO LONGER PROVIDE PRODUCT SUPPORT AND ALL PARTS SOURCES HAVE BEEN EXHAUSTED DURING THE COVERAGE PERIOD OF THIS PLAN, THE OBLIGOR AND THE ADMINISTRATOR SHALL BE EXCUSED FROM PERFORMANCE HEREUNDER AND YOU SHALL BE RECEIVE A FULL REFUND OF THE PURCHASE PRICE PAID BY YOU FOR THE PLAN LESS CLAIMS PAID.

**IN ADDITION TO THE WHAT IS NOT COVERED SECTION, THE FOLLOWING IS EXCLUDED FOR THE BICYCLE COVERAGE:**

(A) STRUCTURAL ELEMENTS (I.E. FORK, FRAME, ETC.);

(B) BIKES USED IN COMMERCIAL ACTIVITIES (I.E. RENTAL, RACING) OR ACTIVITIES NOT STANDARD FOR THE TYPE OF BIKE SOLD (I.E. NO OFF-ROAD MOUNTAIN TRAIL USAGE FOR A STANDARD STREET BIKE);

(C) PREVENTATIVE MAINTENANCE OR PERIODIC BIKE CHECKUPS WHICH MIGHT REQUIRE SOME "TUNING"; "COSMETIC" ISSUES LIKE PAINT SCRAPES, WORN SEATS, DENTS/SCRATCHES, BROKEN SPOKES WHEN BRANCHES OR OTHER "FLOTSAM" ALONG THE ROADS ARE CAUGHT IN THE WHEELS, ETC., THAT DOESN'T HAVE ANY IMPACT ON PROPER OPERATION OF THE BIKE;

(D) CONSUMABLES LIKE TIRES, TUBES, BRAKE PADS, ROTORS, AND OTHER ITEMS ON THE BIKES THAT THE MANUFACTURER EXPECTS TO BE REPLACED ON A PERIODIC BASIS BECAUSE THEY JUST WEAR OUT.

**OUR RIGHT TO RECOVER PAYMENT:** If You have a right to recover against another party for anything We have paid under this Plan, Your rights shall become Our rights. You shall do whatever is necessary to enable Us to enforce these rights. We shall recover only the excess after You are fully compensated for Your loss.

**CANCELLATION:** You may cancel this Plan by informing the selling retailer of Your cancellation request within 30 days of the purchase of the Plan and You will receive a 100% refund of the full purchase price of Your Plan. If Your cancellation request is made more than 30 days from the date of purchase, You will receive a pro-rata refund of the Plan purchase price, less the cost of repairs made (if any), and less an administrative fee not to exceed 10% of the Plan purchase price or \$25.00, whichever is less, unless otherwise provided by state law. The cancellation provisions in this Plan only apply to the original purchaser of this Plan.

If we cancel this Plan, we must provide You with a written notice at least 15 days prior to cancellation at Your last known address, with the effective date for the cancellation and the reason for cancellation. If we cancel this Plan, You will receive a refund based upon one hundred percent (100%) of the unearned pro rata purchase price of this Plan.

**TRANSFERABILITY:** This Plan is transferable by the original purchaser for the balance of the original extended protection period. If You transfer ownership of Your Product, this Plan may be transferred by sending to the Administrator within 10 days of the transfer, at the address above, a copy of this Plan and Your Sales Receipt, along with the name, address, and phone number of the new owner, the date of new ownership, and a \$10.00 transfer fee. The manufacturer's warranty may not be transferrable. This Plan does not replace the manufacturer's warranty and provides no coverage therein, except as noted above.

**ARBITRATION:** In the event of a disagreement between You and Us concerning costs, either party may make a written demand for arbitration. This must be done within sixty (60) days after the day You filed Your claim. Each party will select an arbitrator. The two (2) arbitrators will select an umpire. Each party will pay the expenses of the respective arbitrator selected. The expenses of the umpire will be shared equally. Unless both parties agree otherwise, arbitration will take place in the county and state in which You live. Local rules will apply. A majority decision will be binding. State Variation: In Arizona: Arbitration does not preclude the consumer's right to file a complaint with the Arizona Department of Insurance Consumer Affairs Division, (800) 325-2548. In California: This arbitration provision does not prohibit a California resident from following the process to resolve complaints as outlined by the California Bureau of Electronic and Appliance Repair (BEAR). To learn more about this process, you may contact BEAR at 1-800-952-5210, or you may write to Department of Consumer Affairs, 3485 Orange Grove Avenue, North Highlands, California 95660, or you may visit their website at [www.bear.ca.gov](http://www.bear.ca.gov). Informal dispute resolution is not available. In Florida, Georgia, Oregon and Wisconsin: The "Arbitration" section of this Agreement is removed. In Wyoming: Arbitration can only be final and binding if agreed to by the parties involved, in a separate written agreement.

**GUARANTY:** This is not an insurance policy. We have obtained an insurance policy to insure Our performance under this Plan. Should We fail to pay any valid claim or fail to replace the Product covered under this Plan within sixty (60) days after the Product has been returned or, in the event You cancel this Plan, and We fail to refund the unearned portion of the Plan price, You are entitled to make a direct claim against the insurer. The INSURER is LYNDON SOUTHERN INSURANCE COMPANY, 10151 Deerwood Park Boulevard, Building 100, Suite 330, Jacksonville, Florida 32256, (800) 888-2738, in ALL STATES, EXCEPT IN NORTH CAROLINA AND GEORGIA, where the INSURER is INSURANCE COMPANY OF THE SOUTH, 10151 Deerwood Park Boulevard, Building 100, Suite 330, Jacksonville, Florida 32256, (800) 888-2738, and in CALIFORNIA, NEW HAMPSHIRE, NEW YORK, WASHINGTON and WISCONSIN where the INSURER is DEALERS ASSURANCE COMPANY, 3518 Riverside Drive, Upper Arlington, Ohio 43221, (800) 282-8913.

**TO RENEW THIS PLAN:** To renew Your Plan, please call 1-800-800-6132 on or before the expiration date of this Plan. Renewal prices will reflect the age of Your Product, current service costs, and repair experience of the product model. Renewal prices will be available from the Administrator upon request at the time of renewal. **Note: Not all products are eligible for renewal.**

**IMPORTANT CONSUMER INFORMATION:** If your Product is exchanged by the manufacturer or retailer, you must advise the Administrator in writing at 6500 Busch Boulevard, Suite 233, Columbus, OH 43229 Attn: ESP Administration or call 1-800-800-SW\_20021\_8-8-2013-1

6132 with the date of exchange, make, model, and serial number of the replacement product within 10 days of the exchange. In the event of such exchange, the coverage period shall not exceed the original contract expiration date.

**ENTIRE AGREEMENT:** This Plan, including the terms, conditions, limitations, exceptions and exclusions, and the sales receipt for your Product, constitutes the entire agreement and no representation, promise or condition not contained herein shall modify these items, except as required by law.

### **SPECIAL STATE REQUIREMENTS**

Regulation of Plans may vary widely from state to state. Any provision within this Plan which conflicts with the laws of the state where You live shall automatically be considered to be modified in conformity with applicable state laws and regulations as set forth below. The following state specific requirements apply if Your Plan was purchased in one of the following states and supersede any other provision within Your Plan terms and conditions to the contrary.

**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 canceled: (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 canceled by us for fraud or material misrepresentation, including but not limited to 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 canceled by you at any time for any reason by emailing, mailing or delivering to us notice of cancellation. If the Plan is canceled: (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.

**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 canceled 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 from 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 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.

**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 anytime 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 Safeware at the address listed above. You may cancel this Plan for any reason. In the event you cancel this  
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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. Safeware 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 Safeware cancels this Plan, you shall receive a refund of 100% of the unearned pro-rata premium. Safeware 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.

**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.

**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 canceled 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:** You may return this Plan within 20 days of the date this Plan was mailed to You or within 10 days if the Plan was delivered to You at the time of sale. If You made no claim, the Plan is void and the full purchase price will be refunded to You. A 10% penalty per month will be added to a refund that is not made within 30 days of Your return of the Plan. These provisions apply only to the original purchaser of the Plan. In the event We cancel this Plan, We will mail a written notice to You at Your last known address at least 21 days prior to cancellation with the effective date for the cancellation and the reason for cancellation. What is Not Covered from coverage are limited to those expressly stated under the "**WHAT IS NOT COVERED**" section above. You may file a claim directly with Dealers Alliance Corporation, 3518 Riverside Drive, Upper Arlington, OH 43221 or 800-282-8913.

**Wisconsin Residents: THIS PLAN IS SUBJECT TO LIMITED REGULATION BY THE WISCONSIN OFFICE OF THE COMMISSIONER OF INSURANCE.** This Plan shall not be canceled 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 U 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.

***These terms & conditions are available by calling (800) 800-6132 to have a copy mailed to You.***