



RESIDENTIAL FURNITURE & UPHOLSTERY WARRANTY AGREEMENT

1. Terms and Conditions:

This is a legal contract (hereinafter referred to as the "Plan"). By purchasing the Plan, you understand that the Plan is a legal contract and acknowledge that you have had the opportunity to read the terms and conditions set forth herein. This Plan and your receipt, containing the Effective Date and Expiration Date of your Plan, and the product identification constitute the entire agreement between you and us.

2. Definitions:

Throughout this Plan, these words are defined as follows:

- a) **"you"** and **"your"** refer to the purchaser of this Plan as shown on the receipt, which shall include but not be limited to a lessee if the Furniture Item(s) was acquired under a rent-to-own or lease-purchase transaction (collectively, an "RTO Transaction");
- b) **"we"**, **"us"**, **"our"** refer to the company obligated under this Plan, which is Furniture Life Service Center, Inc., a Division of Hank's Fine Furniture and Mattresses;
- c) **"Furniture Item(s)"** refers to indoor or outdoor furniture constructed of upholstered fabric, leather/vinyl or wood/hard surfaces; adjustable bases; and area rugs that you purchased concurrently with this Plan and are shown as covered Furniture Item(s) on the receipt;
- d) **"Retailer"** indicates the dealer, store or outlet where you purchased the Furniture Item(s) and this Plan;
- e) **"Accidental Damage"** means a single, unexpected, sudden and unintentional event and does not include accumulated damage from continual or multiple events, failure to take sufficient care to protect the Furniture Item(s), protection against reckless, abusive, willful or intentional mishandling and use of the Furniture Item(s), and any other limitations listed in the "Coverage" section of this agreement. The use of this coverage requires an explanation of where and when the accident occurred as well as a detailed description of the actual event.

3. Term:

The term of this Agreement will begin on the date of delivery of your Furniture Item(s) and continue for a period of four (4) years.

4. Coverage:

The Plan covers materials and labor costs to service your Furniture Item(s) in the event such Furniture Item(s) becomes accidentally damaged during normal residential use due to stains or other covered damage or defects as more specifically described in the Product Specific Coverage section of this Plan. You acknowledge and agree that the Plan does not provide coverage for any damage to the

Furniture Item(s) over 6 inches in overall area as such damage constitutes abuse.

All coverages are for covered occurrences from a single incident.

The Furniture Item(s) must be picked up, delivered, and installed stain, damage and soil-free from the authorized Retailer.

Furniture Item(s) and materials replaced under the terms and conditions of this Plan shall become our sole property except where prohibited by law.

The Plan is non-transferrable to another owner; however, in the case of an RTO Transaction, this Plan will automatically be transferred from the lessor to the lessee upon lessee's fulfillment of all terms of the RTO Transaction, and such lessee shall become the outright owner of this Plan.

You are not required to purchase this Plan as a condition of a loan or sale of any property and/or Furniture Item(s).

Note: You must keep the receipt for this Plan. Your receipt is an integral part of this Plan and you will be required to reference the receipt to obtain service. This Plan, including the terms, conditions, limitations, exceptions and exclusions, the receipt containing the length and type of Plan, commencement date and product identification constitute the entire agreement. This agreement supersedes all prior agreements, correspondence, arrangements and understandings relating to the subject matter of this Agreement and the transactions contemplated. No representation, promise, inducement or statement of intentions has been made by any party which is not embodied in this agreement.

5. Product Specific Coverage:

The following are covered, subject to the Exclusions To Coverage and other Plan conditions:

(1) Fabric, Leather and Vinyl Furniture:

- a. All stains.
- b. Rips, cuts, punctures or burns from a specific incident (less than 6 inches).
- c. Breakage of frames, springs, and sleeper, reclining, inclining, heating, and vibrating mechanisms will be covered if they were originally covered by a manufacturer's warranty and such warranty has expired.

(2) Wood and Hard Surface Furniture:

- a. All stains.
- b. Breakage of wood or other hard surface from a specific incident.
- c. Gouge, heat mark or liquid ring from a specific incident.
- d. Checking, cracking, bubbling, or peeling of finish from a specific incident.

6. Liability:

For any single claim, the limit of liability under this Plan is the lesser of the cost of;

- (1) authorized service/repairs;
- (2) replacement of affected furniture item with a new replacement piece of equal value, excluding taxes and delivery/shipping fees; and
- (3) the price that you paid for the Furniture Item(s).

The total liability under this Plan is the purchase price you paid for the Furniture Item(s), but not to exceed the Maximum Limit of Liability shown on the receipt. In the event that the aggregate of all authorized service/repairs exceeds the purchase price paid for the Furniture Item(s) or we replace the Furniture Item(s) with a new piece of equal value, we shall have satisfied all obligations owed under this Plan.

7. Exclusions to Coverage:

- (1) Anything not listed in the "Product Specific Coverage" of this Plan.
- (2) Damage to Furniture Item(s) that is covered or should be covered by the manufacturer's warranty, repairer's warranty or any other warranty in effect; any and all pre-existing conditions that occur prior to the effective date of this Plan; defects that are subject to manufacturer's recall; any breach of an implied or expressed warranty of merchantability or fitness; any furniture item sold without a store or manufacturer warranty.
- (3) Damage that occurs to Furniture Item(s) while located outside the 50 states of the United States, including the District of Columbia.
- (4) Damage caused during, or as result of delivery, handling, set-up or assembly of Furniture Item(s); Furniture Item(s) in transit or storage; Furniture Item(s) located outdoors or on patios or screened rooms where they may be directly or indirectly exposed to outside elements; damage by outside contractors; water damage by leaking appliances, water heaters, skylights, pipes and all losses covered by homeowners or renters insurance.
- (5) Damage caused by pets or other animals, including but not limited to damage caused by beaks, claws, or jaws; repeated pet bodily fluid stains which are considered preventable occurrences.
- (6) General soiling, which is defined as a gradual buildup of dirt, dust, body oils, perspiration, or any other accumulated stains that cannot be attributed to a single incident.
- (7) Indentations from writing on wood surface or any type of surface abrasion; finish scorching (unless a specifically covered heat mark) and wood burns or heat damage; loss of silvering of glass or mirror components (unless specifically covered); scratches, rips, cuts, gouges, and scuff marks of any type that do not clearly penetrate through upholstery or the clear-coat finish on wood, exposing the bare wood.
- (8) Leather or vinyl cracking or peeling, including damage caused by perspiration, body and hair oils; stress tears or rips, scratches, and leather scars or finish defects. Repair and replacement are specifically excluded on split hides used in seating areas.
- (9) Odors.

- (10) Unknown stains; color loss, fading, and discoloration; all normal wear and tear, including damage that cannot be attributed to a single relatable incident.
- (11) Loss of foam resiliency; pilling, fraying or loosening of threads on upholstery; seam slippage or separation.
- (12) Spring or coil damage (unless specifically covered).
- (13) Fabric or leather dye lot variations, wood finish variations or manufacturer's discontinuation.
- (14) Unless specifically covered, plastic or metal parts, such as hinges and drawer slides, failure of assembled joints, all other nonfunctional or aesthetic parts, including but not limited to, knobs, buttons, and rollers, and baskets or accessories used in conjunction with the covered Furniture Item, such as pillows, lamps, and remotes; consumables, such as batteries or bulbs.
- (15) Ballpoint pen ink, crayon or lipstick marks of more than 6 inches in length are considered preventable and will not be covered.
- (16) Damage caused by any unauthorized cleaning products or methods; damage caused by unauthorized repair methods; defects or damage caused by topical treatments; failure to follow manufacturer recommended routine maintenance and inspection.
- (17) Liquid rings caused by substances such as medication (including vitamins), perspiration, body and hair oils, dyes, paints, acids, corrosives, caustic solutions, chemicals, bleaches, glue, candle wax, adhesives, gum, crayon, ink (except ballpoint pen ink), marker, dirt or other soil, pollen, tree sap, mold or mildew stains due to atmospheric causes, rust, nail polish, nail polish remover, cosmetics, hair treatments including hair gel, hair spray, mousse, or other like substances.
- (18) Stains caused by acids, corrosives, caustic solutions, and chemicals.
- (19) Unless specifically covered the Plan does not apply to any other surfaces, including parachute cloth, "X" coded fabrics, 100% silk, non-colorfast material, draperies, area rugs, carpets, nubuck, suede or other sensitive leathers, paper, fossil stone, marble, plastic, bare wood, paper veneers, wooden bed slats, oil finished furniture, all glass and electronic components; stains or damage to box springs, carpet or flooring due to any substance that may run off of the mattress or Furniture Item(s).
- (20) Any upgrades to the Furniture Item(s) that alter the appearance and function from the manufacturer's original state.
- (21) "As is", "final sale", "pre-owned" and rental products (other than an RTO or pre-approved residential rentals through Airbnb, VRBO, etc.).
- (22) Repairs necessitated by intentional physical damage, acts of nature, fire, burglary, theft, vandalism, collision, spilled liquids (unless resulting in a covered stain or liquid ring), corrosion, insect infestation, misuse, neglect, mishandling and abuse.
- (23) Unauthorized modifications made to the Furniture Item(s); altered serial numbers; failure to follow manufacturer's installation, operation or maintenance instructions; repairs performed by non-authorized repairer; any items not affecting the Furniture Item(s)' function.
- (24) Damages due to external faults, such as wiring, electrical connection or plumbing.
- (25) Products on loan during repair process.
- (26) Failure caused by voltage converter and/or applying

incorrect voltage to the Furniture Item(s).

- (27) Diagnosis where no defect has been found or noted.
- (28) Damage caused by war, invasion or act of foreign enemy, hostilities, civil war, rebellion, riot, strike, labor disturbance, lockout or civil commotion.
- (29) Loss or injury to a person or loss or damage to property or any incidental, contingent, special or any direct or indirect loss and consequential damages including, but not limited to, losses incurred to any delay in rendering service under this Plan and loss of use during the period that your Furniture Item(s) is at an authorized servicer or while awaiting materials/parts.
- (30) Damage over 6 inches in overall area.

8. Cancellation:

This Plan shall be cancelled by us for fraud or material misrepresentation, as determined in our sole and complete discretion, including but not limited to commercial or rental use (other than an RTO Transaction or pre-approved residential rentals through Airbnb, VRBO, etc.). Unauthorized repair or replacement of a Furniture Item shall result in the cancellation of this Plan by us. In the event of cancellation by us, written notice of cancellation stating the effective date and reasons for the 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 mailing or delivering to us notice of cancellation at Furniture Life Service Center, 5708 Warden Road, Sherwood, AR 72212. If the Plan is cancelled, you acknowledge and agree that any price paid for the Plan is non-refundable.

Arbitration:

If we cannot resolve any disputes with you related to the Plan, including claims, you and we agree to resolve those disputes through binding arbitration or small claims court instead of through courts of general jurisdiction. Further, you and we agree to waive our rights to a trial by jury and not to participate in any class arbitrations or class actions. This Plan is evidence of a transaction in interstate commerce and the Federal Arbitration Act applies to and governs the enforcement of any arbitration hereunder. The provisions of this Arbitration section shall survive the termination of this Plan. YOU AND WE UNDERSTAND AND AGREE THAT, BECAUSE OF THIS PROVISION, NEITHER YOU NOR WE WILL HAVE THE RIGHT TO GO TO COURT EXCEPT AS PROVIDED ABOVE OR TO HAVE A JURY TRIAL OR TO PARTICIPATE AS ANY MEMBER OF A CLASS OF CLAIMANTS PERTAINING TO ANY CLAIM. The arbitration shall take place before a panel of three arbitrators which shall be selected in accordance with American Arbitration Association Rule R-13. Each of the arbitrators must have at least ten years of full-time work experience or equivalent part-time experience in the commercial insurance industry in a corporate risk management department, with a commercial liability insurer, with a commercial insurance broker, as a lawyer representing insurers or insureds with respect to commercial insurance matters or as a state or federal court judge who has handled multiple cases involving commercial insurance disputes. Any award made may be enforced in any court having jurisdiction. All arbitration shall take place in the State of Arkansas unless otherwise agreed upon.

9. Binding Nature & Assignment.

This agreement shall be binding on and inure to the benefit of the parties hereto and their respective successors. You shall not assign or transfer your rights or obligations under this agreement without our prior written consent.

10. Severability.

In the event any provision of this agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the validity of the remaining provisions shall not be affected and this agreement shall otherwise remain in full force and effect.

11. Waiver.

No delay or omission by a party to exercise any right under this agreement shall impair such right or be deemed or construed as a waiver thereof, nor shall a waiver by one party of any breach of a covenant to be performed by the other party be deemed or construed to be a waiver of any subsequent breach of such covenant or any other covenant under this agreement.

12. Governing Law.

This agreement shall be governed by and construed in accordance with the laws of the State of Arkansas without regard to conflicts or choice of laws rules, principles or provisions.

To file a claim, please visit the website at:

www.furniturelifewarranty.com

Email
claims@furniturelifewarranty.com

Furniture Life Service Center, Inc.
844-717-5900