

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. These terms and conditions, together with your sales receipt, constitute the entire agreement. This is not a contract of insurance.

Obligor: Plan Provider (Obligor): The company obligated under the Plan in all states except Florida is **Asurion Service Plans, Inc.**, whose address is P.O. Box 061078, Chicago, Illinois 60606-1078, telephone 1-866-856-3882. In Florida, the company obligated under the Plan is **Asurion Service Plans of Florida, Inc.** whose address is P.O. Box 061078, Chicago, Illinois 60606-1078, telephone 1-866-856-3882.

Definitions: (1) "we", "us", and "our" refer to the company obligated under this Plan, as referenced in the Obligor section above; (2) "administrator" refers to (a) Asurion Services, LLC in all states and DC except in AL, AZ and FL; (b) Asurion Service Plans, Inc. in AL and AZ; and (c) Asurion Service Plans of Florida, Inc. (a service warranty association) in FL ("Asurion" refers collectively to Asurion, LLC, Asurion Service Plans, Inc. and Asurion Service Plans of Florida, Inc.). The administrator can be contacted at: P.O. Box 1340, Sterling, Virginia 20166; (3) "retailer" and "jcpenny" refer to JC Penney Company; (4) "breakdown" refers to the mechanical or electrical failure of the products caused by: a) defects in materials/and or workmanship and b) normal wear and tear; (5) "product" refers to the consumer item which you purchased concurrently with and is covered by this Plan; and (6) "you," "your" and "service contract holder" refer to the individual who purchased the product and the Plan or the individual to whom the Plan was transferred to as per these terms and conditions.

To Obtain Service: If Your Product Needs Service: You may begin the claim process by calling 1-866-212-1971 twenty-four (24) hours, seven (7) days a week. If we determine that your product cannot be repaired, you will receive, at our discretion, a new or remanufactured product of like kind and quality that performs to the factory specifications of the original product, or a gift certificate equal to the original purchase price of the product, as indicated on your sales receipt, including taxes.

What is Covered:

For Furniture: This Plan covers parts, material and labor costs resulting from a breakdown of the product to include the following coverage: (1) Case goods —Structural defects to frames, cases, seat and back construction; dovetail construction; shelving and legs such as warpage, frame breakage or separation of frame components; hinges, mechanisms, and metal hardware; lifting, cracking, peeling, tarnishing or pitting of veneers, laminate, other wood, lacquer, engraved photo finish or solid brass furniture; breakage of casters, wheels, buttons, drawer pull/guides and other moving parts (2) Finishes — Lifting, cracking, peeling or scaling of solid woods, laminated finishes and veneer; (3) Fabrics — Seam separation and loss of latex backing to fabrics and vinyl; (4) Cushions — Excessive loss of foam, latex and spring resiliency of backs and cushions; (5) Frames — Structural defects, warping, cracking and breaking to frames and legs; (6) Leather — Seam separation, lifting and peeling of topcoat finish; (7) Mechanisms to include all moving parts; (8) Lifting and peeling of topcoat finish; (9) Upholstery — Seam separation, loss of latex backing to fabrics and vinyl; and (10) Casters. We will repair the product, or reimburse you with a gift card or check for authorized repairs to or replacement of the product, at our discretion, when required due to a breakdown which is not covered under any other warranty or service contract. On-site service is provided for the full term of this Plan. You may be required to send a picture of the covered breakdown prior to on-site service being performed. Non-original manufacturer's parts may be used for repair of the product if the manufacturer's parts are unavailable or more costly.

For Replacement Plans: We will replace the product a replacement product or reimburse you for the original purchase price of the product, at our discretion, when required due to a breakdown, which is not covered under any other warranty or service contract. A mechanical or electrical breakdown caused by unintentional and accidental damage from handling ("ADH") of the covered product is also covered for portable electronics. The covered product must fail during normal usage. If your product requires replacement, you will be instructed to ship your product to our authorized service center, per our instructions. We will pay for the cost of shipping your product to our authorized service center for replacement. You will then be reimbursed the original price, including applicable taxes, of your product in the form of a check or gift card, at our discretion.

For strollers, breast pumps, and car seats Replacement Plans: If your product requires replacement, you will be instructed to fill out a claim form and fax the completed claim form along with your original sales receipt to 406-727-4480 you will then be instructed to purchase a new product with similar features from the retailer from which you purchased your original product. After you have purchased your replacement product, you must fax in a copy of the new receipt containing the purchase of the replacement product. Upon receipt of the new sales receipt, a representative will contact you with shipping instructions for the original product. We will reimburse you the original purchase price in the form of a check or gift card once the original product is received at our authorized service center. Or at our discretion, we may purchase your replacement product for you and have it shipped to the address you specify or reimburse you for the original purchase price, including applicable sales tax, in the form of a check or gift card. We will pay for the cost of shipping your product to our authorized service center.

Term of Coverage:

For Furniture Service Plans: Your term and coverage begin on your date of purchase and continue for the period indicated on your sales receipt. 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 Replacement Plans: Your term begins on your date of purchase and continues for the period indicated on your sales receipt and is inclusive of the manufacturer's warranty. ADH and power surge coverage begins on your date of purchase; all other coverage begins upon the expiration of the manufacturer's warranty.

Deductible: There is no deductible required to obtain service on your product.

Limit of Liability: For any single claim, the limit of liability under this Plan shall be the least of the cost of (1) the total of authorized repairs performed, up to the purchase price paid for the covered product, (2) replacement with a product with similar features, (3) reimbursement for authorized repairs or replacement up to the purchase price paid for the covered product, or (4) the price that you paid for the product. In the event that the total of all authorized repairs exceeds the purchase price paid for the Product, we replace the product with a replacement product, or we reimburse you for the purchase price paid for the product, we shall have satisfied all obligations owed under this Plan.

No Lemon Policy: During the term of this Contract, 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 with similar features, not to exceed the original purchase price. Repairs performed while the product is under manufacturer's warranty do not apply. Replacement of Product constitutes Plan fulfillment. (NOTE: The No Lemon Policy is not applicable to breakdowns caused by ADH).

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

WHAT IS NOT COVERED: (1) INCIDENTAL, ACCIDENTAL (UNLESS YOU PURCHASED A PORTABLE PRODUCT) CONSEQUENTIAL, OR SECONDARY DAMAGES, INCLUDING BUT NOT LIMITED TO ANY DELAY IN RENDERING SERVICE UNDER THIS PLAN 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 PLAN; (3) DAMAGE FROM ACCIDENT (UNLESS YOU PURCHASED A REPLACEMENT PLAN ON A PORTABLE ELECTRONIC PRODUCT), ABUSE, MISUSE, INTRODUCTION OF FOREIGN OBJECTS INTO THE PRODUCT, UNAUTHORIZED PRODUCT MODIFICATIONS OR ALTERATIONS; (4) FAILURE TO FOLLOW THE MANUFACTURER'S INSTRUCTIONS (5) THIRD PARTY ACTIONS (FIRE, COLLISION, VANDALISM, THEFT, ETC.); (6) THE ELEMENTS OR ACTS OF GOD; (7) LOSS OR DAMAGE DUE TO WAR, INVASION OR ACT OF FOREIGN ENEMY, HOSTILITIES, CIVIL WAR, REBELLION, RIOT, STRIKE, LABOR DISTURBANCE, LOCKOUT OR CIVIL COMMOTION; (8) DAMAGE TO RUGS, CARPETS, TARPS, PICTURES, GLASS, LAMPS, AND ACCESSORIES; (9) DAMAGE COVERED BY ANY OTHER WARRANTY OR SERVICE CONTRACT; (10) PREVENTATIVE MAINTENANCE; (11) DAMAGE WHICH IS NOT REPORTED WITHIN THIRTY (30) DAYS AFTER EXPIRATION OF THIS CONTRACT; (12) FADING CAUSED BY SUNLIGHT, WIND OR WEATHER; (13) RUST, CORROSION, OR CHIPPING; (14) DAMAGE FROM EXCESSIVE HEAT; (15) DAMAGE FROM TRANSIT, MOVING, DELIVERY, PACKING OR UNPACKING, ASSEMBLY, INSTALLATION OR REMOVAL; (16) DAMAGE FROM FABRIC TEARS AND WEAR-THROUGH, PUNCTURES, SCRATCHES, PEELING, DENTS, BURNS, RUST STAINS OR DIRT UNLESS CAUSED BY USUAL WEAR AND TEAR; (17) DAMAGE CAUSED BY ANY ANIMAL; (18) WATER OR LIQUID MARKS OR RINGS FROM NORMAL HOUSEHOLD FOOD AND BEVERAGE PRODUCTS; (19); PERIODIC CHECKUPS AND/OR MAINTENANCE AS DIRECTED BY THE MANUFACTURER; (20) ANY LOSS OTHER THAN A COVERED BREAKDOWN OF THE PRODUCT; (21) PRODUCTS NOT ORIGINALLY COVERED BY A MANUFACTURER'S WARRANTY; (22) NON-FUNCTIONAL OR AESTHETIC PARTS INCLUDING BUT NOT LIMITED TO PLASTIC PARTS OR KNOBS, UNLESS CAUSED BY USUAL WEAR AND TEAR; (23) UNAUTHORIZED REPAIRS AND/OR PARTS; (24) PARTS FAILURE DUE TO A MANUFACTURER RECALL, REGARDLESS OF THE MANUFACTURER'S ABILITY TO PAY FOR SUCH REPAIRS; (25) ACCESSORIES USED IN CONJUNCTION WITH A COVERED PRODUCT; (26) COST OF INSTALLATION, REMOVAL OR REINSTALLATION OF THE PRODUCT; (27) PRODUCTS SOLD "AS-IS" INCLUDING BUT NOT LIMITED TO FLOOR MODELS (UNLESS COVERED BY A FULL MANUFACTURER'S WARRANTY ON YOUR DATE OF PURCHASE) AND DEMONSTRATION MODELS; (28) PRODUCT RENTALS TO THIRD PARTIES; (29) SERVICE THAT OCCURS OUTSIDE OF THE DISTRICT OF COLUMBIA AND THE FIFTY (50) UNITED STATES OF AMERICA; AND (30) SERVICE WHERE NO PROBLEM CAN BE FOUND.

Transfer: This Plan may be transferred to a new owner. You may transfer by contacting Asurion at their address 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: This Plan is renewable at our discretion.

Cancellation: This Plan can be cancelled by you at any time for any reason by surrendering or providing written notice to the retailer at the address where you purchased this Plan. You may also cancel this Contract by surrendering it or providing written notice to Asurion at PO Box 1818, Sterling, VA 20167. If the Plan is cancelled: (a) within thirty (30) 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 thirty (30) days, you will receive a pro rata refund, less the cost of any service received. For residents of AL, AR, CA, HI, MA, MD, ME, MN, MO, NJ, NM, NY, SC, TX, WA, WI and WY any refund owed and not paid or credited within thirty (30) days of cancellation shall include a 10% penalty per month. This Plan shall be cancelled by us or Asurion for fraud or material misrepresentation by you, including but not limited to commercial or rental use. Unauthorized repair or replacement of covered equipment shall result in the cancellation of this 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.

Insurance Securing this Plan: This Plan is not an insurance policy; however, Our obligations under this Plan are insured under an insurance policy issued by Continental Casualty Company, 333 S. Wabash Ave., Chicago, Illinois 60604. If we fail to act on your claim within 60 days, you may contact Continental Casualty Company directly at 1-800-831-4262.

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. 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. The rate charged for this Plan is not subject to regulation by the Florida Office of Insurance Regulation.

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. If you cancel this Plan after twenty (20) days of receipt of this Plan if sent by mail or after 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 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. This Plan shall be cancelled by us for fraud or material misrepresentation by you, including but not limited to commercial or rental use.

New Hampshire Residents: Contact us at 1-866-212-1971 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.

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: This Plan can be cancelled by you at any time for any reason by surrendering or providing written notice to the retailer at the address where you purchased this Contract. You may also cancel this Contract by surrendering it or providing written notice to Asurion at Product Care Plan (JCPenney), PO Box 1818, Sterling, VA 20167. 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 Plan, You shall receive a refund based upon 100% of the unearned pro-rata premium less the cost of claims paid. This Plan shall be cancelled by us or Asurion 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 this Plan by Us. If we or Asurion cancel this Plan, You shall receive a refund of 100% of the unearned pro-rata premium less the cost of claims paid. 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. Coverage afforded under this contract is not guaranteed by the Oklahoma Insurance Guaranty Association.

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. 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) 463-2906 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 Guaranty 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: If we fail to act on your claim, you may contact Continental Casualty Company directly at 1-800-831-4262. You are not required to wait sixty (60) days before filing a claim directly with Continental Casualty Company.

Wisconsin Residents: THIS CONTRACT IS SUBJECT TO LIMITED REGULATION BY THE OFFICE OF THE COMMISSIONER OF INSURANCE. Written notice of cancellation shall include the effective date of cancellation and the reason for cancellation. If we become insolvent or otherwise financially impaired, you may file a claim directly with Continental Casualty Company for reimbursement, payment, or provision of the service.

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. 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.

To obtain a large-type copy of the terms and conditions of this Contract, please call 1-866-212-1971.

Administered by:

Asurion

P.O. Box 1340 • Sterling, VA 20167-8434 • 1-866-212-1971

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