

**LEASE PAYMENT PROTECTION PLAN
TERMS AND CONDITIONS
THIS IS NOT A CONTRACT OF INSURANCE**

PLEASE READ THIS CAREFULLY. These Terms describe Your obligations and the protection You will receive under the Plan subject to Your timely payment of amounts due from You under the Plan and Your Lease. You will be able to access these Terms at any time by visiting PTS' self-service portal at <https://ptsleaseprotection.com/> and creating a username and password. In the event You do not have a username and password, You can create a new self-service portal username and password by visiting <https://ptsleaseprotection.com/> and select "Register", or You can contact Us at 888-832-1063. Visit <https://ptsleaseprotection.com/> from any computer or mobile device to login for access these Terms, and to utilize additional benefits that may be available to You, or to file a Claim. These Terms comprise an integral part of the Plan and are made a part thereof. You may refer to these Terms for information on how to obtain service and use the benefits included with Your Plan. Please keep a copy of this document in a safe place and refer to the face of these Terms to determine important information related to Your Plan. The company obligated under the Plan is PTS Direct Benefits, LLC, whose address is 113 N. Park Ave., Calhoun, GA 30701, telephone 888-832-1063. TEMPOE, LLC is not an obligor under these Terms of the Plan.

I. DEFINITIONS.

- (1) "**Approved Claim**" shall mean a Claim that PTS has approved for Benefits.
- (2) "**Claim**" shall mean a request for Benefits to be paid to Lessor by Us under Your Plan for the Covered Product(s).
- (3) "**Claim Reimbursement Formula**" shall mean the formula agreed upon by Us and Lessor to calculate the Benefits to be paid to Lessor for the Covered Product(s).
- (4) "**Covered Condition**" shall mean all damage or loss of the Covered Product(s) resulting from a fire, flood, theft, storm damage, or Acts of God during the Plan Term.
- (5) "**Covered Loss**" shall mean, excluding the "**Coverage Exceptions**" (defined below), all damage or loss of the Covered Product(s) due to a Covered Condition during the Plan Term.
- (6) "**Covered Product(s)**" means the durable personal property leased by You through the Lessor under a lease agreement.
- (7) "**LDW**", "**Liability Damage Waiver**", or "**Benefits**" means the benefits provided for Your Covered Product(s) under the Plan as defined in these Terms.
- (8) "**Lease**" shall mean the lease which You entered into with Lessor for the Covered Product(s).
- (9) "**Lease Payment Protection Plan**" or "**Plan**" means the agreement by and between PTS Direct Benefits and You for LDW coverage, and includes these Terms.
- (10) "**Lessor**" shall mean TEMPOE, LLC, whom provides payment servicing for Us.
- (11) "**Terms**" shall mean these Terms and Conditions which are made a part of the Lease Payment Protection Plan.
- (12) "**We**", "**Us**", "**Our**", and "**Administrator**" means PTS Direct Benefits, LLC.
- (13) "**You**", "**Your**", "**Plan Holder**" means the person who is party to a Lease with Lessor and is enrolling in the Plan and agreeing to be bound by these Terms.

II. LEASE PAYMENT PROTECTION PLAN.

- (1) Term. The term of Your Plan begins on the date of Your first Plan payment and shall continue until the earlier of: (i) You provide notice to Us of Plan termination, provided however, you will remain covered through the end of the period in which You have paid; (ii) an Approved Claim for Benefits is paid to Lessor; (iii) Your Lease expiration date; (iv) You are in default of Your Lease on the date of Your scheduled monthly Plan payment; (v) You default on Your Plan payment; (vi) Your fraudulent or material misrepresentation of a Claim to Us; (vii) You received Lease Cancellation Coverage; or (viii) You return all Covered Product(s) under Your Lease to Lessor (the "**Plan Term**").
- (2) Eligibility. If you are enrolled in the Plan, You will be eligible for LDW coverage and, in the event of an Approved Claim, Your Lease will be terminated in accordance with these Terms for the Covered Product(s) if: (i) You are not in default of payments due under Your Lease or under the Plan at the time of the Covered Loss; (ii) You experience a Covered Loss; and (iii) the Covered Loss occurs during the Plan Term.
- (3) Billing. Your Plan payment will be separately billed from Your Lease periodic payment. If You opt-in for LDW coverage at Lease commencement, Your first Plan payment will be charged on the same date as Your first Lease periodic payment. If You opt-in after Lease commencement, Your first Plan payment will be charged on the date You opt-in for LDW coverage. For subsequent Plan payments, You will be charged monthly on the same calendar date as Your initial Plan Payment thereafter during the Lease term, or until Your Plan is terminated in accordance with these Terms. The Plan payment will be charged using the same method of payment as Your periodic payment due under Your Lease. You will be covered under the Plan through the end of the period in which You have paid. You must pay a separate fee amount for each Lease for which You are requesting coverage under the Plan. In the event of a Covered Loss, You will still be liable for any applicable fees, including but not limited to, returned item fees or late fees, incurred prior to such Covered Loss, unless prohibited by applicable law.
- (4) What is Covered, Plan Payment, and Coverage Limits. The Plan provides LDW coverage to You in the event of a Covered Loss to Your Covered Product(s) during the Plan Term. The Plan is in addition to any applicable manufacturer's warranty; it does not replace the manufacturer's warranty, but may provide certain additional benefits during the term of any applicable manufacturer's warranty. If eligible for LDW coverage, coverage for a Covered Loss under Your Lease (whether based on the loss to one or more Covered Products under the Lease) shall not exceed the outstanding amount due under Your Lease for the Covered Product(s). Upon approval of a Claim, We shall calculate the Benefits to be paid to Lessor for the Covered Product(s), including any applicable taxes, plus delivery and handling (regardless of whether based on loss to one or more Covered

Products under the Lease) using the Claim Reimbursement Formula. Such Benefits will be paid to Lessor within 24-48 hours of approval in satisfaction of the Lease and Your Lease will be terminated. In the interest of clarity, in the event of a Covered Loss, Lessor, not You, will be compensated by PTS based upon the Claim Reimbursement Formula. If You have multiple Leases, the amount paid will be in satisfaction of the Lease related to the Covered Product(s). LDW coverage is limited to one (1) Approved Claim under Your Lease during the Plan Term. In the event You exchange a Covered Product(s) or the Covered Product(s) is adjusted during the Plan Term, LDW coverage will be provided to the exchanged or adjusted Covered Product(s) for the remainder of the Plan Term.

- (5) **LDW Claim Reporting. All LDW claims must be filed within 60 days of the date of the Covered Loss.** The use of this LDW coverage requires an explanation of where and when the Covered Loss occurred, proof of damage, as well as a detailed description of the actual event causing the Covered Loss. Additionally, We may request additional information from You to process Your Claim. For the following Claim types, the documentation set forth below is also required for Us to review Your Claim for approval:

(a) Theft claims: When filing a Claim due to theft, a Police report filed within 48 hours of the date of the Covered Loss is required. Such police report must provide details of the theft and also prove forced entry.

(b) Fire claims: When filing a Claim due to fire related damage, a fire report issued by Your local authorities is required. You must also provide proof of damage by submitting colored photos of such damage to Us. In addition, if applicable, You must also submit colored photos showing the damaged Covered Product(s) model and serial number.

(c) Storm damage or Act of God claims: When filing any storm damage or Act of God Claim, You must include colored photos of the damage. In addition, if applicable, You must also provide colored photos showing the damaged Covered Product(s) model and serial number.

Failure to provide any of the above listed information within 60 days of the Covered Loss will result in Claim denial. Claims are processed within 5-10 business days of receipt by Us of all documentation required to process Your Claim. You are required to maintain Your Lease periodic payments and any Plan payments while Your Claim is in progress, unless otherwise determined by the Lessor. You will receive emails from Us throughout the process of reviewing Your Claim with status updates or questions. We reserve the right to reasonably refuse LDW coverage in the event We do not timely receive complete documentation related to the Covered Loss or find a Claim unsubstantiated.

- (6) What Is Not Covered Under Your Plan. Your Plan does not cover any loss or damage which may be covered by any applicable manufacturer's warranty. You will still be responsible for intentional or excessive damage beyond normal wear and tear, accidental damage, mechanical or electrical breakdown caused by a direct result of a power surge, unless such power surge is caused by lightning or other Acts of God, or damage caused during shipment between You and third-party service providers. Your Plan does not cover any loss or damage resulting from: (i) mysterious disappearance, misplacement, viruses, reckless, abusive, willful or intentional conduct associated with handling and use of the Covered Product(s); (ii) introduction of foreign object into the Covered Product(s); (iii) unauthorized modification or adjustment to the Covered Product(s); (iv) if the Covered Product fails during normal usage; (v) cosmetic damage caused by You; and/or (vi) any other damage not caused by a Covered Condition ("**Coverage Exceptions**"). Any resultant damage from the foregoing types of treatment is NOT covered by the Plan.
- (7) Limit of Liability. The limit of liability under the Plan is the amount due by You under the Lease on the date of the Covered Loss for the applicable Covered Product(s), inclusive of any applicable taxes, and delivery and handling.
- (8) What to do when Your Covered Product is lost or damaged due to a Covered Loss. Do not return the Covered Product to the retailer where You leased Your Covered Product. Visit Our self-service portal <https://ptsleaseprotection.com/> and login with Your username and password, then click on "To Start a Claim". . You may also reach Us toll-free Monday – Friday at 888-832-1063 between the hours of 9:00 AM and 5:00 PM Eastern Standard Time for questions or assistance. All National holidays are observed. Calls will be returned the next business day. You must provide proof of damage and all other required documentation as set forth above in Section 5 in order for a Claim to be processed. After complete documentation is received by Us, Your Claim will be processed within 5-10 business days. We will issue You a Claim ID number.
- (9) Lease Cancellation Coverage.
We will provide the Plan Holder with a lease cancellation benefit that will waive the Plan Holder's remaining financial liability under the Lease in the event the Plan Holder's death occurs during the initial term (as set forth in the Lease) of the Plan Holder's Lease (the "**Lease Cancellation Coverage**"). In order to be eligible for Lease Cancellation Coverage, the Plan Holder's Lease payments and LDW payments must be up-to-date. In addition, a claim for Lease Cancellation Coverage must be filed within 60 days from the date of the Plan Holder's death and a certified copy of the Plan Holder's death certificate must be provided to Us in order to be eligible for coverage. In the event You are not eligible for Lease Cancellation Coverage through Us, please check with Lessor to see if You may be eligible for additional lease cancellation they may provide.

III. MISCELLANEOUS.

- (1) Transferability. The Plan is not transferable. Any attempt to transfer will be void.
- (2) Territories. The Plan and these Terms' territory is limited to the United States of America, including Puerto Rico and Guam.
- (3) Cancellation. You may cancel the Plan anytime during the Plan Term by providing written notice to Us at the following address: PTS Direct Benefits, LLC, 113 N. Park Ave., Calhoun, GA 30701, no less than 24 hours prior to Your next periodic payment due under Your Lease. We may not cancel Your Plan except for the reasons set

forth in this Agreement.

- (4) **Notice to California and Washington Customers.** LDW coverage is not available to customers in California and Washington.
- (5) **Arbitration.** PLEASE READ THIS PROVISION CAREFULLY. YOU ARE AGREEING, WITH SPECIFIC EXCEPTIONS STATED BELOW, THAT ANY DISPUTE WITH US MUST BE RESOLVED BY BINDING ARBITRATION, NOT IN COURT. EXCEPT AS OTHERWISE PROVIDED BELOW, YOUR RIGHT TO FILE A CLAIM AGAINST US IN COURT IS WAIVED. IF YOU WANT TO OPT OUT OF THE AGREEMENT TO ARBITRATE WITH US, YOU MUST NOTIFY US IN WRITING OF YOUR DECISION WITHIN 14 DAYS OF ENTERING INTO YOUR LEASE PAYMENT PROTECTION PLAN. All claims, disputes, or controversies between us arising from or related in any way to the Plan or our relationship (the "**Dispute**" or "**Disputes**") are subject to arbitration. The agreement to arbitrate includes all Disputes no matter what theory they are based on or what remedy they seek, including, without limitation, Disputes based on contract, tort, negligence, statutory or regulatory provisions, or any other legal or equitable theory of relief. Our agreement to arbitrate will be governed by the Federal Arbitration Act, 9 U.S.C. Sections 1-16 and the substantive law of your state or territory. If you or we elect to arbitrate a Dispute, the arbitration will be conducted as an individual action before a single arbitrator. The arbitration may not be brought on a class-wide basis or consolidated with any other arbitration proceeding. You and we agree to use either the American Arbitration Association (www.adr.com (<http://www.adr.com>)) or JAMS, the Resolution Experts (www.jamsadr.com (<http://www.jamsadr.com>)). If a dispute arises, you or we can file a Dispute with either organization in the office of the selected organization nearest to your residence. If a Dispute is filed in arbitration, we will pay the filing fee. All other fees charged by the arbitration organization or arbitrator will be allocated in accordance with the rules of the arbitration organization and applicable law. If you prevail in an arbitration against us, the arbitrator may award you your reasonable and necessary attorneys' fees incurred in connection with the arbitration. As an exception to this arbitration provision, nothing in our agreement to arbitrate is intended to prevent either of us from filing a lawsuit in an appropriate small claims court for an amount that does not exceed that court's jurisdictional limit; however, all other disputes must be arbitrated as set forth herein. If either party attempts to remove a lawsuit initially filed in small claims court to another court, the other party can compel arbitration. If any part of this arbitration agreement is ruled illegal or unenforceable such that a Dispute is deemed not subject to arbitration, then we agree that any and all Disputes may only be resolved by a judge, sitting without a jury, in a court of competent jurisdiction, and not as a class action. If any part of this arbitration agreement is ruled illegal or unenforceable such that it is determined that a Dispute may be brought in a non-individual, representative capacity in arbitration, then we agree that all Disputes may only be resolved by a judge, sitting without a jury, in a court of competent jurisdiction. This provision shall survive termination of this agreement.
- (6) **Choice of Law.** These Terms and all rights and obligations hereunder, including but not limited to, matters of construction, validity, and performance shall be governed by and construed in accordance with the laws of the State of Georgia.
- (7) **Entire Agreement.** This is the entire agreement between You and Us and no representation, promise or condition not contained herein shall modify these Terms.