

MEMBER SERVICES AGREEMENT

MOBILE DEVICE COVERAGE

FOR QUESTIONS ABOUT CLAIMS, EMAIL ClaimsSupport@warrantech.com

We hope You enjoy the added comfort and protection Your Mobile Device Coverage Member Services Group Plan (the “Plan” or “Agreement”) provides. Please keep this important Agreement document and Your Evidence of Coverage together, as You will need them to verify Your coverage in event of Claim. The information contained in this Agreement will serve as a valuable reference guide and will help You determine what is covered by Your Plan.

DEFINITIONS: Throughout this Service Plan, the following capitalized words have the stated meaning –

- A) **“We”, “Us”, “Our”, “Plan Provider”:** NXG Strategies, LLC, 830 Crescent Centre Drive, Suite 180, Franklin, TN 37067, 1-877-274-8642. *Please do not send claims to this address; refer to the “CLAIMS PROCFS” section for full details.*
- B) **“Group Sponsor”:** the organization authorized by Us to sponsor this Plan for the benefit of its designated Covered Group.
- C) **“Covered Group”:** the defined group of individuals who are eligible to receive the benefits outlined in this Agreement based on the eligibility criteria designated by the Group Sponsor.
- D) **“You”, “Your”, “Member”:** the person who is eligible to receive the benefits outlined in this Agreement as a member of the Covered Group.
- E) **“State”:** the jurisdiction that governs this Agreement, which is Tennessee.
- F) **“Wireless Service Provider”:** the provider of the wireless/cellular service that the Covered Device is utilized through; such as Verizon, at&t, Sprint, etc.
- G) **“New Device”:** an eligible smartphone/cell phone that is purchased as brand-new with a valid original manufacturer’s warranty *after* You have become an eligible Member of Your Covered Group.
- H) **“Used Device”:** an eligible smartphone/cell phone that was already in use *prior* to You becoming an eligible Member of Your Covered Group, that may or may not have remaining coverage under its original manufacturer’s warranty.
- I) **“Covered Device”, “Device”:** the New or Used eligible smartphone/cell phone that is covered under this Plan.
- J) **“Summary of Benefits: Evidence of Coverage”:** the document made available to You (electronically or in paper format, as determined by Your Group Sponsor) as proof of Your Plan eligibility; which contains details regarding Your Group Sponsor, Covered Group, and other vital information for this Plan.
- K) **“Claim Form”:** the separate document that must be completed and submitted to Claims support before any reimbursement for a Claim will be considered under the provisions of this Agreement. *(A sample of the Claim Form is included at the end of this Agreement document.)*
- L) **“Term”:** the period of time in which the provisions of this Plan are valid, as indicated on Your Evidence of Coverage.
- M) **“Claim”:** a demand for payment in accordance with this Plan sent by You to Us.
- N) **“Waiting Period”:** the period of time starting on the date that You first became eligible for participation in the Covered Group, through thirty (30) days thereafter, during which time no Claims are considered for coverage under this Plan.
- O) **“Mechanical/Electrical Breakdown”, “Breakdown”:** the mechanical or electrical failure of Your Device to perform its intended function due to manufacturer defects in materials or faulty workmanship that occurs during normal use of the Covered Device.
- P) **“Power Surge”:** damages to the Device resulting from an oversupply of voltage to Your Device while properly connected to a surge protector approved by the Underwriter’s Laboratory Inc. (UL), but not including damages resulting from the improper installation or improper connection of the Device to a power source.
- Q) **“Accidental Damage from Handling”, “ADH”:** sudden and unforeseen damage to the Covered Device; such as that which results from unintentionally dropping the Device, liquid spillage, or in association with screen breakage.
- R) **“Service Fee”:** the amount that will be automatically deducted from any covered Claim amount, as indicated on Your Evidence of Coverage.

TERRITORY: THIS MEMBER SERVICES AGREEMENT IS ONLY VALID IN THE UNITED STATES OF AMERICA, INCLUDING ITS TERRITORIES.

ELIGIBILITY: In order to be eligible for coverage under this Plan, the wireless item must:

- A) Be linked to a line serviced under the Member’s current agreement with a Wireless Service Provider;
- B) Be fully operational and not damaged as of the date on which You first became eligible for participation in Your Covered Group; and
- C) Be equipped with the following minimum OS versions (as applicable to the make/model): Apple Operating System version iOS 6 or newer, or one of the most recently released Apple iOS versions (whichever is most current); or Android Operating System version 1.6 or newer, or one of the most recently released Android OS versions (whichever is most current).

NOTICE: ONLY ONE DEVICE PER MEMBER IS ELIGIBLE FOR COVERAGE UNDER THIS MEMBER SERVICES AGREEMENT.

YOUR RESPONSIBILITIES: PRODUCT PROTECTION – If damage or failure of the Device is suspected, You should promptly take reasonable precautions in order to protect against further damage. **MAINTENANCE AND INSPECTIONS** – You must perform all of the care, maintenance, and inspections for the Device as specified in the Device’s manufacturer’s warranty and/or owner’s manual, *Proof of the completion of such maintenance, care and/or inspection services may be required at time of Claim.* **PAYMENT OF NECESSARY REPAIRS / REPLACEMENT UP FRONT** – This Agreement does not provide for the repair or replacement of Your Covered Device. This Agreement provides the Member with *reimbursement for covered Claims only*; subject to the Member’s completion of the Claim Form and submission of all required documentation (see “CLAIM PROCESS” for full details).

EFFECTIVE DATE OF COVERAGE:

- A) FOR A "NEW" DEVICE (as defined):
1. *Coverage for ADH or Power Surge* begins on day 31 after You become eligible to participate in the Covered Group and continues until:
 - i. You are no longer eligible to participate in the Covered Group; or
 - ii. The program is cancelled or terminated by Your Group Sponsor; whichever occurs first.
 2. *Coverage for a Mechanical/Electrical Breakdown* begins upon expiration of the shortest portion of the device's original manufacturer's warranty and continues until:
 - i. You are no longer eligible to participate in the Covered Group; or
 - ii. The program is cancelled or terminated by Your Group Sponsor; whichever occurs first.
- B) FOR A "USED" DEVICE (as defined):
1. *Coverage for ADH or Power Surge* begins on day 31 after You become eligible to participate in the Covered Group and continues until:
 - i. You are no longer eligible to participate in the Covered Group; or
 - ii. The program is cancelled or terminated by Your Group Sponsor; whichever occurs first.
 2. *Coverage for a Mechanical/Electrical Breakdown* begins on day 31 after You become eligible to participate in the Covered Group, or upon expiration of the shortest portion of the device's original manufacturer's warranty – whichever is later – and continues until:
 - i. You are no longer eligible to participate in the Covered Group; or
 - ii. The program is cancelled or terminated by Your Group Sponsor; whichever occurs first.

NO DUPLICATION OF BENEFITS: COVERAGE UNDER THIS PLAN IS CONSIDERED SECONDARY TO ANY INSURANCE, WARRANTY, GUARANTEE, OR SERVICES AGREEMENT THAT YOU HAVE. IN NO EVENT WILL THIS PLAN PROVIDE DUPLICATE BENEFITS TO THE MEMBER. Benefits under this Plan are SUPPLEMENTAL TO AND IN EXCESS OF any valid and collectible insurance or indemnity (*including, but not limited to, wireless telephone insurance programs, homeowner's, renter's, automobile, or employer's insurance policies*).

WHAT IS COVERED: In accordance with the "EFFECTIVE DATE OF COVERAGE" provision and after any/all applicable coverages listed in the "NO DUPLICATION OF BENEFITS" provision have been exhausted, in the event of a covered Claim this Plan provides reimbursement (ONLY) for the cost of repairs to/replacement of the original Covered Device (including any applicable insurance deductible payment).

PLEASE NOTE:

- A) **Full completion and submission of the Claim Form with all required documentation is required before any reimbursement will be considered.**
- B) **Maximum reimbursement amount will be based on the LESSER OF:**
1. **The total cost of repairs for/replacement of the Covered Device (including any applicable insurance deductible payment made by You); OR**
 2. **\$250**
- C) **All Claims are subject to the SERVICE FEE.**
- D) **Be sure to read the "CLAIM PROCESS" section below for full details on how to file a Claim.**
- E) **All Claims are subject to the provisions of this Agreement. Please especially read and understand the "SERVICE FEE", "LIMIT OF LIABILITY", "WHAT IS NOT COVERED (GENERAL EXCLUSIONS)", and "YOUR RESPONSIBILITIES" provisions.**

CLAIMS PROCESS: Please note that the submission of a Claim Form with required documentation does not automatically mean that the repairs to/replacement of Your Device is a "covered Claim" under the provisions of this Agreement.

- A) **REQUIRED DOCUMENTATION FOR CLAIMS ("Proof of Loss"):** Proof of Loss must be received within 60 days following the date of the ADH or Breakdown occurrence. If such Proof of Loss is not received within 60 days following the date of the ADH or Breakdown occurrence, We reserve the right to deny coverage under the provisions of this Agreement.
- B) **COMPLETE THE FOLLOWING STEPS TO HAVE A CLAIM CONSIDERED UNDER THIS AGREEMENT:**
1. Call Your Group Sponsor to initiate the coverage eligibility verification process under this Agreement.
 2. Once Your coverage and eligibility have been validated, a Claim Form will be sent to You for completion.
 3. Complete a Claim Form, ENSURING ALL OF THE REQUIRED DOCUMENTATION LISTED ON THE CLAIM FORM THAT IS APPLICABLE TO YOUR CLAIM IS INCLUDED along with the completed and signed Claim Form.
- C) Upon completion of the Claim Form and assembly of all required documentation, the Member must scan and submit such via email to ClaimsSupport@warrantech.com for prompt handling (*FOR REPLACED DEVICES: submitting such documentation via email is required in addition to shipping the irreparable original Covered Device to the physical address provided above*).
- D) Once the Member's completed and signed Claim Form has been received, with all required documentation attached, it will be reviewed for approval in accordance with the provisions of this Member Services Agreement.
1. If the Claim is approved, the Member will receive reimbursement in accordance with the "WHAT IS COVERED" and "LIMIT OF LIABILITY" provisions.
 2. If the Claim is denied, the Member will receive a letter explaining the reasons for such denial.

SERVICE FEE: A \$50 SERVICE FEE WILL BE DEDUCTED FROM ANY COVERED REIMBURSEMENT AMOUNT, PER COVERED CLAIM.

LIMIT OF LIABILITY: Per any consecutive 12-month period and subject to the "SERVICE FEE" section –

- A) **NUMBER OF CLAIMS:** *Maximum of one (1) covered Claim.*
- B) **SINGLE CLAIM BENEFIT LIMIT:** *the LESSER OF the total cost of repairs for/replacement of the Covered Device (including any applicable insurance deductible payment made by You); OR \$250.*
- C) **AGGREGATE BENEFIT LIMIT:** \$250.

Once any of these limits have been reached, the Member is not eligible for coverage under this Plan until twelve consecutive months have passed from the date on which the limit was reached.

IN ADDITION TO THAT WHICH IS NOTED ABOVE, NEITHER WE NOR THE GROUP SPONSOR SHALL 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 COVERED DEVICE OR DEVICE, FROM DELAYS IN SERVICE OR THE INABILITY TO RENDER SERVICE, OR RESULTING FROM THE UNAVAILABILITY OF REPAIR PARTS/COMPONENTS, OR FOR ANY AND ALL PRE-EXISTING CONDITIONS KNOWN TO YOU; INCLUDING ANY INHERENT DEVICE FLAWS.

WHAT IS NOT COVERED (GENERAL EXCLUSIONS) – AS RELATED AND APPLICABLE TO THE COVERED DEVICE, THIS PLAN DOES NOT COVER ANY FAILURE, DAMAGE, REPAIRS OR LOSS IN CONNECTION WITH OR RESULTING FROM:

- A) Any Claim submitted prior to the expiration of the Plan's 30-day Waiting Period;
- B) A pre-existing condition known to You ("pre-existing condition" refers to a condition that within all reasonable mechanical or electrical probability, relates to the mechanical fitness of the Device before the Member became eligible under this Plan or is determined by Us to be a Breakdown or otherwise Covered damage that occurred prior to the expiration of the 30-day Waiting Period;
- C) Any Claim for which a Claim Form, Proof of Loss, and/or any required documentation listed therein has not been completed;
- D) Any Claim related to cosmetic damage (meaning damages or changes to the physical appearance of the Device that does not impede or hinder the normal operational function; such as scratches, abrasions, or changes in color, texture, or finish) or structural imperfections (when such do not impair the overall functionality of the Device);
- E) Any Device that has been confirmed by Our authorized servicer to have removed or altered serial numbers;
- F) Any taxes, delivery, or transportation charges, or any fees associated with the Device Wireless Service Provider;
- G) Fortuitous events; including, but not limited to: environmental conditions, exposure to weather conditions or perils of nature; collapse, explosion or collision of or with another object; fire, any kind of precipitation or humidity, lightning, dirt/sand, smoke, nuclear radiation, radioactive contamination, riot, war or hostile action;
- H) Any Device that has been confirmed to be purchased for resale or used in a commercial, business, enterprise, or educational institution capacity;
- I) Any Device under the care and control of a common carrier (including, but not limited to, U.S. Postal Service, airplanes, or delivery service);
- J) Any Device which has been rented, leased, or borrowed, or any wireless devices that are part of a pre-paid wireless service plan.
- K) Abuse (meaning, the intentional treatment of the Device in a harmful, injurious, malicious or offensive manner which results in its damage and/or failure), neglect, negligence, misuse, intentional harm or malicious mischief of or to the Device;
- L) Theft or mysterious disappearance, loss (unforeseen disappearance), voluntary parting, or vandalism of or to the Device;
- M) Rust, corrosion, warping, bending, animals, animal inhabitation or insect infestation;
- N) Any upgrades, attachments, accessories or peripherals, or any failure or damage to or arising from these items;
- O) Any items that are consumer replaceable and designed to be replaced over time throughout the life of the Device; including, but not limited to Device battery;
- P) Improper removal or installation of replaceable components, modules, parts or peripherals and/or installation of incorrect parts;
- Q) Replacement wireless device that has not been purchased from a Wireless Service Provider's retail store or Wireless Service Provider's Internet site, or that has not been purchased as "New" from such locations;
- R) Periodic or preventative maintenance;
- S) Lack of providing manufacturer's recommended maintenance or operation/storage of the Device in conditions outside manufacturer specifications, or use of the Device in such a manner as would be voidable coverage under the manufacturer's warranty, or use of the Device in a manner inconsistent with its design or manufacturer specifications;
- T) Adjustment, manipulation, modification, removal or unauthorized repairs of any internal component/part of a Device performed by anyone other than a service center/technician authorized by Us;
- U) Any kind of manufacturer recall or rework order on the Device, of which the manufacturer is responsible for providing, regardless of the manufacturer's ability to pay for such repairs; or
- V) Any Claim related to service outside of the United States of America.

IMPORTANT: RESTORATION OR TRANSFER OF SOFTWARE AND/OR DATA, AND DATA RECOVERY SERVICES ARE EXPRESSLY EXCLUDED UNDER THIS MEMBER SERVICES AGREEMENT. WHEN AT ALL POSSIBLE, WE STRONGLY ENCOURAGE YOU TO BACK UP ALL SOFTWARE AND DATA ON A REGULAR BASIS, AND ESPECIALLY IN THE CASE OF A REPLACEMENT DEVICE PROVIDED PURSUANT TO THIS AGREEMENT, PRIOR TO SUBMITTING THE IRREPARABLE ORIGINAL COVERED DEVICE TO US/OUR DESIGNEE.

NON-TRANSFERRABLE: Coverage under this Member Services Agreement cannot be transferred to any other party or item .

CANCELLATION NOT APPLICABLE: Coverage under this Agreement is provided at no additional cost to the Member. The Member has the right to choose whether or not to participate in this Plan or to utilize the benefits that it provides. In the event the Member does not wish to participate in this Plan, the Member can consider the provisions proclaimed hereunder as null and void. Such nonparticipation decision does not require cancellation notice from or on behalf of the Member, and no refund is applicable due to no cost to the Member.

PRIVACY AND DATA PROTECTION: By participating in this Agreement (specifically, upon submission of a Claim), the Member agrees that We may collect and process data on the Member's behalf when We provide the coverage contemplated hereunder. This may include transferring the Member's data to affiliated companies or third party service providers. Except for the purposes of providing the coverage proclaimed under this Agreement, We will not share the Member's information with third parties without the Member's permission and We will comply with applicable privacy and data protection laws of the State. Unless specifically prohibited by the State privacy and data protection laws, the Member's information may be accessed by law enforcement agencies and other authorities to prevent and detect crime and comply with

legal obligations.

GENERAL PROVISIONS: Subcontract – We may subcontract or assign performance of Our administrative services to third parties, but We shall not be relieved of Our promises proclaimed to the Member when doing so. Waiver & Severability – The failure of any party to require performance by the other party of any provision hereof will not affect the full right to require such performance at any time thereafter; nor will the waiver by either party of a breach of any provision hereof be taken or held to be a waiver of the provision itself. In the event that any provision of these terms and conditions will be unenforceable or invalid under any applicable law or be so held by applicable court decision, such unenforceability or invalidity will not render these terms and conditions unenforceable or invalid as a whole and in such event, such provisions will be changed and interpreted so as to best accomplish the objectives of such unenforceable or invalid provision within the limits of applicable law or applicable court decisions. Notices – The Member expressly consents to be contacted, for any and all purposes relevant to the services contemplated by this Member Services Agreement, at any telephone number, or physical or electronic address that the Member provides to Us. All notices or requests pertaining to this Member Services Agreement will be in writing and may be sent by any reasonable means including by postal mail, email, facsimile, text message, or recognized commercial overnight courier. Such notices to the Member are considered delivered when sent to the Member by email or fax, or three (3) days after mailing such notice via postal mail to the Member's street address in accordance with Our records.

ENTIRE AGREEMENT: This Member Services Agreement document; including the terms, conditions, limitations, exceptions and exclusions, and the Evidence of Coverage, constitute the entire agreement between Us and the Member and no representation, promise, or condition not contained herein shall modify these items, except as may be required by the State.

COVERAGE PROVIDED HEREUNDER IS AT NO ADDITIONAL COST TO THE MEMBER.

ANY PROVISION WITHIN THIS MEMBER SERVICES AGREEMENT THAT CONFLICTS WITH THE LAWS OF THE STATE OF TENNESSEE SHALL AUTOMATICALLY BE CONSIDERED TO BE MODIFIED IN CONFORMITY WITH SUCH STATE LAWS AND REGULATIONS.