



## TERMS AND CONDITIONS FOR EXTENDED 1 YEAR LABOR WARRANTY

### 1. DEFINITIONS:

- A.** "Obligor", "We", "Us" and "Our" represent the company obligated under this Agreement, **Brigadoon Fitness, (1700 Magnavox Way, Suite 100, Fort Wayne, Indiana 46804).**
- B.** "You" and "Your" represent the purchaser of the Covered Product(s) and any authorized transferee/assignee of the purchaser.
- C.** "Administrator" represents **Brigadoon Fitness, 1700 Magnavox Way, Suite 100, Fort Wayne, Indiana 46804, (260) 434-2400.**
- D.** "Covered Product" represents the consumer item(s) which You purchased and is covered by this Agreement.
- E.** "Agreement" represents the terms, conditions, limitations and exclusions, including the face page.

### 2. LABOR PLAN:

#### A. Term:

Term and coverage for labor begin upon expiration of the manufacturer's initial warranty for labor and end one (1) year after the original manufacturer's labor warranty expiration date.

#### B. Coverage:

Through the Administrator, We will provide labor to repair the Covered Product, at Our discretion, when required due to a mechanical or electrical breakdown, including those experienced during normal wear and tear. A mechanical or electrical breakdown caused by a direct result of a power surge is not covered. The cause for provided labor under the EXTENDED LABOR WARRANTY for a Covered Product must fail during normal usage.

#### C. Limit of Liability:

The limit of liability is the least of the cost of (1) authorized repairs not to exceed the purchase price of the Covered or (2) reimbursement for authorized repairs or replacement. Upon replacement, there is no longer any obligation for the replaced product under this Agreement.

#### E. What to do when Your Product fails to Operate:

Call the Administrator's customer service toll-free number at (800) 269-7130 for the appropriate authorized service provider. All repairs must be authorized by the Administrator prior to performance of work. Claims on unauthorized repairs may be denied.

#### F. Service Deliverables:

There is no deductible required to obtain service for Your Covered Product. You will receive service on Your Covered Product using the same type of service provided during the manufacturer's warranty as described below:

- Onsite:** Service will be performed at Your site. The authorized service center may opt to remove the Covered Product to perform service in-shop and will return the Covered Product upon completion. Additional time and mileage charges for onsite repairs outside of forty-five (45) contiguous land miles or the normal service radius of the authorized service center are not covered by this Agreement.

### 3. WHAT IS NOT COVERED:

- A.** REPAIRS TO PRODUCTS NOT ORIGINALLY COVERED BY A MANUFACTURER'S WARRANTY;
- B.** PRODUCT REPAIRS THAT SHOULD BE COVERED BY THE MANUFACTURER'S WARRANTY OR ARE A RESULT OF A RECALL, REGARDLESS OF THE MANUFACTURER'S ABILITY TO PAY FOR SUCH REPAIRS;
- C.** PERIODIC CHECKUPS AND/OR PREVENTIVE MAINTENANCE AS DIRECTED BY THE MANUFACTURER;
- D.** INHERENT PRODUCT DEFECTS OR PARTS FAILURE DUE TO A RECALL;
- E.** ANY AND ALL PRE-EXISTING CONDITIONS THAT OCCUR PRIOR TO THE EFFECTIVE DATE OF THIS AGREEMENT AND/OR ANY PRODUCT SOLD "AS-IS" INCLUDING BUT NOT LIMITED TO FLOOR MODELS, DEMONSTRATION MODELS, ETC.;
- F.** PARTS OR REPAIRS DUE TO NORMAL WEAR AND TEAR UNLESS TIED TO A BREAKDOWN AND ITEMS NORMALLY DESIGNED TO BE PERIODICALLY REPLACED BY YOU DURING THE LIFE OF THE COVERED PRODUCT, INCLUDING BUT NOT LIMITED TO BATTERIES, CABLES, HANDLEBARS, LIGHT BULBS, SEAT POSTS, WHEELS, TUBES, ETC.;
- G.** DAMAGE FROM ACCIDENT, ABUSE, MISUSE, MISHANDLING, NEGLIGENCE, INTRODUCTION OF FOREIGN OBJECTS INTO THE COVERED PRODUCT, UNAUTHORIZED MODIFICATIONS OR ALTERATIONS TO A COVERED PRODUCT, ANY COVERED PRODUCT WITH REMOVED OR ALTERED SERIAL NUMBERS, FAILURE TO FOLLOW THE MANUFACTURER'S INSTRUCTIONS, AND EXTERNAL CAUSES INCLUDING THIRD PARTY ACTIONS, FIRE, THEFT, INSECTS, ANIMALS, EXPOSURE TO WEATHER CONDITIONS, EXTREME TEMPERATURE, WINDSTORM, SAND, DIRT, HAIL, EARTHQUAKE, FLOOD, WATER, ACTS OF GOD OR CONSEQUENTIAL LOSS OF ANY NATURE;
- H.** LOSS OR DAMAGE CAUSED BY WAR, INVASION OR ACT OF FOREIGN ENEMY, HOSTILITIES, CIVIL WAR, REBELLION, RIOT, STRIKE, LABOR DISTURBANCE, LOCKOUT, OR CIVIL COMMOTION;
- I.** INCIDENTAL, CONSEQUENTIAL OR SECONDARY DAMAGES OR DELAY IN RENDERING SERVICE UNDER THIS AGREEMENT, OR LOSS OF USE OR TIME DURING THE PERIOD THAT THE COVERED PRODUCT IS AT AN AUTHORIZED SERVICE CENTER OR OTHERWISE AWAITING PARTS;
- J.** FAILURES THAT OCCUR OUTSIDE OF THE 50 STATES OF THE UNITED STATES OF AMERICA, INCLUDING THE DISTRICT OF COLUMBIA;
- K.** NONFUNCTIONAL OR AESTHETIC PARTS INCLUDING BUT NOT LIMITED TO PLASTIC PARTS, SHELVES, DRAWERS, RACKS, KNOBS, ROLLERS, BASKETS, SCRATCHES, HANDLES, COSMETIC PARTS OR PEELING AND DENTS, NONFUNCTIONAL PARTS ARE THOSE PARTS THAT ARE NOT CRITICAL TO THE PERFORMANCE OF THE PRODUCT'S ESSENTIAL FUNCTION, EXTERNAL EQUIPMENT SUCH AS PIPES, PLUMBING, POWER SOURCES ETC. USED OR MODIFIED FOR THE PURPOSE OF USE WITH OR FOR THE COVERED PRODUCT, A PART THAT IF MISSING OR BROKEN, DOES NOT RESULT IN THE PRODUCT BEING NON-OPERATIONAL;
- L.** UNAUTHORIZED REPAIRS AND/OR PARTS;
- M.** COST OF INSTALLATION, SET-UP, DIAGNOSTIC CHARGES, REMOVAL OR REINSTALLATION OF THE COVERED PRODUCT;
- N.** ACCESSORIES USED IN CONJUNCTION WITH A COVERED PRODUCT;
- O.** ANY LOSS OTHER THAN A COVERED BREAKDOWN OF THE COVERED PRODUCT;

- P. LOSS OF DATA OR ANY MECHANICAL BREAKDOWN OR DAMAGE CAUSED BY A COMPUTER OR SOFTWARE VIRUS;
- Q. SERVICE WHERE NO PROBLEM CAN BE FOUND;
- R. BREAKDOWNS WHICH ARE NOT REPORTED WITHIN THE TERM OF THIS AGREEMENT;
- S. FAILURE AS A RESULT FROM RUST OR CORROSION ON ANY COVERED PRODUCT OR PART;
- T. INCORRECT CONNECTION OF SIGNAL LEADS OR INCORRECT ELECTRICAL SUPPLY AND FAILURE OR IMPROPER USE OF ANY ELECTRICAL SOURCE;
- U. ABNORMAL VARIATION OF ELECTRICITY SUPPLY;
- V. DAMAGE INCURRED WHILE MOVING THE COVERED PRODUCT TO ANOTHER LOCATION;
- W. MODIFICATIONS TO MEET CHANGES IN FEDERAL, STATE OR LOCAL CODES AND REGULATIONS;
- X. IMPROPER INSTALLATION OF COMPONENTS OR PERIPHERALS.

#### 4. CONDITIONS:

##### A. Transferability:

This Agreement is non-transferable.

##### B. Territorial Limitation:

This Agreement does not cover products located outside of the 50 states of the United States of America, including the District of Columbia.

##### C. Cancellation:

You may cancel this Agreement for any reason at any time by contacting the Administrator in writing. If You cancel Your Agreement within thirty (30) days of receipt of Your Agreement, You will receive a full refund. If You cancel after thirty (30) days of receipt of Your Agreement, please contact the Administrator. You will receive a pro-rata refund based on the time expired less a twenty-five dollar (\$25) cancellation fee, or ten percent (10%) of the purchase price (whichever is less), less the cost of claims paid. We may not cancel this Agreement except for fraud, material misrepresentation or non-payment of premium by You. **Notice of such cancellation will be mailed to You at least thirty (30) days prior to cancellation and will include the effective date and reason for cancellation.** If We cancel, the return premium is based upon one-hundred percent (100%) of the unearned pro-rata premium.

##### D. Entire Agreement:

This is not a contract of insurance. This is the entire Agreement between the parties, and no representation, promise or condition not contained herein shall modify these items.

#### 5. STATE VARIATIONS:

**State Variations:** The following state variations will control if inconsistent with any other provisions: CITB-ALL-DOP-SG (11/10) Page 3 of 5 (Rev.03/13)

- (1) **In Arizona:** In Section 3 "WHAT IS NOT COVERED," exclusion (E) is removed. The following statement is added to section 4.F "Cancellation": No claim incurred or paid will be deducted from the amount to be returned in the event of cancellation. See also (23) below.
- (2) **In Arkansas:** The following statement is added to Section 4.G "Entire Agreement": If the Administrator does not pay a claim within sixty (60) days of submitting the claim, the claim can be submitted to the insurer. A claim submitted to the insurer may include a claim of the unearned premium in the event of a cancellation. The following is added to this Agreement: This Agreement does not exclude pre-existing conditions. See also (22) below.
- (3) **In California:** Section 4.F "Cancellation" is amended as follows: In the event You cancel this Agreement within sixty (60) days of receipt of this Agreement, You shall receive a full refund of any payments made by You under this Agreement. In the event You cancel this Agreement after sixty (60) days of receipt of this Agreement, you shall receive a pro-rata refund of any amount paid based upon elapsed time less an administrative fee not to exceed ten percent (10%) of the price of this Agreement or twenty-five dollars (\$25.00), whichever is less, and less any claims that have been paid or repairs that have been made.
- (4) **In Connecticut:** The following statement is added to section 4.F "Cancellation": You may cancel this Agreement if You return the Covered Product, or if the Covered Product is sold, lost, stolen or destroyed. See also (23) below.
- (5) **In Florida:** Section 4.F "Cancellation" is amended as follows: If You cancel this Agreement, You will receive a pro-rata refund based upon ninety percent (90%) of the unearned pro-rata premium less the cost of any claims paid or repairs made on Your behalf. If We cancel this Agreement, return of premium shall be based upon one hundred percent (100%) of unearned pro-rata premium.
- (6) **In Georgia:** In Section 3 "WHAT IS NOT COVERED", exclusion (E) is changed to: "Any and all pre-existing conditions known by You that occur prior to the effective date of this Agreement and/or any costs to repair any product sold used, damaged or "as-is" including but not limited to floor models, demonstration models, etc." Section 4.E "Dispute Resolution - Arbitration" is removed. Section 4.F "Cancellation" is amended as follows: If You cancel after sixty (60) days of receipt of Your Agreement, You will receive a pro-rata refund of the Agreement price. We may not cancel this Agreement except for fraud, material misrepresentation, or nonpayment by You. Any refund owed and not paid as required is subject to a penalty equal to twenty-five percent (25%) of the refund owed and interest of eighteen percent (18%) per year until paid; however, such penalty shall not exceed fifty percent (50%) of the amount of the refund. If We cancel this Agreement, notice of such cancellation will be in writing and given at least thirty (30) days prior to cancellation. Cancellation will comply with Section 33-24-44 of the Code of Georgia. Claims paid and cancellation fees shall not be deducted from any refund owed as a result of cancellation. See also (23) below.
- (7) **In Maine:** In Section 1A DEFINITIONS "Obligor", "We", "Us" and "Our" mean Brigadoon Fitness, 1700 Magnavox Way, Suite 100, Fort Wayne, Indiana 46804. In section 3.F Cancellation is amended to include: If You cancel this Agreement within sixty (60) days of the Agreement purchase date and You have not incurred a claim, a ten percent (10%) penalty per month shall be added to a refund that is not paid within forty-five (45) days of return of this Agreement to the selling dealer or the Administrator.
- (8) **In Michigan:** The following statement is added to Section 2.A. "Term": If performance under this Agreement is interrupted because of a strike or work stoppage at Our place of business, the effective period of the Agreement shall be extended for the period of the strike or work stoppage.
- (9) **In Missouri:** The following statement is added to Section 4.G "Entire Agreement": If the Administrator does not pay a claim within sixty (60) days of submitting the claim, the claim can be submitted to the insurer. A claim submitted to the insurer may include a claim for return of the unearned premium in the event of a cancellation. See also (22) below.
- (10) **In Nevada:** You are not required to pay a deductible to receive the service. The following statement is added to Section 4.E "Dispute Resolution - Arbitration": The laws of the state of Nevada (without giving effect to its conflict of law principles) govern all matters arising out of or relating to this Agreement and all transactions contemplated by this Agreement, including, without limitation, the validity, interpretation, construction, performance and enforcement of this Agreement. Section 4.F "Cancellation" is replaced with the following:  
No claim incurred or paid will be deducted from the amount to be returned in the event of cancellation. See also (22) below. You may cancel this Agreement at any time by following the procedures for cancellation set forth in this Agreement. If You cancel this Agreement within twenty (20) days after Your receipt of this Agreement and You have not made a claim under this Agreement, You are entitled to a full refund of the Total Price as specified on the Information Page for this Agreement. If You cancel this Agreement any time after twenty (20) days after Your receipt of this Agreement or if You cancel this Agreement and have made a claim at any time under this Agreement, You are entitled to a refund of the unearned premium calculated on a pro-rata basis, minus a cancellation fee of 10% of the Total Price as specified on the Information Page for this Agreement. We may cancel this Agreement for any reason within seventy (70) days after Your receipt of this Agreement. We may cancel this Agreement thereafter only if:
  - You fail to pay an amount when due;

- You are convicted of a crime that results in additional service under this Agreement;
- It is discovered that You committed fraud or made a material misrepresentation in obtaining this Agreement or submitting a claim;
- It is discovered that You engaged in an act or omission, or violated a condition of this Agreement, after the date of this Agreement which substantially and materially increases the service due under this Agreement; or
- A material change occurs to the nature or scope of the service that causes it to be substantially and materially increased beyond that contemplated as of the date of this Agreement.

If We cancel this Agreement as provided above, We will send You written notice at the address indicated in Our records. The notice will include the effective date of the cancellation, which will not be less than fifteen (15) days after the date We send You the notice of cancellation. In addition, You will be entitled to a refund of the unearned premium calculated on a pro-rata basis. If We fail to deliver to You within forty-five (45) days any unearned premium to which You are entitled as provided above, You will be entitled to an additional amount equal to 10% of the Total Price as specified on the Information Page for this Agreement for every thirty (30) days such refund is delayed beyond the 45-day period.

**(11) In New Hampshire:** The following statement is added to Section 4.G "Entire Agreement": If the Administrator does not pay a claim within sixty (60) days of submitting the claim, the claim can be submitted to the insurer. In the event You do not receive satisfaction under this Agreement, You may contact the New Hampshire Insurance Department, 21 South Fruit Street, Concord, New Hampshire, 03021, (603) 271-2261. ICITB-ALL-DOP-SG (11/10) Page 4 of 5 (Rev.03/13)

**(12) In New Mexico:** Section 4.F "Cancellation" is amended as follows: If this Agreement has been in force for a period of seventy (70) days, We may not cancel before the expiration of the Agreement 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 Agreement; 3) You engage in fraud or material misrepresentation in obtaining this Agreement; or 4) You commit any act, omission, or violation of any terms of this Agreement after the effective date of this Agreement which substantially and materially increase the service required under this Agreement. See also (22) below.

**(13) In North Carolina:** Section 4.F "Cancellation" is amended as follows: We may not cancel this Agreement except for nonpayment by You or for violation of any of the terms and conditions of this Agreement. The following statement is added to Section 4.G "Entire Agreement: You understand that the purchase of this Agreement is not required to purchase or to obtain financing for the Covered Product. See also (22) and (23) below.

**(14) In Oklahoma:** The following statement replaces Section 4.F "Cancellation": You may cancel this Agreement for any reason at any time. To cancel, contact the Selling Retailer of the Covered Product within thirty (30) days of receipt of Your Agreement for a full refund. After thirty (30) days, contact the Administrator in writing to receive a refund based on one hundred percent (100%) of the unearned pro-rata premium less a twenty-five dollar (\$25) cancellation fee, or ten percent (10%) of the unearned pro-rata premium (whichever is less), less the cost of claims paid. We may not cancel this Agreement except for fraud, material misrepresentation or non-payment by You. Notice of such cancellation will be mailed to You at least thirty (30) days prior to cancellation and will include the effective date and reason for cancellation. If We cancel, the return premium is based on one-hundred percent (100%) of the unearned pro-rata premium. The following statement is added to Section 4.G "Entire Agreement": This Agreement is not issued by the manufacturer or wholesale company marketing the Covered Product covered by this Agreement. This Agreement will not be honored by such manufacturer or wholesale company. Oklahoma service warranty Statutes do not apply to commercial use references in service warranty contracts. Coverage afforded under this contract is not guaranteed by the Oklahoma Insurance Guaranty Association.

**(15) In Oregon:** No changes.

**(16) In South Carolina:** The following statement is added to Section 4.G "Entire Agreement": If You purchased this Agreement in South Carolina, complaints or questions about this Agreement may be directed to the South Carolina Department of Insurance, P.O. Box 100105, Columbia, South Carolina 29202-3105, telephone number (803) 737-6180. See also (22) below.

**(17) In Texas:** The following statement is added to Section 4.F "Cancellation": If You cancel Your Agreement within sixty (60) days of receipt of Your Agreement, Your Agreement will be voided. If Your Agreement is voided and You do not receive a refund or credit within thirty (30) days of receipt of the returned service Agreement, You may request a refund from Brigadoon Fitness, 1700 Magnavox Way, Suite 100, Fort Wayne, Indiana 46804, and a ten percent (10%) penalty per month shall be applied to the refund. The following statement is added to Section 4.G "Entire Agreement": If You purchased this Agreement in Texas, unresolved complaints or questions concerning the regulation of service agreements, may be addressed to the Texas Department of Licensing and Regulation at PO Box, 12157, Austin, TX 78711, telephone number (512) 463-2906 or 800-803-9202. See also (23) below.

**(18) In Utah:** Section 4.F "Cancellation" is amended as follows:

We can cancel the Agreement during the first sixty (60) days of the initial annual term by mailing to You a notice of cancellation at least thirty (30) days prior to the effective date of cancellation except that We can also cancel the Agreement during such time period for nonpayment of premium by mailing You a notice of cancellation at least ten (10) days prior to the effective date of cancellation. After sixty (60) days have elapsed, We may cancel the Agreement by mailing a cancellation notice to You at least ten (10) days prior to the cancellation date for cancellations due to nonpayment of premium, and thirty (30) days prior to cancellation date for any of the following reasons: (a) material misrepresentation, (b) substantial change in the risk assumed, unless We should reasonably have foreseen the change or contemplated the risk when entering into the Agreement, (c) substantial breaches of contractual duties, conditions, or warranties. The notice of cancellation must be in writing to You at Your last known address and contain all of the following: (1) the Agreement number, (2) the date of notice, (3) the effective date of the cancellation and, (4) a detailed explanation of the reason for cancellation. The following statement is added to Section 4.G "Entire Agreement": Coverage afforded under this Agreement is not guaranteed by the Property and Casualty Guaranty Association. Proof of loss should be furnished by You to the Administrator as soon as reasonably possible. Failure to furnish such notice or proof within the time required by this Agreement does not invalidate or reduce a claim. This Agreement is subject to limited regulation by the Utah Insurance Department. To file a complaint, contact the Utah Insurance Department. See also (23) below.

**(19) In Washington:** "Definitions" Section 1.A is deleted in its entirety and replaced with the following: "In Washington "Obligor", "We", "Us" and "Our" means Brigadoon Fitness, 1700 Magnavox Way, Suite 100, Fort Wayne, Indiana 46804. "Entire Agreement" Section 4.G is deleted in its entirety and replaced with the following: "In Washington this is not a contract of insurance. This is the entire Agreement between You and the Obligor, and no representation, promise or condition not contained herein shall modify these items. The Selling Retailer is not a party to this Agreement. The Obligations of the Obligor under this Agreement are backed by the full faith and credit of the Obligor." The following statement is added to "Dispute Resolution - Arbitration" Section 4.E: "In Washington any binding arbitration will be held at a location closest to Your permanent residence." See also (22) below.

**(20) In Wisconsin:** The following statement is added to Section 4.D "Subrogation": The Agreement holder will be made whole before We retain any amount we may recover. In Section 4.E "Dispute Resolution - Arbitration": All references to Illinois are replaced by Wisconsin. The following statement is added to Section 4.E "Dispute Resolution - Arbitration": Mandatory arbitration is not permitted. Both parties must agree to participate. If one party disagrees to participate, this arbitration provision becomes null and void. The following statement is deleted from Section 4.E "Dispute Resolution - Arbitration": You give up your right to resolve any dispute arising from this Agreement by a judge and/or a jury. You also agree not to participate as a class representative or class member in any class action litigation, any class arbitration or any consolidation of individual arbitrations. The following statement is added to Section 4.F "Cancellation": Claims paid or the cost of repairs performed shall not be deducted from the amount to be refunded upon cancellation of this Agreement. The following statement is added to Section 4.G "Entire Agreement": **This Agreement is subject to limited regulation by the Office of the Commissioner of Insurance.** Proof of loss should be furnished by You to the Administrator as soon as reasonably possible and within one (1) year after the time required by this Agreement. Failure to furnish such notice or proof within the time required by this Agreement does not invalidate or reduce a claim. See also (23) below.

**(21) In Wyoming:** The following statement is added to Section 4.E "Dispute Resolution - Arbitration": Arbitration can only be final and binding if agreed to by the parties involved and in a separate written agreement. See also (22) and (23) below.

**(22) In Alabama, Arkansas, Hawaii, Maryland, Minnesota, Missouri, Nevada, New Mexico, New York, North Carolina, South Carolina, Washington and Wyoming:** The following statement is added to Section 4.F "Cancellation": If You cancel Your Agreement within sixty (60) days of receipt of Your Agreement and do not receive a refund or credit within thirty (30) days of receipt of the returned service Agreement, a ten percent (10%) penalty per month shall be applied to the refund. ICITB-ALL-DOP-SG (11/10) Page 5 of 5 (Rev.03/13)

**(23) In Alabama, Arizona, Connecticut, Georgia, Illinois, Kentucky, Montana, New York, North Carolina, Ohio, Oregon, Texas, Utah, Wisconsin and Wyoming:** The following statement is added to Section 4.G "Entire Agreement": If the Administrator does not pay a claim within sixty (60) days of submitting the claim, the claim can be submitted to the insurer at the following address and phone number: Brigadoon Fitness, 1700 Magnavox Way, Suite 100, Fort Wayne, Indiana 46804 (800)269-7130.