

WIRELESS COMMUNICATIONS EQUIPMENT COVERAGE INSURANCE POLICY

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

The words "we," "us" and "our" refer to Liberty Mutual Insurance Company or one of its insurance company affiliates, who is providing this insurance.

The terms "you" and "your" mean, as the context requires, the First Named Insured or any Additional Insured or both.

The word "Agent" refers to Asurion Insurance Services, Inc.

The term "Authorized Service Center" means Asurion Insurance Services, Inc., who is providing repair and replacement services on our behalf.

The term "Wireless Service Provider" means the wireless carrier, Verizon Wireless, who is the First Named Insured, providing the wireless telephone or communication services which is used by the Covered Property.

A. COVERAGE

In exchange for premium paid when due, we agree to provide the coverage as stated in this Policy, provided that any covered damage or loss to the Covered Property is sustained while your coverage is in effect.

1. Who Is Covered

a First Named Insured

The First Named Insured is Verizon Wireless for its interest in Covered Property.

b. Additional Insureds

The First Named Insured has the right to request Additional Insured status for a customer for his or her interest in Covered Property which he, she or it owns (referred to herein collectively with the First Named Insured as "Insured"). Requests for coverage for Additional Insureds are subject to our approval.

2. Covered Property

Covered Property means only the mobile wireless communications equipment as follows:

- a.** The wireless device owned by you for which: 1) the unique identification number (International Mobile Equipment Identity (IMEI), Electronic Serial Number (ESN), or Mobile Equipment ID (MEID) of such wireless device is reflected in the records of the Wireless Service Provider at the time your coverage initially became effective; and 2) for which airtime outgoing usage has been logged with the Wireless Service Provider on your account after coverage became effective; unless you have logged outgoing airtime on a different wireless phone immediately prior to the time of loss, in which case such wireless device becomes the covered property so long as: i) such wireless device is owned by you and you provide us proof of ownership and ii) airtime usage was logged on such device on your account with the Wireless Service Provider immediately prior to the time of loss.
- b.** The following Accessories, used with the wireless device above: one standard battery (attached to wireless device at time of loss if lost or stolen); one standard cigarette lighter adaptor; one standard leather case; one standard home charger; one standard earbud. The following Netbook accessories as part of a Netbook loss: one standard Netbook power cord and one standard battery.

The Verizon HUB may also be insured as Covered Property under this policy. Accessories for the Verizon HUB are covered by this policy if a) such accessory was packaged in the same box with the Verizon HUB by the original manufacturer and b) the accessory was part of the loss incurred to the Verizon HUB.

3. Property Not Covered

Covered Property does not include:

- a.** Contraband or property used in the course of illegal transportation or trade.
- b.** The value of and the cost to research, replace or restore data, or programs not standard for the make and model.
- c.** Proprietary handsets included with automobile wireless systems and any motor vehicle or watercraft original or after-market equipment or accessories, whether or not permanently installed, including any antenna or wiring.
- d.** Any other equipment or accessories not described as Covered Property.
- e.** Property that has been entrusted to (including to and from) others for any service, repair or replacement, other than Asurion Insurance Services, Inc., or its designee.
- f.** Any fees or charges assessed by Verizon Wireless, whether the charges incurred are legitimate or fraudulent.
- g.** Face plates, personalized data, or customized or downloaded software such as music, PIM's, ring tones, games, and screen savers.
- h.** Wireless Equipment whose unique identification number (ESN, MEID or IMEI) has been altered, defaced or removed.
- i.** Removable data storage devices.
- j.** Non-standard batteries.

4. Coverage Period

We cover direct loss or damage that occurs during the policy period shown in the Declarations. Subject to G.4.b. and c., coverage for each Additional Insured begins when coverage of the Additional Insured is approved by us and is retroactive to the date of the application of such Additional Insured. If we do not approve your application for coverage, we will notify you within 30 days that you have not been accepted for coverage.

5. Coverage Territory

We insure the Covered Property worldwide.

Any claims occurring outside the United States will be processed in the United States.

6. Covered Causes of Loss

Covered Causes of Loss means risks of being lost, stolen or directly damaged, except as limited or excluded elsewhere in this policy.

All other terms and conditions of the policy remain in full force and effect.

B. EXCLUSIONS

1. This insurance does not apply to loss or damage caused directly or indirectly by any of the following:

a. Governmental Authority

Seizure or destruction of property by order of governmental authority.

b. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused. If physical loss or damage by fire ensues, we will pay only for such ensuing loss or damage.

c. War

(1) War, including undeclared or civil war;

(2) Warlike action by a military force; or

(3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. This insurance does not apply to loss or damage caused by or resulting from any of the following:

a. Delay, Loss of Use

Delay, loss of use, loss of service, loss of market, or any other consequential loss or damage, including, but not limited to, loss of time, loss of profits, inconvenience or delay in repairing or replacing lost or damaged Covered Property.

b. Dishonest, Intentional, or Criminal Acts

Dishonest, intentional or criminal acts by an Insured or by any person entrusted with Covered Property, whether acting alone or in collusion with others, with respect to his or her coverage under this insurance.

c. Obsolescence

Obsolescence or depreciation.

d. Wear, Deterioration, Latent Defect

(1) Wear and tear, deterioration; or

(2) Hidden or latent defect, including equipment design defect, or any quality in the property that causes it to damage or destroy itself.

e. Electrical and Mechanical Breakdown

Mechanical breakdown and disturbance caused by battery power or any artificially generated electrical current.

f. Cosmetic Damage

Cosmetic damage, however caused, that does not affect the manufacturer's intended use. This includes, but is not limited to:

(1) Cracking, marring, or scratching.

(2) Change in color or other change in the exterior finish.

g. Covered Under Warranty

Loss or damage that is covered under the manufacturer's warranty. In the event we have knowledge of a prior malfunction, proof of repair may be required before coverage for future claims is applicable.

h. Late Claims

Claims reported to Asurion Insurance Services, Inc., more than 60 days after the time of loss or damage.

i. Programming, Repair Work

Programming, cleaning, adjusting, repairing, modifying, or performing any other work upon Covered Property.

j. Virus

Computer virus or any other malicious code or similar instruction that:

(1) Disrupts the normal operation of the Covered Property; or

(2) Results in destruction of or unsuitability of data or programs stored in the Covered Property.

k. Voluntary Parting

Voluntarily parting with Covered Property by an Insured or by any person entrusted with Covered Property, whether or not induced to do so by any fraudulent scheme, trick, device or false pretense.

I. Intentional Loss or Damage

Damage to Covered Property which is the result of it having been used in a manner inconsistent for which it was designed or intended by the manufacturer. We also do not cover damage that is intentional or the result of abuse.

m. Pollution

The discharge, dispersal, seepage, migration, escape or presence of pollutants. Pollutants means any solid, liquid, gaseous, or thermal irritant or contaminant including smoke, vapor, soot, fumes, acid, alkalis, chemicals, artificially produced electric fields, magnetic field, electromagnetic field, sounds waves, microwaves, all artificially produced ionizing or non-ionizing radiation and/or waste. Waste includes materials to be recycled, refurbished or reclaimed.

C. LIMITS OF INSURANCE

The most we will spend, for any one loss, to repair or replace Covered Property due to a covered claim is either four hundred dollars (\$400) if your device is found in Schedule A or one thousand five hundred dollars (\$1,500) if your device is found in Schedule B, attached hereto.

These Limits of Insurance apply separately to each covered claim.

Each Insured is limited to 2 losses in any consecutive 12 month time period. When this limit is exhausted, coverage will cease immediately and we will notify the Insured that his or her coverage has ceased and no future premiums are due.

D. DEDUCTIBLE

The deductible is either \$39 or \$89 depending on whether the Covered Property is found in Schedule A or Schedule B, attached hereto, and is non-refundable and is payable to Us or Asurion at the time a repair or replacement is approved by Asurion Insurance Services, Inc. This Deductible will apply to each filed and approved covered claim, and does not reduce the Limit of Insurance. Only an Insured may pay the deductible.

E. INSURED'S DUTIES IN EVENT OF LOSS TO INSURED'S COVERED PROPERTY

In the event of loss or damage to Covered Property, the Insured presenting the claim must cooperate with us and see that the following are done:

1. Notify Wireless Service Provider

If the Covered Property is lost or stolen, notify Verizon Wireless to suspend your wireless communications service prior to filing the claim.

2. Notify Police

If a claim involves a violation of law or any loss of possession, notify the police and obtain a police report or case number, the police station phone number, and the officer's name and badge number taking the report. If requested, provide a copy of the police report to Asurion Insurance Services, Inc., within 30 days of request.

3. Notify Agent, Give Description

Notify Asurion Insurance Services, Inc., within 60 days of the time of loss.

Give a complete description of:

- a. The Covered Property, including telephone number, device make and model, and unique identification number (ESN, MEID or IMEI); and
- b. How, when and where the loss or damage occurred.

4. Protect

Take all reasonable steps to protect the Covered Property from further damage.

5. Permit Inspection

Permit us or our Agent to inspect the damaged property. If requested, take or send the Covered Property to our Agent, or our Agent's designee, for equipment failure evaluation.

6. Statement Under Oath

If requested by us or our Agent, submit to questioning under oath about a claim or other matter relating to the Policy. In such event, the answers must be signed.

7. Proof of Loss and Ownership

If required, provide:

- a. A copy of original ownership records, such as a bill of sale;
- b. A signed, sworn proof of loss or damage containing the information we or our Agent request to settle the claim. We may require this statement to be notarized, for which you may incur a nominal fee.
- c. A copy of a government-issued photo identification.
- d. Other records and documents that may be reasonably requested.

These records must be provided within 30 days after our request for the documentation.

8. Salvage and Recovery

The Additional Insured is required to return the damaged property to the Authorized Service Center. If the replacement equipment is sent to you, the Authorized Service Center will provide a prepaid shipping label and envelope to return the damaged property in. Disposal of the damaged Covered Property other than by returning it to the Authorized Service Center requires the prior consent of the Authorized Service Center. If the damaged Covered Property is not returned to the Authorized Service Center within 15 days of the receipt of the replacement equipment, a Salvage Non-Return Fee of up to three hundred dollars (\$300.00) may be billed to the Additional Insured. The Salvage Non-Return Fee will not exceed the actual value of the Covered Property that was not returned.

Any recovery of lost or stolen property will accrue entirely to our benefit.

9. Take Delivery

We may ship the approved replacement device directly to you within the United States. We may also make available to you the approved replacement device for pick up at your Wireless Service Provider. You must be available to take delivery of the replacement equipment within 30 days of claim authorization or pay the added cost of re-delivery.

F. OUR DUTIES IN EVENT OF LOSS

1. When We Repair or Replace

If a claim is made, we or Asurion Insurance Services, Inc., will notify the Insured of Asurion Insurance Services, Inc.'s assessment of the claim within 10 days after we or Asurion Insurance Services, Inc., receive all the information requested from the Insured presenting the claim. Repair or replacement of the lost or damaged Covered Property will be done within 30 days after the Insured, or his or her designee, has complied with all the terms of this Policy, and we have agreed with the Insured about the repair or replacement.

2. Our Options

At our option, we or Asurion Insurance Services, Inc., may provide substitute equipment or repair the Covered Property with substitute parts, of like kind, quality and functionality, that:

- a. Have been refurbished, and may contain non-original manufacturer parts; or
- b. Are a different brand, model or color.

G. ADDITIONAL CONDITIONS

1. Arbitration

This Arbitration provision requires the submission of any dispute to Arbitration.

- a. Instead of first suing in court, disputes or controversies must be arbitrated on an individual, non-class basis, without resort to any form of class action or class arbitration. This will apply without limitation to disputes or controversies of any nature whatsoever (whether in contract, tort, or otherwise, including statutory, common law, fraud, other intentional tort, property and equitable claims) arising out of, relating to, or in connection with:

(1) This policy;

(2) Any activities, transactions, services or interactions of any kind involving any Insured and us, and the relationships which result from this policy, including, to the full extent permitted by applicable law, relationships with third parties who are not parties to this policy; or

(3) The validity, scope or enforceability of this arbitration provision or the entire policy.

For purposes of this section G.1., "we" or "us" will include any of our employees, agents, representatives or associated businesses who are involved in any way in any activities, transactions, or services with any Insured relating to this policy.

- b. Such arbitration shall be nonbinding, and be resolved before a single arbitrator. All Insureds and we waive any right to pursue on a class basis any such dispute, controversy or claim, even if applicable law permits class actions or class arbitrations.
- c. The selection of the arbitrator shall be governed by, and all arbitration shall be administered by the American Arbitration Association ("AAA") in accordance with its Wireless Industry Rules and Procedures in effect at the time the demand for arbitration is filed. The Rules and Procedures, as well as forms and information on arbitration in general may be obtained by calling 1-800-778-7879, or by visiting AAA's Web site at www.adr.org.
- d. Any arbitration which the Insured attends will take place at a location within the federal judicial district that includes the Insured's billing address at the time the demand for arbitration is filed.
- e. Upon written request, we will advance to the Insured either all or part of the fees of the AAA and of the arbitrator. The arbitrator will decide whether the Insured or us will ultimately be responsible for these fees and may waive the Insured's fees upon a finding of economic hardship.
- f. The arbitrator shall apply relevant, substantive law and applicable statutes of limitation and shall provide written reasoned findings of fact and conclusions of law. This arbitration provision is made pursuant to a transaction involving interstate commerce and shall be governed by the Federal Arbitration Act, 9 U.S.C. Sections 1, et. seq.
- g. If any portion of this arbitration provision is deemed invalid or unenforceable, it shall not invalidate the remaining portions of the arbitration provision.

THE INSUREDS AND WE AGREE THAT THIS ARBITRATION WILL BE ON AN INDIVIDUAL BASIS. THE INSUREDS AND WE UNDERSTAND AND AGREE THAT BECAUSE OF THIS ARBITRATION PROVISION NEITHER INSURED NOR WE WILL HAVE THE RIGHT TO FIRST GO TO COURT, HAVE A JURY TRIAL OR PARTICIPATE AS A REPRESENTATIVE OR MEMBER OF ANY CLASS OF CLAIMANTS UNDER A CLASS ACTION OR CLASS ARBITRATION UNTIL THE ARBITRATION REQUIRED BY THIS PROVISION HAS BEEN COMPLETED AND THE INSURED AND WE HAVE BEEN UNABLE TO RESOLVE OUR DISPUTE, CLAIM OR CONTROVERSY. FURTHER, ALL INSUREDS AND WE WAIVE OUR RIGHT TO PARTICIPATE AS A REPRESENTATIVE OR MEMBER OF ANY CLASS OF CLAIMANT UNDER A CLASS ARBITRATION EVEN IF CLASS ARBITRATION WOULD OTHERWISE BE PERMISSIBLE UNDER APPLICABLE LAW.

In Washington state, the last three paragraphs of G.1 are replaced in their entirety by the following:

THE INSUREDS AND WE AGREE THAT THIS ARBITRATION WILL BE ON AN INDIVIDUAL BASIS. THE INSUREDS AND WE UNDERSTAND AND AGREE THAT BECAUSE OF THIS ARBITRATION PROVISION NEITHER INSURED NOR WE WILL HAVE THE RIGHT TO FIRST GO TO COURT, HAVE A JURY TRIAL OR PARTICIPATE AS A REPRESENTATIVE OR MEMBER OF ANY CLASS OF CLAIMANTS UNDER A CLASS ACTION OR CLASS ARBITRATION. FURTHER, ALL INSUREDS AND WE WAIVE OUR RIGHT TO PARTICIPATE AS A REPRESENTATIVE OR MEMBER OF ANY CLASS OF CLAIMANT UNDER A CLASS ARBITRATION EVEN IF CLASS ARBITRATION WOULD OTHERWISE BE PERMISSIBLE UNDER APPLICABLE LAW.

2. Claim Authorization and Loss Payment

We or Asurion Insurance Services, Inc., have the right to settle the loss with the Insured or his or her designee. No claims will be accepted unless authorized by Asurion Insurance Services, Inc. All repairs and replacements must be made by the Authorized Service Center, unless the Authorized Service Center gives the Insured other specific directions. In no event will Insureds be reimbursed for any out-of-pocket expenses.

3. Cancellation

a. How First Named Insured Cancels

The First Named Insured may cancel the policy by mailing or delivering to us advance written notice of cancellation. In this event, the First Named Insured agrees to deliver notices of cancellation to all Additional Insureds, 60 days prior to cancellation of their coverage, or to pay the Agent for delivery thereof.

b. How Additional Insureds Cancel

An Additional Insured may cancel coverage provided to him or her by notifying the Agent or Verizon Wireless, who will advise the Agent.

c. How We Cancel

- (1) We may cancel coverage for nonpayment of premium by mailing or delivering written notice of cancellation, including the actual reason for cancellation, at least 10 days before the effective date of cancellation.
- (2) When an Additional Insured's coverage has been in effect for less than 60 days, we may cancel for any reason by mailing or delivering written notice of cancellation, including the actual reason for cancellation, at least 30 days before the effective date of cancellation. We may cancel the coverage of any Additional Insured for fraud or intentional misrepresentation made in obtaining this insurance or in filing a claim under this insurance, by mailing or delivering written notice of cancellation, including the actual reason for cancellation, at least 15 days before the effective date of cancellation.
- (3) When coverage has been in effect for 60 days or more, we may cancel the coverage of any Additional Insured for fraud or intentional misrepresentation made in obtaining this insurance or in filing a claim under this insurance, by mailing or delivering written notice of cancellation, including the actual reason for cancellation, at least 15 days before the effective date of cancellation.
- (4) We also may cancel coverage for all Insureds by mailing or delivering written notice of cancellation at least 30 days before the effective date of cancellation, including the actual reason for cancellation, if:
 - (a) For any reason, we choose to stop providing this coverage for all Insureds in a given class;
 - (b) Verizon Wireless has provided monthly premium billing and collection service and ceases to do so; or
 - (c) The Agent or the Authorized Service Center ceases to provide its claim service.
- (5) How Notice of Cancellation Is Provided
If there is a cancellation in accordance with Section G.3.c., notice will be sent to:
 - (a) Each Additional Insured affected by the cancellation, using his or her last mailing address on file with the First Named Insured;
 - (b) The Agent; and
 - (c) The First Named Insured.

The First Named Insured agrees to pay or act as delivery agent for notice of cancellation to all Additional Insureds.

d. Effective Date of Cancellation

Notice of cancellation will state the effective date of cancellation. The coverage will end on that date.

e. Return Premiums, If Any

If this policy is canceled, any refunds due will be on a pro rata basis. The cancellation will be effective even if the refund has not been made or offered.

f. Proof of Mailing

If notice is mailed, proof of mailing will be sufficient proof of notice.

In Washington state, the above paragraph G.3 is replaced in its entirety by the following:

3. Cancellation

a. How Named Insured Cancels

The Named Insured may cancel this policy by mailing or delivering to us advance written notice of cancellation. In this event, the Named Insured agrees to pay or act as delivery agent for notice of cancellation to all Additional Insureds 60 days prior to cancellation of their Coverage.

b. How Additional Insureds Cancel

An Additional Insured may cancel coverage provided to him or her by notifying the Agent or the Wireless Service Provider, who will advise the Agent.

c. How We Cancel

- (1) We may cancel coverage for nonpayment of premium by mailing or delivering written notice of cancellation, including the actual reason for cancellation, at least 10 days before the effective date of cancellation.
- (2) We may cancel for any other reason by mailing or delivering written notice of cancellation, including the actual reason for cancellation, at least 45 days before the effective date of cancellation for all other reasons.
- (3) We also may cancel Coverage for all Insureds by mailing or delivering written notice of cancellation at least 45 days before the effective date of cancellation, including the actual reason for cancellation, if:
 - (a) For any reason, we choose to stop providing this coverage for all Insureds in a given class;
 - (b) Verizon Wireless has provided monthly premium billing and collection service and ceases to do so; or
 - (c) The Agent or Asurion Insurance Services, Inc. ceases to provide its claim service.

(4) How Notice of Cancellation Is Provided

If there is a cancellation in accordance with Section G.3.c., notice will be sent to:

- (i) Each Insured affected by the cancellation, using his or her last mailing address on file with the Named Insured;
- (ii) The Agent; and
- (iii) The Named Insured.

The Named Insured agrees to pay or act as delivery agent for notice of cancellation to all Additional Insureds.

d. Effective Date of Cancellation

Notice of cancellation will state the effective date of cancellation. The coverage will end on that date.

e. Return Premiums, If Any

If this policy is canceled, any refunds due will be on a pro rata basis. The cancellation will be effective even if the refund has not been made or offered.

f. Proof of Mailing

If notice is mailed, proof of mailing will be sufficient proof of notice.

4. Eligibility

- a. To be eligible for coverage you must be a valid, active and current subscriber of Verizon Wireless.
- b. (1) If your request for enrollment of coverage is submitted within 30 days of initial activation of the Verizon Wireless service for the Covered Property and you are approved by us, we cover direct loss or damage that occurs during the policy period shown in the Declarations.
(2) If your request for enrollment of coverage is submitted more than 30 days after your initial activation of the Verizon Wireless service for the Covered Property the Additional Insured's coverage will begin after a waiting period of 30 days following the submission of the request for enrollment and the successful completion of a test call to the Covered Property, unless we or our Agent notify you prior to completion of the waiting period that your request is not approved.
- c. If your request for enrollment of coverage is submitted more than 30 days after initial activation of Verizon Wireless service for the Covered Property, you are not eligible for this insurance and your enrollment will be rejected; in such instance, no coverage is ever in effect.
- d. You must not have engaged in fraud or abuse with respect to this or a similar communications equipment insurance program.
- e. You must not be in breach of any material term of the policy, including but not limited to failure to return damaged Covered Property when requested in conjunction with a loss.

5. Changes

The First Named Insured, on its own behalf and on behalf of the Additional Insureds, is authorized to make changes in the terms of the policy with our consent. The policy's terms can be amended or waived only by endorsement issued by us and made a part of the policy. If notice of such changes is mailed, proof of mailing will be sufficient proof of notice.

6. Concealment, Misrepresentation or Fraud

This policy is voidable in any case of fraud, intentional concealment or misrepresentation of a material fact, by either the First Named Insured or any Additional Insured or his or her designee at any time, concerning:

- a. This policy;
- b. The Covered Property;
- c. The Insured's interest in the Covered Property; or
- d. A claim under this policy; but only with respect to his or her coverage.

7. Conformity To Statute

We agree that any terms of this policy not in conformity with the statutes of the state in which this policy is issued are amended to conform to those applicable state statutes.

8. Benefit Only Available To Insureds

No person or organization, other than an Insured, will benefit from this insurance.

9. Legal Action Against Us

No one may bring a legal action against us under this policy unless:

- a. There has been full compliance with all the terms of this policy;
- b. The action is brought within 2 years after the Insured has knowledge of the loss or damage;
- c. The action is brought in compliance with Section G.1.

10. Liberalization

If we adopt any revision in this policy which would broaden the Coverage under this policy without additional premium within 60 days prior to or during the policy period, the broadened coverage will immediately apply to this policy.

11. Premiums

- a. The First Named Insured is responsible for the payment of all premiums.
- b. Within fifteen days after the end of each month, the First Named Insured:
 - (1) Will report to the Agent the total number of Covered Property units that were covered under this policy as of the last day of that month; and
 - (2) Will remit the monthly earned premium to us through the Agent based on that report. The premium will be calculated by multiplying the rate per unit of Covered Property shown in the Declarations by the total number of such units.

The First Named Insured may request that Additional Insureds be billed for their individual units of Covered Property. In that event, the rate will be the same as the policy rate billed to the First Named Insured. If the First Named Insured provides monthly billing and collection services for the Agent, all funds collected by the First Named Insured are our property. We may examine and audit the First Named Insured's books and records relating to such premium payments at any time during the policy period and up to three years afterward.

12. Transfer of Rights and Duties Under This Policy (Assignment)

No rights and duties under this policy may be transferred.

13. Transfer of Rights of Recovery Against Others To Us (Subrogation)

If after we provided repair or replacement for such loss or damage, any Insured has rights to recover damages from another, those rights are transferred to us to the extent of our cost of repair or replacement. The Insured must do everything necessary to secure our rights and must do nothing after loss or damage to impair them.

In Washington state, the following paragraph is added to Section G:

14. Nonrenewal

If we decide not to renew this policy, we will mail or deliver to the Named Insured shown in the Declarations and the Named Insured's agent or broker, at their last mailing addresses known to us, written notice of the nonrenewal stating the reasons for nonrenewal. We will also mail to any mortgage holder, pledgee or any other person shown in this policy to have an interest in any loss which may occur under this policy, at their last mailing address known to us, written notice of nonrenewal. We will mail or deliver these notices at least 45 days before the:

- A. Expiration date of the policy.
- B. Anniversary date, if this policy has been written for a term of more than 1 year.

Otherwise, we will renew this policy unless:

- a. The Named Insured fails to pay the renewal premium after the Insurer has expressed its willingness to renew, including a statement of the renewal premium, to the Named Insured's insurance agent or broker at least 20 days before the expiration date;

- b. Other coverage acceptable to the Insured has been procured prior to the expiration date of the policy; or
- c. The policy clearly states that it is not renewable, and is for a specific line, subclassification, or type of coverage that is not offered on a renewable basis.

If notice is mailed, proof of mailing will be sufficient proof of notice.

The foregoing is a generalized description of the policy. It is not a full and complete version of the policy. Some provisions may differ by state based upon applicable state law. For more information, or a copy of the policy, you may visit www.phoneclaim.com/verizon or you may call Asurion at 1-888-881-2622 or send a self-addressed envelope to Asurion. ATTN: Policy Copy, P.O. Box 110656, Nashville, TN 37222-0656. Please include your wireless telephone number so the proper policy can be delivered to you.

IMPORTANT NOTICE TO POLICYHOLDERS— TERRORISM RISK INSURANCE ACT OF 2002

You are hereby notified that, under the Terrorism Risk Insurance Act of 2002, as amended, we must make terrorism coverage available if your policy covers commercial property. However, the actual coverage provided by your policy for acts of terrorism, as is true for all coverages, is limited by the terms, conditions, exclusions, limits, other provision of your policy, any endorsements to the policy and generally applicable rules of law. Any terrorism coverage provided by this policy may be partially reimbursed by the United States Government under a formula established by Federal Law. If applicable, under this formula, the United States Government will pay 85% of covered terrorism losses exceeding a statutorily established deductible paid by insurers until such time as insured losses reach the \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses. If that occurs, your coverage may be reduced. You will not be required to pay a premium for terrorism coverage at this time. If a premium is going to be charged for terrorism coverage, we will provide you with advance notification of what that premium will be.

In California, Agent License #OB35141

In Washington state, the Policy Form Number is CLHI 005 (Approved 04/2005).

NOTICE TO MICHIGAN POLICYHOLDERS

This policy is exempt from the filing requirements of section 2236, 2401 and 2601 of the insurance code of 1956. 1956 PA 218, MCL 500.2236.

For California consumers, the California Department of Insurance consumer hotline is 1-800-927-4357.

Verizon Wireless Extended Limited Warranty or Service Contract

I. SERVICE CONTRACT OR EXTENDED LIMITED WARRANTY:

IF YOU PURCHASED YOUR DEVICE, AS STATED ON THE RECEIPT, IN ALABAMA, CALIFORNIA, HAWAII, KENTUCKY, ILLINOIS, NEVADA, NEW YORK, OKLAHOMA, OREGON, SOUTH CAROLINA, TEXAS, VERMONT, WASHINGTON OR WYOMING, THIS DOCUMENT IS A SERVICE CONTRACT. OTHERWISE, IT IS AN EXTENDED LIMITED WARRANTY.

II. FEE:

You will be billed a monthly charge in the amount of \$1.99, in advance, to receive this Warranty or Service Contract. If you purchase this protection as a part of the Verizon Wireless Total Equipment Coverage package you will be billed \$1.99 (Advanced Device) or \$1.50 (Phones). The fee is based on your equipment protection program and/or price plan. If, during the term of this agreement, you change your price plan or protection program, the fee may be increased.

III. WHAT THIS AGREEMENT COVERS:

A. COVERAGE IF IT IS AN EXTENDED LIMITED WARRANTY:

1. Verizon Wireless warrants your individually owned wireless device (hereinafter the "Product") against defects in material and workmanship under normal use and service.

THIS WARRANTY COVERS THE WIRELESS DEVICE ONLY AND NOT ITS ACCESSORIES OR BATTERY, INCLUDING THOSE CONTAINED WITHIN THE ORIGINAL PACKAGE.

2. At its option, Verizon Wireless will replace the Product during the warranty period at no charge, as long as you return it in accordance with the terms of this Warranty to a Verizon Wireless Communications Store or other location specified by Verizon Wireless. The replacement device may be a new or reconditioned device of equal or comparable value to the Product. Non-original manufacturer's parts may be used in reconditioned devices. All Products returned to Verizon Wireless shall become the property of Verizon Wireless.

B. COVERAGE IF IT IS A SERVICE CONTRACT:

If there is a defect (including pre-existing) in the material and/or workmanship of your individually owned wireless device (hereinafter the "Product"), and the Product has been subject only to normal use and service, Verizon Wireless agrees to replace the Product at no charge, as long as you return it in accordance with the terms of this Service Contract to a Verizon Wireless Communications Store or another location specified by Verizon Wireless. The replacement device may be a new or reconditioned device of equal or comparable value to the Product. Non-original manufacturer's parts may be used in reconditioned devices. All Products replaced by Verizon Wireless shall become the property of Verizon Wireless. THIS SERVICE CONTRACT COVERS THE WIRELESS DEVICE ONLY AND NOT ITS ACCESSORIES OR BATTERY, INCLUDING THOSE CONTAINED WITHIN THE ORIGINAL PACKAGE.

IV. WHAT THIS WARRANTY OR SERVICE CONTRACT DOES NOT COVER:

- A. Defects or damage resulting from use of the Product in other than its normal and customary manner;
- B. Defects or damage from misuse, accident or neglect;
- C. Defects or damage from improper testing, operation, maintenance, installation, adjustment or any alteration or modification of any kind;
- D. Breakage or damage to antennas unless caused directly by defects in material or workmanship;
- E. Products disassembled or repaired in such a manner as to adversely affect performance or prevent adequate inspection and testing to verify any warranty claim;
- F. Products with labels removed or illegible serial numbers;
- G. Defects or damage due to spills of or immersion in food or liquid;
- H. Scratches on all plastic surfaces and externally exposed parts resulting from normal use; and/or
- I. Damage resulting from normal wear and tear.

V. HOW LONG THIS WARRANTY OR SERVICE CONTRACT LASTS:

Verizon Wireless will provide the warranties or benefits, described in Paragraph III, for as long as you subscribe to this program, from the date you activate service or for the duration of your continuous active service with Verizon Wireless using the Product, whichever is less. Activation will be deemed to be no later than fifteen (15) days from the date of delivery of the Product to you, the owner.

VI. HOW TO GET YOUR REPLACEMENT DEVICE UNDER THIS AGREEMENT:

To receive your replacement device, present your Product to any Verizon Wireless Communications Store, along with your bill of sale or comparable substitute proof of sale. If you are enrolled in either the Extended Warranty or the Total Equipment Coverage program, call (866) 406-5154 (toll free from a landline phone) and we'll diagnose the issue with you right over the phone. You may also visit any Verizon Wireless store to diagnose and address the problem with your wireless device.

VII. YOUR OBLIGATIONS UNDER THIS WARRANTY OR SERVICE CONTRACT:

You must use the Product in a normal way; you must protect against further damage to the Product if there is a covered defect; you must follow the Product's instruction manual.

VIII. HOW AND WHEN YOU OR WE MAY TERMINATE THIS WARRANTY OR SERVICE CONTRACT:

- A.** Subject to Paragraph VIII.B., we may terminate this Warranty or Service Contract at any time. You may terminate this Warranty or Service Contract at any time. If your wireless service with Verizon Wireless is terminated or expires for any reason, you will be deemed to have terminated this Warranty or Service Contract. If you or Verizon Wireless terminate this Warranty or Service Contract more than thirty (30) days after receiving this Warranty or Service Contract, you will receive a prorated refund of your monthly fee for this Warranty or Service Contract, as applicable.
- B.** For residents of Georgia, this Service Contract can only be terminated by Verizon Wireless for fraud, material misrepresentation or your failure to pay amounts due hereunder. For residents of Nevada, Verizon Wireless may not terminate this Service Contract before the expiration of the agreed term, if the Service Contract has been in effect for seventy (70) days, except if you: (1) fail to pay an amount when due; (2) commit fraud or make a material misrepresentation in obtaining this Service Contract, or in presenting a claim; or (3) perform any act or omission or violate any condition of this Service Contract, after the effective date of this Service Contract that substantially and materially increases the service required under this Service Contract. Cancellation of this Service Contract by Verizon Wireless will be effective fifteen (15) days after you receive the notice of cancellation.
- C.** If within thirty (30) days of receiving this Warranty or Service Contract you wish to cancel service and you have not made a claim under this Warranty or Service Contract, simply notify Verizon Wireless and we will refund all fees paid up to the date of termination.
- D.** IF YOU CANCEL AS DESCRIBED IN THE IMMEDIATELY PRECEDING PARAGRAPH, VERIZON WIRELESS MUST PROVIDE YOU WITH A FULL REFUND NO LATER THAN THIRTY (30) DAYS AFTER YOU NOTIFY VERIZON WIRELESS THAT YOU WISH TO CANCEL THIS WARRANTY OR SERVICE CONTRACT. IF VERIZON WIRELESS DOES NOT REFUND YOUR MONEY DURING THIS TIME PERIOD, YOU ARE ENTITLED TO RECEIVE A REFUND IN THE AMOUNT OF WHAT YOU PAID, PLUS AN EXTRA TEN PERCENT (10%) FOR EACH MONTH IN WHICH YOUR MONEY IS NOT REFUNDED.

IX. OTHER CONDITIONS:

- A.** This Warranty or Service Contract is extended to the original subscriber buyer only and may not be assigned or transferred to subsequent subscriber buyers. This is Verizon Wireless' complete Warranty or Service Contract for your Product. Verizon Wireless assumes no obligation or liability for additions or modifications to this Warranty or Service Contract unless made in writing and signed by an officer of Verizon Wireless. If this document is a Warranty, Verizon Wireless does not warrant the installation, maintenance or service of the equipment, accessories, batteries or parts.
- B.** Verizon Wireless cannot be responsible in any way under this Warranty or Service Contract for any ancillary equipment attached to or used in connection with the Product, or for operation of the Product with any ancillary equipment. All such equipment is expressly excluded from this Warranty or Service Contract. Furthermore, Verizon Wireless cannot be responsible for any damage to the Product resulting from the use of ancillary equipment not furnished by Verizon Wireless for use with individually owned equipment.
- C.** When the Product is used in conjunction with ancillary or peripheral equipment not furnished by Verizon Wireless, Verizon Wireless does not warrant and shall not supply service in connection with the operation of the Product/ peripheral combination, and Verizon Wireless will honor no warranty or service claim where the Product is used in such a combination and it is determined by Verizon Wireless that there is no fault with the Product. Verizon Wireless specifically disclaims any responsibility for any damage caused in any way by the use of product accessories and peripherals (specific examples include, but are not limited to, batteries, chargers, adapters and power supplies) when such accessories and peripherals are not furnished by Verizon Wireless.

X. GENERAL PROVISIONS IF THIS IS A WARRANTY:

- A.** This Warranty sets forth our responsibilities regarding the Product. Replacement of the Product, as described herein, is your exclusive remedy. THIS WARRANTY IS GIVEN IN LIEU OF ALL OTHER EXPRESS WARRANTIES, IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE LIMITED TO THE DURATION OF THIS LIMITED WARRANTY. FURTHER, NO WARRANTY IS MADE AS TO COVERAGE, AVAILABILITY OR GRADE OF SERVICE PROVIDED BY VERIZON WIRELESS.
- B.** IN NO EVENT SHALL VERIZON WIRELESS BE LIABLE FOR DAMAGES IN EXCESS OF THE PURCHASE PRICE OF THE PRODUCT, FOR ANY LOSS OF USE, LOSS OF TIME, INCONVENIENCE, COMMERCIAL LOSS, LOST PROFITS OR SAVINGS

OR OTHER INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES OR PUNITIVE DAMAGES OR ATTORNEYS' FEES ARISING OUT OF THE USE OR INABILITY TO USE SUCH PRODUCT, TO THE FULL EXTENT SUCH MAY BE DISCLAIMED BY LAW.

C. SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, OR LIMITATIONS ON HOW LONG AN IMPLIED WARRANTY LASTS, SO THE ABOVE LIMITATIONS OR EXCLUSIONS MAY NOT APPLY TO YOU.

XI. GENERAL PROVISIONS IF THIS IS A SERVICE CONTRACT:

- A. This Service Contract sets forth our responsibilities regarding the Product. Replacement of the Product, as described herein, is your exclusive remedy. THIS DOCUMENT IS NOT A WARRANTY.
- B. Obligations of Verizon Wireless under this Service Contract are backed by the full faith and credit of Verizon Wireless.

XII. OTHER RIGHTS:

- A. This Warranty or Service Contract gives you specific legal rights. You may have additional rights that vary from state to state.
- B. Residents of Georgia and Kentucky may file a claim with Federal Insurance Co., 15 Mountain View Road, Warren, NJ 07059, directly if Verizon Wireless does not honor your claim within sixty (60) days after you filed your proof of loss. Residents of Connecticut may file a claim with Balboa Insurance Company, Suite 200, 3349 Michelson Drive, Irvine, CA 92612-8893 directly if Verizon Wireless fails to perform according to the terms hereof.
- C. Resolution of Disputes for Connecticut Residents Only: Any disputes between Verizon Wireless and residents of Connecticut arising under this Warranty shall be decided by an arbitration process. A written complaint containing a description of the dispute, the purchase price, the cost of the repair of the Product and a copy of the warranty form can be mailed to: State of Connecticut, Insurance Department, P.O. Box 816, Hartford, CT 06142-0816, Attn.: Consumer Affairs.
- D. Defective equipment must be returned or holder will be subject to a non-return fee equal to the cost of the non-promotion retail price. Subject to equipment availability at time of processing. Customer agrees to "like" device if same model is no longer available.

SELLER:

(Entity Financially and Legally Obligated to Perform Service)

Verizon Wireless Services, LLC
One Verizon Way
Basking Ridge, NJ 07920-1097