THE CIA
COSSIO INSURANCE AGENCY

Insured by The CIA

Quote Overview

8/7/2012

Fax: (989) 345-0232
Attn: Danny Abraham
Re: Insurance Quotation for Waterford Lanes Inc

Dear Danny

Cossio Insurance Agency would like to provide our insurance services for your business. We pride ourselves in our customer service and ability to provide coverage that other agencies cannot. We always try to find solutions instead of saying we cannot. This is a standard policy that runs for 12 months.

General Liability

Total premium for the General Liability, including all taxes and fees is $1,900.00 *. This is quoted through Riverport Insurance Company (MINNEAPOLIS, MN) to the following limits:

LIMITS

Per Occurrence	$1,000,000
General Aggregate	$2,000,000
Products/Completed Operations	$2,000,000
Personal and Advertising Injury	$1,000,000
Fire Legal Liability	$300,000
Medical Expenses	$5,000
Deductible	None

EXCLUSIONS

War, Terrorism, Expected or Intended Injury, Sexual Abuse/Molestation, Asbestos, Nuclear Energy, Total Pollution, Fungi or Bacteria, Aircraft or Watercraft, Pyrotechnics, Employment Related Practices, Communicable Disease (Hepatitis, TSE, HIV, HTLV, or AIDS) Lead Liability, Violation of Telephone Consumer Protection Act or CAN-SPAM Act.

107 Old Laurens Rd. Simpsonville, SC 29681
Phone: 864-688-0121 Fax: 864-688-0138

Accident Medical

Total premium for the Accident Medical, including all taxes and fees is $250.00 *. This is quoted through Berkley Life & Health Insurance Company to the following limits:

LIMITS

Maximum Medical Benefit per Claim	$10,000
Accidental Death/Dismemberment Benefit per Claim	$10,000
Dental Benefit	Included
Deductible	None

EXCLUSIONS

Sickness or disease in any form, except pyogenic infections due to an accident cut or wound
The use of drugs or narcotics, unless administered under the advice of a physician
War or any act of war, whether or not declared.
Participation in any riot or civil commotion.
Air travel or the use of any device or equipment for aerial navigation.
Except as fare-paying passenger on a regularly scheduled commercial airline
Suicide or any attempt threat or any self-inflicted injury.
Medical service provided by any person or facility employed by the policyholder.
Medical service provided by any member of the Insured Person's family or household.
Dental treatment, except as a result of a covered injury.
The repair or replacement of any artificial dental restoration.
Expenses payable under any Workers Compensation Law or similar legislation.
Injury sustained while riding in or any two or three engine driven vehicle.

Payment Options	Check	Credit Card	Wire Transfer
Min Down Payment	$1,175.00	$1,222.00	$1,200.00
Pay In Full	$2,150.00	$2,236.00	$2,175.00

We can arrange premium financing if you cannot pay in full. If you choose to make a down payment, we also need the attached finance agreement signed for the remaining balance before we can bind coverage.

- Minimum earned premium applies
- Occurrence-Form Policy
- Additional Insureds are included
- Coverage issued through the Sports & Recreation Providers Assn. Purchasing Group
- Quote based on 5,000 in gross sales
- Location covered: 7100 Cooley lake Road, Waterford, MI 48327

107 Old Laurens Rd. Simpsonville, SC 29681
Phone: 864-688-0121 Fax: 864-688-0138

THE FOLLOWING FORMS MUST BE RECEIVED WITH YOUR PAYMENT IN ORDER TO BIND:

1. **COMPLETED & SIGNED INSURANCE BIND REQUEST FORM (ATTACHED)**
2. **SIGNED & DATED ENROLLMENT FORM**
2. **SIGNED & DATED FINANCE AGREEMENT (ATTACHED) IF YOU ARE NOT PAYING IN FULL.**
3. **SIGNED & DATED APPLICATION (ATTACHED)**

Please review the coverage(s) and premium(s) and let us know your decision. We look forward to working with you.

Respectfully

Larry Cossio

107 Old Laurens Rd. Simpsonville, SC 29681
Phone: 864-688-0121 Fax: 864-688-0138

THE CIA

Insured by The CIA

COSSIO INSURANCE AGENCY
PHONE 864-688-0121 FAX 864-688-0138

INSURANCE BIND REQUEST

Tuesday, August 07, 2012

Total premium with taxes and fees: $2,150.00
Broker Of Record: Cossio Insurance Agency

Customer : Waterford Lanes Inc (51824)
Requested Effective: 8/9/2012

Please bind coverage for:
- General Liability
- Accident Medical

Minimum Earned Premium is $1,175.00. Taxes and fees are fully earned.
Payment Terms:
____Check
____Credit Card (processing fee of 4% will be added)
____Wire Transfer (processing fee of $25 will be added)

Balance Due $975.00. (Arrange Premium Financing For Me ____)

I would also like _____ included as:____Landlord____Loss Payee____Additional Insured

I understand that:
* All fees are fully earned upon binding. Minimum earned premium applies.
* Requests for additional insured's or special wording may be subject to a fee as determined by your insurance carrier.

I decline coverage for	Initials
Commercial Auto	_____
Earthquake	_____
EPLI	_____
Flood	_____
Property	_____
Umbrella	_____
Workers Comp	_____

Finally, please make Cossio Insurance Agency my broker of record for this policy.

Thank you

Signature of Insured _____

Name _____

Date _____

General Mailing Address:
PO Box 188
Simpsonville, SC 29681

Overnight Mailing Address:
107 Old Laurens Road
Simpsonville, SC 29681

Wire Transfer:
South Carolina Bank and Trust, NA
PO Box 1287
Orangeburg SC 29116
Telephone: 800-277-2175
Account #: 1502681
Routing #: 053200983

Special Risk Enrollment Form
Participant Accident Insurance
General Liability Insurance

1. Name of Policyholder Waterford Lanes Inc
2. Nature of Business Indoor Inflatable Center
3. Address 7100 Cooley lake Road, Waterford, MI 48327
   Street City State Zip
4. Effective Date of Coverage 08/09/2012
5. Termination Date of Coverage 08/09/2013
6. Period of Coverage 52 weeks
7. Covered Activity Indoor Inflatable Center
8. Plan of Benefits:
   Maximum Medical Expense Benefit – Per Person: $10,000
   Accidental Death & Dismemberment Benefit Principal Sum: $10,000
   Deductible Amount: $None Per Injury
   Optional Preexisting Injury Endorsement ☐ Yes ☒ No
   Optional Sickness Expense Benefit ☐ Yes ☒ No
   Optional Heart/Circulatory Endorsement ☐ Yes ☒ No
   Liability Coverage: General Aggregate: $2,000,000
   Liability Coverage: Each Occurrence: $1,000,000
   Optional Sexual Abuse/Molestation Coverage ☐ Yes ☒ No
   Optional Non-Owned Automobile Liability ☐ Yes ☒ No
9. Accident Policy Plan Type: (check one) ☒ Excess Coverage ☐ Primary Coverage
10. Premium Computation:

Classification of Insured Persons	Number Eligible		Rate		Total Rate
		x	$	=	

(OR)

Per Quotation (Attach Quotation for Reference)
Total Premium Due Company = $

I understand and agree that (a) if this application is accepted by the Company, coverage will begin on the date of acceptance or on the date requested in Question [4] above, whichever is later, subject to the payment of the required premium, and (b) no contribution to the premium will be made by an insured person. Premium computation is subject to audit. It is also understood that no agent is authorized to accept risks or pass on insurability.

Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits application or files claims containing false or deceptive statement may be guilty of insurance fraud.

Policyholder Signature: _____

_____ / Owner / _____
Name Title of Group Official Phone

Agent Name and Address: _____

_____ / _____ / _____
Agent License No. Agents Signature Date

ANL-SR02 App

COSSIO INSURANCE AGENCY

INDOOR INFLATABLE CENTER APPLICATION

Corporate Name:	Waterford Lanes Inc	Effective:	07/01/2012
Trade Name:	Waterford Lanes		
Mailing Address:	7100 Cooley lake Road, Waterford, MI 48327		
Contact Person:	Mark Dantzer	# of Yrs. In Operation:	12
LocationAddress:	same	Telephone:	(989) 345-0200
	,	Fax No:	(989) 345-0232
Annual Receipts:	$90,000	Telephone # in off Season:	(989) 387-2346
Total Acreage of Facility:	10	Sq Ft Bldg Area:	20000
Hours of Operation:	11:00 am to midnight	Operating season:	07012012 to 07012013
E-Mail:	mark@dieboldinsurance.com	Website:	Waterford Lanes
Federal ID#:			

Operations Exposures:

Type	Please Complete	Annual Receipts
Coin-Op Amusement Equipment	How many? # of Attendants: Equipment is: ☐ Owned ☐ Leased Are Machines Properly Grounded? ☐ Yes ☐ No Non-slip, non conductive floor covering? ☐ Yes ☐ No Provide your own maintenance on equipment? ☐ Yes ☐ No	
Bumper Boats	How many? Manufacturer Name: # of Operators? Ht. of Observation Fence? ft Operators at least 10 yrs. old or taller than 48”? ☐ Yes ☐ No Depth of water 4 ft or less? ☐ Yes ☐ No	
Bumper Cars	How many? Manufacturer Name: How many attendants? Min. Height Req: Cars Equipped with dash _headrest pads? ☐ Yes ☐ No Type of Seat Belt: Wheel Pads on Steering Wheels? ☐ Yes ☐ No	
Batting/Pitching Cages	How many? Min Age of Participants: Reduced Injury Factor (RIF) baseballs used? ☐ Yes ☐ No Cages Enclosed? ☐ Yes ☐ No Non-Skid surface ☐ Yes ☐ No	
Coin-Op Rides	How many? Describe:	
Go Karts	How many? # of Tracks: Max Speed: mp # of Attendants? Seat Belts Reqd? ☐ Yes ☐ No Bumper Guards _Roll Bars? ☐ Yes ☐ No	
Attendant Operated Rides	How many? Describe on attached addendum	
Lazer Tag	Sq Ft Area:	
Bounce Play/Soft Play-on Facility premises	Describe: See attached Inflatable supplement	5000
Miniature Golf	# of Courses: # of Holes: Founts/Waterfalls Equip.w/Ground Fault Interrupters? ☐ Yes ☐ No	
Driving Ranges	# of Stalls: Partitions Between Stalls? ☐ Yes ☐ No	
Gift/Pro- Shops		

COSSIO INSURANCE AGENCY
INDOOR INFLATABLE CENTER APPLICATION

Operations Exposures continued

Type	Please Complete	Annual Receipts
Food Operations: Concession? ☐ Yes ☐ No	Cooked on Premises? ☐ Yes ☐ No If Yes, Deep Fryer Grill on Premises? ☐ Yes ☐ No Prepackaged? ☐ Yes ☐ No Alcoholic Beverages: ☐ Yes ☐ No	80000
Room Rentals	Type:	
Bowling	# of Lanes: Lane Construction: ☐ Wood ☐ Synthetic Complete attached Bowling Center Supplement	
Inflatable Rentals	Complete attached Inflatable Rental Supplement	5000
Paintball	Complete attached Paintball Supplement	
Water Slides	# of Slides: Describe each slide on Addendum below	
Ice Skating	Sq.ft . area of Skating Surface: Surface Composition under ice? Date Last Resurfaced: Rink Is ☐ Indoor ☐ Outdoor Waivers /disclaimers on tickets? ☐ Yes ☐ No	
Roller Skating	Sq.ft . area of Skating Surface: Surface Composition: Max rink capacity at any one time: Waivers /disclaimers on tickets? ☐ Yes ☐ No	

Miscellaneous Activities	**Annual Receipts**
Parking Sales	0

COSSIO INSURANCE AGENCY

INDOOR INFLATABLE CENTER APPLICATION

Rides, Inflatables, Slides Addendum:

Name	Description	Attraction Height	Age/Height Requirements	Manufacturer	Receipts
Superman	see NinaJump.com			NinjaJump	1250
Polar Slide	slide			IDG Inflatable Design	1250
Wild SPorts Game				NinjaJump	1250
Xtreme Racing				Bounce house	1250

COSSIO INSURANCE AGENCY
INDOOR INFLATABLE CENTER APPLICATION

Supplemental Application

Please complete the following, where applicable:

Operations:

1. Average Annual Attendance:	1000	
2. Do you sponsor any sporting or social events? If Yes, describe:	☐ Yes	☑ No
3. Are any alcoholic beverages served?	☑ Yes	☐ No
Wine	☑ Yes	☐ No
Beer	☑ Yes	☐ No
Other	☐ Yes	☑ No
4. Certificates Recd from all concessionaires?	☐ Yes	☑ No
Teams, Leagues, etc.?	☐ Yes	☑ No
5. Do you sponsor any type of competition? If Yes, describe:	☐ Yes	☑ No
6. Do you provide live entertainment?	☐ Yes	☑ No
Live Music	☐ Yes	☐ No
Disc Jockey	☐ Yes	☐ No
Dance Floor	☐ Yes	☐ No
Other, Describe	☐ Yes	☐ No
7. Does facility conduct fireworks display?	☐ Yes	☑ No

Facility Protection:

1. Do you have parking facilities? ☐ Yes ☐ No	If yes	☐ Owned	☐ Leased
2. If open after dark, are parking areas lighted?		☐ Yes	☐ No
3. The fire department is staffed by:		☐ Professionals	☐ Volunteers
4. Is there an independent water source?		☐ Yes	☐ No
5. Distance of nearest fire station to the facility			
6. Is there a fire alarm system on site?		☐ Yes	☐ No
7. Are fire hydrants & hoses easily accessible in all buildings?		☐ Yes	☐ No
8. How often are they checked?			
9. Number of Fire Extinguishers:			
10. Do all indoor facilities comply with all local life-safety codes?		☐ Yes	☐ No
11. Do you comply with all local, state, building, concession, sanitary codes?		☐ Yes	☐ No
12. Distance to nearest Medical Facility:			
13. How many exits from premises?			
14. Is there an emergency lighting system on premises and/or building?		☐ Yes	☐ No
15. How many full time employees do you have?			
16. How many part time or seasonal employees do you have?			
17. Do you employ Security Guards? ☐ Yes ☐ No	If Yes: Are they armed?	☐ Yes	☐ No

COSSIO INSURANCE AGENCY
INDOOR INFLATABLE CENTER APPLICATION

Liability Information

Please Complete

Coverage	Insurance Company	Exp Date	Limits	Premium	Deductible	Premium Basis
General Liability	Auto-Owners	11/16/2012	1000000			
Umbrella						
Workers Comp						

Liability Claims Information*

Indicate below, the # of Claims and Amount Incurred (paid + reserved) in each of the last 5 years:

Year	Number of Claims	Total Incurred Amount
None		
None		
None		
None		
None		

Excluded Activities* (can be handled outside the program)

Mechanical Bull	Bungee Jumping	Skateboarding	Trampolines
Hang Gliding	Sky Diving	Hot Air Balloons	Velcro Jumps
Parasailing	Parachuting	Luge	Tobogganing
Traveling Rides	Temporary Outdoor Mazes	Night Clubs/Discos	

Warranty

It is hereby understood and agreed that if insurance is issued by virtue of completing this application, the Insurance is only issued on the reliance on the applicant's warranty of answers to the questions above. If, at the time a certificate/policy is issued and ANY OF THE ABOVE WARRANTIES IS IN ANY RESPECT INCORRECT, INCLUDING CLAIMS OR GROSS RECEIPTS, THE COVERAGE AFFORDED UNDER THE CERTIFICATE/POLICY shall, without notice to the applicant, immediately and automatically cease, the certificate/policy shall BECOME NULL AND VOID. Warranties will survive a certificate/policy if issued.

APPLICANT (PLEASE PRINT OR TYPE): mark Dantzer

mark Dantzer — 06/14/2012

(Signature of Applicant-Mandatory) — (Date)

BROKER NAME:

(Signature of Producer Completing Application-If Appropriate) — (Date)

COSSIO INSURANCE AGENCY

INDOOR INFLATABLE CENTER APPLICATION

Property Information

Please complete once for each location if you are interested in a quote for your property.

Location Address:	same ,
Construction of Building:	☐ Fire Resistive ☐ Mas.Non/Comb ☐ Joisted Masonry ☐ Frame ☐ Other (describe)
Sprinklered?	☐ Yes ☐ No Fire Alarm? ☐ Yes ☐ No ☐ Cen.Sta. Alarm ☐ Local
Burglar Alarm?	☐ Yes ☐ No Type: ☐ Cen.Sta. Alarm ☐ Local
Year Built:	
Owner:	☐ Yes ☐ No Tenant: ☐ Yes ☐ No

Property Values:

Building:	Contents: 0	Loss of Income:

Include in contents: All Equipment, Furniture _Fixtures, EDP, Improvements and Betterments

Crime Exposures:

On Premises:	Maximum Daily Cash:	Amount Overnight:
	Safe? ☐ Yes ☐ No If Yes, Manufacturer:	
Desired Crime Limit:		

Additional Interests:

1: Name		☐ Landlord
Street		☐ Loss Payee
City & State		☐ Mortgagee
2: Name		☐ Landlord
Street		☐ Loss Payee
City & State		☐ Mortgagee

Carrier Information:

Insurance Co. Name:		
	Annl Property Premium:	Deductible:

Property Claims Information: (Please complete for each year)

None	Number of Claims:	Amount Paid:
None	Number of Claims:	Amount Paid:
None	Number of Claims:	Amount Paid:
None	Number of Claims:	Amount Paid:
None	Number of Claims:	Amount Paid:

COSSIO INSURANCE AGENCY

INDOOR INFLATABLE CENTER APPLICATION

Inflatable Rental Supplement

Please complete the following, where applicable:

Type	Annual Receipts	Annual # Events Or Units Sold	# of Items	Total Value of All Items
☑ Rental With Operators	5000	0	4	10000
☐ Rental Without Operators				

GENERAL INFORMATION:
Complete the following information, where applicable:

1. Are written Instructions, procedures & training provided for operators?: ☑ Yes ☐ No
2. Are there written Customer Training procedures? (please attach): ☑ Yes ☐ No
3. How many attendants/operators accompany each piece of equipment at the rental site? na
4. Describe/List specialized training or memberships: na
5. Is equipment ever left unattended while set up at an event? ☐ Yes ☑ No
6. If Yes, explain:
7. Are there Age/Height/Weight Limitations for Users? ☑ Yes ☐ No
8. If Yes, are they clearly displayed? ☑ Yes ☐ No
9. Do you prohibit the use by adults (>15 yrs old) & children at the same time ☑ Yes ☐ No
10. Are the inflatables set up on flat surface & properly grounded ☑ Yes ☐ No
11. Do you have Watchdog Siren Warning Devices? If Yes, how many: ☐ Yes ☑ No
12. Is protective gear used for Interactive Games? ☐ Yes ☑ No
13. Are Release forms required from users prior to use? (if Yes, attach copy of form) ☑ Yes ☐ No
14. How is equipment transported to and from events? n/a on all insureds site at Waterlanes
15. Do you maintain & operate equipment in accordance with manufacturers instructions? ☑ Yes ☐ No
16. How often is equipment inspected for damages/safety? daily
17. Is there a scheduled maintenance plan? ☑ Yes ☐ No
18. Do Manufacturers provide Certificates of Insurance and are you named as an additional insured? ☐ Yes ☑ No

Location Address: Waterford Lanes, same address

(where equipment is stored

Construction of Building:	☐ Fire Resistive	☑ Mas.Non/Comb	☐ Joisted Masonry	☐ Frame
	☐ Semi	☐ Other:		
Sprinklered?	☐ Yes	☑ No		
Burglar Alarm?	☑ Yes	☐ No	☐ Cen.Sta.	☐ Local

Required Attachments:

v Equipment Schedule v Release Form
v Rental Agreement v Loss Runs

THE CIA
COSSIO INSURANCE AGENCY

INSURED BY THE CIA

PO Box 188
Simpsonville, SC 29681
(864) 688 - 0121
(864) 688 - 0138 fax

Customer ID Number : 51824

CREDIT CARD AUTHORIZATION

There is an additional processing fee of 4% that I am obliged to pay for the ability to use a credit card to pay for my insurance premium, in part or in full. This is an optional charge that I can avoid paying by using a check or wire fund transfer to pay any amounts associated with the cost of my insurance premium.

Example: If my insurance premium that I want to use my credit card to pay is $1000, the amount to be charged to the credit card including the above fee will be $1040.

Billing Information:

Check one: ☐ VISA ☐ MASTERCARD ☐ DISCOVER ☐ AMEX

Authorized Dollar Amount to be charged: $ $1,222.00
Credit card Number:_____ Exp Date: _____
Name on Card:_____
Billing Zip code/House number:_____
Telephone Number:_____
The Three Digit from the back of card: _____

By the signing of this form, I agree that faxed signatures are acceptable to charge my credit card and authorize the above company to charge the dollar amount indicated above onto the Credit Card.

Signature: _____Date: _____

Payment $	$1,175.00
Credit Card Fee $	$47.00
Total $	$1,222.00

P.O. BOX 419090
KANSAS CITY, MO 64141-6090
(816)942-6336 FAX: (816)942-0475

PREMIUM FINANCE AGREEMENT

IPFS CORPORATION

A	**CASH PRICE (TOTAL PREMIUMS)**	**$1,900.00**
B	**CASH DOWN PAYMENT**	**$925.00**
C	**PRINCIPAL BALANCE (A MINUS B)**	**$975.00**

AGENT
(Name & Place of business)
COSSIO INSURANCE AGENCY

107 OLD LAURENS RD.

SIMPSONVILLE,SC 29681
(864)688-0121 FAX: (864)688-0138

INSURED
(Name & Residence or business)
Waterford Lanes Inc
Danny Abraham
7100 Cooley Lake Road

Waterford, MI 48327
(989)345-0200

Commercial

Account #: _____

LOAN DISCLOSURE

Quote Number: 1017176

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	AMOUNT FINANCED	TOTAL OF PAYMENTS
The cost of your credit as a yearly rate.	The dollar amount the credit will cost you.	The amount of credit provided to you or on your behalf.	The amount you will have paid after you have made all payments as scheduled
9.950%	$16.20	$975.00	$991.20

YOUR PAYMENT SCHEDULE WILL BE

Number Of Payments	Amount Of Payments	When Payments Are Due	
3	$330.40	Beginning:	MONTHLY 09/09/2012

ITEMIZATION OF THE AMOUNT FINANCED: THE AMOUNT FINANCED IS FOR APPLICATION TO THE PREMIUMS SET FORTH IN THE SCHEDULE OF POLICIES UNLESS OTHERWISE NOTED.

Security: Refer to paragraph 1 below for a description of the collateral assigned to Lender to secure this loan.
Late Charges: A late charge will be imposed on any installment in default 10 days or more. This late charge will be 5.00% of the installment due.
Prepayment: If you pay your acccount off early, you may be entitled to a refund of a portion of the finance charge in accordance with Rule of 78's or as otherwise allowed by law. The finance charge includes a predetermined interest rate plus a non-refundable service/origination fee of $18.00. See the terms below and on the next page for additional information about nonpayment, default and penalties.

POLICY PREFIX AND NUMBER	EFFECTIVE DATE OF POLICY	SCHEDULE OF POLICIES INSURANCE COMPANY AND GENERAL AGENT	COVERAGE	MINIMUM EARNED PERCENT	POL TERM	PREMIUM
TBD (25607)	08/09/2012	RIVERPORT INSURANCE CO FRANCIS L DEAN & ASSOCIATES OF FL	GENERAL LIABILITY	35.00%	12	1,500.00
					Broker Fee:	$400.00
					TOTAL:	$1,900.00

The undersigned insured directs IPFS Corporation (herein, "Lender") to pay the premiums on the policies described on the Schedule of Policies. In consideration of such premium payments, subject to the provisions set forth herein, the insured agrees to pay Lender at the branch office address shown above, or as otherwise directed by Lender, the amount stated as Total of Payments in accordance with the Payment Schedule, in each case as shown in the above Loan Disclosure. The named insured(s), on a joint and several basis if more than one, hereby agree to the following provisions set forth on pages 1 and 2 of this Agreement: **1. SECURITY**: To secure payment of all amounts due under this Agreement, insured assigns Lender a security interest in all right, title and interest to the scheduled policies, including (but only to the extent permitted by applicable law): (a) all money that is or may be due insured because of a loss under any such policy that reduces the unearned premiums (subject to the interest of any applicable mortgagee or loss payee), (b) any unearned premium under each such policy, (c) dividends which may become due insured in connection with any such policy and (d) interests arising under a state guarantee fund. **2. POWER OF ATTORNEY**: Insured irrevocably appoints its Lender attorney-in-fact with full power of substitution and full authority upon default to cancel all policies above identified, receive all sums assigned to its Lender or in which it has granted Lender a security interest and to execute and deliver on behalf of the insured documents, instruments, forms and notices relating to the listed insurance policies in furtherance of this Agreement.

NOTICE: A. Do not sign this agreement before you read it or if it contains any blank space. B. You are entitled to a completely filled in copy of this agreement. C. Under the law, you have the right to pay in advance the full amount due and under certain conditions to obtain a partial refund of the finance charge. D. Keep your copy of this agreement to protect your legal rights.

The undersigned hereby warrants and agrees to Agent's Representations set forth herein.

Signature of Insured or Authorized Agent _____ DATE _____ Signature of Agent _____ DATE _____

(10/11) Copyright 2011 IPFS Corporation

Insured and Lender further agree that:**3. POLICY EFFECTIVE DATES**: The finance charge begins to accrue as of the earliest policy effective date. **4. AGREEMENT EFFECTIVE DATE**: This Agreement shall be effective when written acceptance is mailed to the insured by Lender. **5. DEFAULT AND DELINQUENT PAYMENTS**: If any of the following happens insured will be in default: (a) a payment is not made when it is due, (b) a proceeding in bankruptcy, receivership, insolvency or similar proceeding is instituted by or against insured, or (c) insured fails to keep any promise the insured makes in this Agreement; provided, however, that, to the extent required by applicable law, insured may be held to be in default only upon the occurrence of an event described in clause (a) above. The acceptance by Lender of one or more late payments from the insured shall not estop Lender or be a waiver of the rights of Lender to exercise all of its rights hereunder or under applicable law in the event of any subsequent late payment. **6. CANCELLATION**: Lender may cancel the scheduled policies after providing at least 10 days notice of its intent to cancel or any other required statutory notice if the insured does not pay any installment according to the terms of this Agreement or transfers any of the scheduled policies to a third party and the unpaid balance due to Lender shall be immediately due and payable by the insured. Lender at its option may enforce payment of this debt without recourse to the security given to Lender. **7. CANCELLATION CHARGES**: If Lender cancels any insurance policy in accordance with the terms of this Agreement and applicable law, then the insured shall pay Lender a cancellation charge equal to $5.00 or the maximum amount permitted by law. If cancellation occurs, the insured agrees to pay a finance charge on the outstanding indebtedness at the maximum rate authorized by applicable state law in effect on the date of cancellation until the outstanding indebtedness is paid in full or until such other date as required by law. (Not applicable in KY, NV, and VT) **8. INSUFFICIENT FUNDS (NSF) CHARGES**: If insured's check or electronic funding is dishonored for any reason, the insured will pay to Lender a fee of $20.00 or the maximum amount permitted by law. (Not applicable in AL and KY). **9. MONEY RECEIVED AFTER CANCELLATION**: Any payments made to Lender after Lender's Notice of Cancellation of the insurance policy(ies) has been mailed may be credited to the insured's account without any obligation on the part of Lender to request reinstatement of any policy. Any money Lender receives from an insurance company shall be credited to the balance due Lender with any surplus refunded to whomever is entitled to the money. In the event that Lender does request a reinstatement of the policy(ies) on behalf of the insured, such a request does not guarantee that coverage under the policy(ies) will be reinstated or continued. Only the insurance company has authority to reinstate the policy(ies). The insured agrees that Lender has no liability to the insured if the policy(ies) is not reinstated and Lender may charge a reinstatement fee where permitted up to the maximum amount allowed by law. **10. ASSIGNMENT**: The insured agrees not to assign this Agreement or any policy listed hereon or any interest therein (except for the interest of mortgagees or loss payees), without the written consent of Lender, and that Lender may sell, transfer and assign its rights hereunder or under any policy without the consent of the insured, and that all agreements made by the insured hereunder and all rights and benefits conferred upon Lender shall inure to the benefit of Lender's successors and assigns (and any assignees thereof). **11. INSURANCE AGENT OR BROKER**: The insured agrees that the insurance agent or broker soliciting the policies or through whom the policies were issued is not the agent of Lender; and the agent or broker named on the front of this Agreement is neither authorized by Lender to receive installment payments under this Agreement nor to make representations, orally or in writing, to the insured on Lender's behalf (except to the extent expressly required by applicable law). As and where permissible by law, Lender may compensate your agent/broker for assisting in arranging the financing of your insurance premiums. If you have any questions about this compensation you should contact your agent/broker. **12. FINANCING NOT A CONDITION**: The law does not require a person to enter into a premium finance agreement as a condition of the purchase of insurance. **13. COLLECTION COSTS**: Insured agrees to pay attorney fees and other collection costs to Lender to the extent permitted by law if this Agreement is referred to an attorney or collection agency who is not a salaried employee of Lender, to collect any money insured owes under this Agreement. (Not applicable in KY) **14. LIMITATION OF LIABILITY**: The insured agrees that Lender's liability to the insured, any other person or entity for breach of any of the terms of this Agreement for the wrongful or improper exercise of any of its powers under this Agreement shall be limited to the amount of the principal balance outstanding, except in the event of Lender' gross negligence or willful misconduct (not applicable in KY). Insured recognizes and agrees that Lender is a lender only and not an insurance company and that in no event does Lender assume any liability as an insurer hereunder or otherwise. **15. CLASSIFICATION AND FORMATION OF AGREEMENT**: This Agreement is and will be a general intangible and not an instrument (as those terms are used in the Uniform Commercial Code) for all purposes. Any electronic signature or electronic record may be used in the formation of this Agreement, and the signatures of the insured and agent and the record of this Agreement may be in electronic form (as those terms are used in the Uniform Electronic Transactions Act). A photocopy, a facsimile or other paper or electronic record of this Agreement shall have the same legal effect as a manually signed copy. **16. REPRESENTATIONS AND WARRANTIES**: The insured represents that (a) the insured is not insolvent or presently the subject of any insolvency proceeding (or if the insured is a debtor of bankruptcy, the bankruptcy court has authorized this transaction), (b) if the insured is not an individual, that the signatory is authorized to sign this Agreement on behalf of the insured, (c) all parties responsible for payment of the premium are named and have signed this Agreement, and (d) there is no term or provision in any of the scheduled policies that would require Lender to notify or get the consent of any third party to effect cancellation of any such policy. **17. PRIVACY**: Our privacy policy may be found at https://www.ipfs.com/Privacy.aspx. **18. ENTIRE DOCUMENT / GOVERNING LAW**: This document is the entire Agreement between Lender and the insured and can only be changed in writing and signed by both parties except that the insured authorizes Lender to insert or correct on this Agreement, if omitted or incorrect, the insurer's name and the policy number(s). Lender is also authorized to correct patent errors and omissions in this Agreement. In the event that any provision of this Agreement is found to be illegal or unenforceable, it shall be deemed severed from the remaining provisions, which shall remain in full force and effect. The laws of the State of Michigan will govern this Agreement. **19. AUTHORIZATION**: The insurance company(ies) and their agents, any intermediaries and the agent / broker named in this Agreement and their successors and assigns are hereby authorized and directed by insured to provide Lender with full and complete information regarding all financed insurance policy(ies), including without limitation the status and calculation of unearned premiums, and Lender is authorized and directed to provide such parties with full and complete information and documentation regarding the financing of such insurance policy(ies), including a copy of this Agreement and any related notices. **20. WAIVER OF SOVERIGN IMMUNITY**: The insured expressly waives any sovereign immunity available to the insured, and agrees to be subject to the laws as set forth in this Agreement (and the jurisdiction of federal and/or state courts) for all matters relating to the collection and enforcement of amounts owed under this Agreement and the security interest in the scheduled policies granted hereby.

AGENT/BROKER REPRESENTATIONS

The agent/broker executing this agreement represents, warrants and agrees: (1) installment payments totaling $0.00 and the down payment indicated in Box "B" on Page 1 has been received from the insured in immediately available funds, (2) the insured has received a copy of this Agreement; if the agent/broker has signed this Agreement on the insured's behalf, the insured has expressly authorized the agent/broker to sign this Agreement on its behalf or, if the insured has signed, to the best of the undersigned's knowledge and belief such signature is genuine, (3) the policies are in full force and effect and the information in the Schedule of Policies including the premium amounts is correct, (4) no direct company bill, audit, or reporting form policies or policies subject to retrospective rating or to minimum earned premium are included, except as indicated, and the deposit of provisional premiums is not less than anticipated premiums to be earned for the full term of the policies, (5) the policies can be cancelled by the insured or Lender (or its successors and assigns) on 10 days notice and the unearned premiums will be computed on the standard short rate or pro rata table except as indicated, (6) there are no bankruptcy, receivership, or insolvency proceedings affecting the insured, (7) to hold Lender, its successors and assigns harmless against any loss or expense (including attorney fees) resulting from these representations or from errors, omissions or inaccuracies of agent/broker in preparing this Agreement, (8) to pay the down payment and any funding amounts received from Lender under this Agreement to the insurance company or general agent (less any commissions where applicable), (9) to hold in trust for Lender or its assigns any payments made or credited to the insured through or to agent/broker directly or indirectly, actually or constructively by the insurance companies and to pay the monies, as well as the unearned commissions to Lender or its assigns upon demand to satisfy the outstanding indebtness of the insured, (10) all material information concerning the insured and the financed policies necessary for Lender to cancel such policies and receive the unearned premium has been disclosed to Lender, (11) no term or provision of any financed policy requires Lender to notify or get the consent of any third party to effect cancellation of such policy, and (12) to promptly notify Lender in writing if any information on this Agreement becomes inaccurate.