



Insured by The CIA

10/11/2013

Company Name: **Party Bounce of America Inc.**  
 Contact Name: **Jennifer Sharman**  
 Mailing Address: **43337 Crystal Lake Street, Leesburg, VA 20176**  
 Location Address: **44710 Cape Court #116, Ashburn, VA, 20147**  
 Business Type: **Indoor Inflatable Center**

**POLICY RECOMMENDATIONS:**

Policy Type		Premium
<b>General Liability (Indoor Center)</b>	<b>Quoted</b>	<b>\$6,170.00</b>
Property	Not Quoted	
Commercial Umbrella	Not Quoted	
EPLI	Not Quoted	
Flood	Not Quoted	
Earthquake	Not Quoted	
Workers Comp	Not Quoted	
Commercial Auto	Not Quoted	
Business Income	Not Quoted	
Abuse and Molestation	Not Quoted	
Crime Coverage	Not Quoted	
Excess Liability	Not Quoted	
<b>Total</b>		<b>\$6,170.00</b>

Payment Options	Check	Credit Card	Wire Transfer
Min Down Payment	\$1,842.50	\$1,916.20	\$1,867.50
Pay In Full	\$6,170.00	N/A	\$6,195.00

**DOCUMENTS REQUIRED PRIOR TO BINDING:**

1. **Completed and signed Insurance Bind Request Form (attached)**
2. **Signed and dated Finance Agreement (attached) if you are not paying in full.**
3. **Signed and dated Insurance Application (attached)**
4. **Completed and signed Abuse & Molestation Exclusion Form (attached)**

Policy coverages, limits, exclusions are on following pages.

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

## General Liability (Indoor Center)

Carrier: **NATIONWIDE MUTUAL INS. CO.**

Policy Term: **2013-2014**

### LIMITS

Each Occurrence	\$1,000,000
General Agg (Other than Products-Completed Ops)	\$5,000,000
Products and Completed Operations Aggregate	\$1,000,000
Personal and Advertising Injury	\$1,000,000
Hired and Non Owned Auto	\$1,000,000
Legal Liability to Participants	\$1,000,000
Damages to Premises Rented to You	\$300,000
Medical Expense (other than participants)	Excluded
Participant Accident - Excess Medical	\$10,000
Sexual Abuse Liability Each Occurrence or Event	Excluded
Sexual Abuse Liability Aggregate	Excluded

### EXCLUSIONS

- Fireworks Exclusion
- Employment-Related Practices
- Exclusion - Coverage C -Medical Payments
- Nuclear Energy Liability Exclusion
- Fungi or Bacteria Exclusion
- Lead Exclusion
- Asbestos Liability Exclusion
- Exclusion of Liability Insurance Afforded Under Another Policy
- Abuse, Molestation, Harassment or Sexual Conduct Exclusion
- Expected or Intended Injury
- Contractual Liability
- Liquor Liability
- Workers' Compensation and Similar Laws
- Employer's Liability
- Pollution
- Aircraft, Auto or Watercraft
- Mobile Equipment
- War
- Damage to Property
- Damage to your Product
- Damage to your Work
- Damage to impaired property or property not physically injured
- Recall of Products, Work or Impaired Property
- Electronic Data
- Violation of Statutes that Govern Emails, Fax, Phone Calls or Other Methods of Sending Material or Information

### CONDITIONS

- **Coverage is non-auditable. A 12 month Income Statement may be required from you prior to your renewal term.**

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- All equipment is inspected, repaired, operated and maintained in accordance with the manufacturer's instruction.
- All personnel are sufficiently trained on all equipment and procedures.
- Waiver of right of recovery is included.
- Bodily injury definition is expanded to include mental anguish, mental injury, shock, fright, humiliation, emotional distress or death resulting from bodily injury, sickness or disease.
- Managers or Lessor of Premises is added as Additional Insured - As requested and endorsed.
- Owners and/or Lessors of Premises, Sponsors or Co-Promoters Blanket Additional Insured Form
- Designated Person or Organization - As requested and endorsed.
- Additional Insured-Owners/Lessor of leased Equipment - As requested and endorsed
- Coverage is Primary
- Coverage includes expected or intended injury resulting from the use of reasonable force to protect persons or property.
- Non-owned watercraft - extended to 58 feet
- Supplementary payments - \$2,500 bail bonds, \$500 a day loss of earnings
- Damage to Premises Rented to You - the term fire is replaced with fire, lightning, explosion, smoke and leaks from sprinklers
- Additional coverage's included:
  - Emergency Real Estate Consultant Fee - \$25,000
  - Identity Theft Exposure (for directors or officers) - \$25,000
  - Key Individual Replacement Cost - \$50,000
  - Lease Cancellation Moving Expense - \$2,500
  - Temporary Meeting Place - \$25,000
  - Terrorism Travel Reimbursement (for directors or officers) - \$25,000
  - Workplace Violence Counseling - \$25,000

#### NOTES

- All fees are fully earned upon binding.
- Minimum earned premium applies. \$1,842.50 is non-refundable once coverage begins.
- Quote is based on annual gross sales of \$590,000.
- Nationwide Mutual Insurance Company is an admitted carrier in your state.
- 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.
- Quote is valid for 30 days and subject to correction.
- Flat cancellations are not permitted.
- The quote provided for you is intended as an outline of the coverage being offered. Please refer to the actual policy for all terms, conditions and exclusions.

We would like to thank you for the opportunity to quote and hopefully provide our insurance services for your business. We pride ourselves in our customer service and ability to provide coverage that other agencies cannot.

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

Respectfully

*Larry Cassio*

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



# INSURANCE BIND REQUEST

Friday, October 11, 2013

Phone: 864-688-0121  
Fax: 864-688-0138

Customer: Party Bounce of America Inc. (31726)  
Requested Effective: 10/27/2013

**Total premium with taxes and fees: \$6,170.00**

Broker of Record: Cossio Insurance Agency

Down Payment Required is **\$1,842.50** \*

\*Amount is non-refundable once coverage begins  
Taxes and fees are fully earned.

**Payment Terms:**

- Check
- Credit Card (4% processing fee will be added)
- Wire Transfer (\$25 will be added for processing fee)

**Balance Due \$4,327.50**

I would like Cossio to set up financing through Premium for me:

- Yes
- No

I decline coverage for	Initials
Property	_____
Commercial Umbrella	_____
EPLI	_____
Flood	_____
Earthquake	_____
Workers Comp	_____
Commercial Auto	_____
Business Income	_____
Abuse and Molestation	_____
Crime Coverage	_____
Excess Liability	_____

I understand that:

- All fees are fully earned upon binding. \*Minimum earned premium applies. **Initial** \_\_\_\_\_
- Requests for Additional Insured's or special wording may be subject to a fee determined by your insurance carrier. **Initial** \_\_\_\_\_
- The premium quoted above includes a \$400.00 broker fee which is not refundable and is fully earned upon binding. **Initial** \_\_\_\_\_

Please make Cossio Insurance Agency my broker of record for this policy.

Thank you

**Signature of Insured** \_\_\_\_\_

**Printed Name** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Please bind coverage for:**

- General Liability (Indoor Center)

**General Mailing Address:**

PO Box 188  
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

**UPS/FedEx Mailing Address:**

107 Old Laurens Road  
Simpsonville, SC 29681



# FAMILY ENTERTAINMENT CENTER RENEWAL

Cossio Insurance Agency • 864-688-0121 • Fax: 864-688-0138 • PO Box 188 Simpsonville SC 29681

## DIRECTIONS:

1. Complete the application (all pages) in full by filling in the blue fields.
2. Please fill in all the fields with the correct information.
3. Email the application to apps@cossioinsurance.com or Fax to 864-688-0138

## Section 1: GENERAL INFORMATION

Corporate Name: Party Bounce of America Inc.

Mailing Address: 43337 Crystal Lake Street

City: Leesburg

State: VA

Zip: 20176

Telephone # in off Season: 703-798-9530

Phone: 703-798-9530

Fax:

Email Address: jennsharman@aol.com

Birth Date:

Last Years Anticipated Receipts: \$

Upcoming Anticipated Receipts: \$ 590,000

Website: www.sportbounce.com

## Section 2: GENERAL LIABILITY

Location(s) Covered:

44710 Cape Ct #116 Ashburn VA 20147

Fill in below, total annual receipts for each attraction at above facility (facilities)

Coin-Op Amusement Equipment	Annual Receipts \$
Bumper Boats	Annual Receipts \$
Bumper Cars	Annual Receipts \$
Batting/Pitching Cages	Annual Receipts \$
Coin-Op Rides	Annual Receipts \$
Go Karts	Annual Receipts \$
Attendant Operated Rides	Annual Receipts \$
Laser Tag	Annual Receipts \$
Bounce Play/Soft Play	Annual Receipts \$ 79,042.87
Miniature Golf	Annual Receipts \$
Driving Ranges	Annual Receipts \$
Gift/Pro-Shops	Annual Receipts \$
Food Operations    Concession? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Annual Receipts \$ 135,086.83
Alcoholic Beverages	Annual Receipts \$
Room Rentals	Annual Receipts \$ 375,870.30



# FAMILY ENTERTAINMENT CENTER RENEWAL

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## Section 2: GENERAL LIABILITY

Climbing Wall	Annual Receipts \$
Bowling	Annual Receipts \$
Paintball	Annual Receipts \$
Bungee Trampoline	Annual Receipts \$
Off-Site Inflatable Rentals	Annual Receipts \$
Other: (describe)	Annual Receipts \$
Other: (describe)	Annual Receipts \$
Other: (describe)	Annual Receipts \$
Other: (describe)	Annual Receipts \$

Have you made any operational changes since your 08-09 application?  Yes  No

If Yes, describe: (Examples: name changes or additional names, new attractions, location changes, etc.)

## Section 3: NEW ATTRACTIONS

Please complete the following for any new operations not previously reported:

#	Name	Description	Attraction Hgt.	Age/Hgt. Requirements	Manufacturer	Receipts
1						
2						
3						
4						
5						
6						
7						
8						
9						

NOTE: You must notify us of all current & new attractions

**Property Information:** Attached is a listing of the locations & values currently insured for Property. Please review the list and make any necessary changes or indicate no changes needed.

**Loss Information:** If you were insured with another Insurance Company in the last 5 years, please provide updated loss runs for that period.



**FRAUD NOTICE**

**GENERAL STATEMENT:** Any person who knowingly and with intent to defraud any insurance company or another person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and subjects the person to criminal and [NY: substantial] civil penalties. (Not applicable in CO, DC, FL, HI, KS, MA, MN, NE, OH, OK, OR, VT or WA; in LA, ME, TN, and VA, insurance benefits may also be denied)

**APPLICABLE IN COLORADO:** It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policy holder or claimant for the purpose of defrauding or attempting to defraud the policy holder or claimant with regard to a settlement of award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

**APPLICABLE IN THE DISTRICT OF COLUMBIA: WARNING:** It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits, if false information materially related to a claim was provided by the applicant.

**APPLICABLE IN FLORIDIA:** Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

**APPLICABLE IN HAWAII:** For your protection, Hawaii law requires you to be informed that presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment, or both.

**APPLICABLE IN KANSAS:** Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act.

**APPLICABLE IN MASSACHUSETTS, NEBRASKA, OREGON AND VERMONT:** Any person who knowingly and with intent to defraud any insurance company or another person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading information concerning any fact material thereto, may be committing a fraudulent insurance act, which may be a crime and may subject the person to criminal and civil penalties.

**APPLICABLE IN MINNESOTA:** Any person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

**APPLICABLE IN OHIO:** Any person who, with intent to defraud or knowing that he/she is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deception statement is guilty of insurance fraud.

**APPLICABLE IN OKLAHOMA: WARNING:** Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

**APPLICABLE IN WASHINGTON:** It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits.

I understand that the insurance company, in determining in whether to provide insurance coverage, will rely on the information contained in this form and all other information submitted. I hereby warrant, represent and confirm that, to the best of my knowledge, all information provided is complete, true and correct.

Insured Signature:	Date:
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**SAVE APPLICATION**





## ABUSE OR MOLESTATION EXCLUSION ACKNOWLEDGEMENT FORM

Cossio Insurance Agency • 864-688-0121 • Fax: 864-688-0138 • PO Box 188 Simpsonville SC 29681

This letter is to acknowledge that we have provided you with a quote for your business with limits that might be lower than your previous coverage.

It is hereby understood and agreed that the General Liability policy provided to you excludes coverage for claims arising out of sexual abuse or molestation.

### LIMITS OF LIABILITY

**Excluded** per person abused or molested regardless of the number of incidents involving that person, including defense cost;

**Excluded** aggregate per policy period.

### SELECTION OR REJECTION OF HIGHER LIMITS FOR ABUSE & MOLESTATION

I hereby elect to purchase higher liability limits for abuse and molestation claims for an additional premium. I will also conduct background checks for all my full time employees as required by the insurance company. I will also have a minimum of two (2) employees on site at all times.

Limits Requested:

I hereby reject to purchase higher liability limits for abuse and molestation claims. I understand that the most that will be paid for abuse and molestation claims are listed above.

### SIGNATURE

Signature:

Print Name:

Company Name:

Date:



## CREDIT CARD AUTHORIZATION

Cossio Insurance Agency • 864-688-0121 • Fax: 864-688-0138 • PO Box 188 Simpsonville SC 29681

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.

Customer ID Number: Party Bounce of America Inc. (31726)

### BILLING INFORMATION

Check one:  VISA  MASTERCARD  DISCOVER  AMERICAN EXPRESS

Authorized Dollar Amount to be charged: \$ \$1,916.20

Credit card Number:

Expiration Date:

Name on Card:

Billing Zip code/House number:

Phone Number:

The Three Digit from the back of card:

### SIGNATURE

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: \$ \$1,842.50

Credit Card Fee: \$ \$73.70

Total: \$ \$1,916.20

<b>A</b>	<b>CASH PRICE (TOTAL PREMIUMS)</b>	<b>\$6,170.00</b>
<b>B</b>	<b>CASH DOWN PAYMENT</b>	<b>\$1,842.50</b>
<b>C</b>	<b>PRINCIPAL BALANCE (A MINUS B)</b>	<b>\$4,327.50</b>

<b>AGENT</b> (Name & Place of business) COSSIO INSURANCE AGENCY  P.O. BOX 188 SIMPSONVILLE, SC 29681 (864)688-0121 FAX: (864)688-0138	<b>INSURED</b> (Name & Residence or business) Party Bounce of America Inc. Jennifer Sharman 43337 Crystal Lake Street  Leesburg, VA 20176 (703)798-9530
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Commercial

Account #: \_\_\_\_\_

**LOAN DISCLOSURE**

Quote Number: 2014362

<b>ANNUAL PERCENTAGE RATE</b> The cost of your credit as a yearly rate.  9.950%	<b>FINANCE CHARGE</b> The dollar amount the credit will cost you.  \$181.41	<b>AMOUNT FINANCED</b> The amount of credit provided to you or on your behalf.  \$4,327.50	<b>TOTAL OF PAYMENTS</b> The amount you will have paid after you have made all payments as scheduled  \$4,508.91
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**YOUR PAYMENT SCHEDULE WILL BE**

<b>Number Of Payments</b> 9	<b>Amount Of Payments</b> \$500.99	<b>When Payments Are Due</b> <b>Beginning:</b> MONTHLY 11/27/2013
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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 7 days or more. This late charge will be 5.00% of the installment due.

**Prepayment:** If you pay your account 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 \$15.00. 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 (33777)	10/27/2013	NATIONWIDE MUTUAL INSURANCE CO K&K INSURANCE GROUP, INC.	GENERAL LIABILITY	25.00%	12	5,770.00
Broker Fee:						\$400.00
TOTAL:						\$6,170.00

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 any and all unearned premiums and all dividends which may become payable under the scheduled policies and, if any such policy has a fully earned clause or loss sensitive clause, all loss payments under said policy(ies) which reduce the unearned premiums (subject to any mortgagee or loss payee interests). **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  
 (10/11) Copyright 2011 IPFS Corporation

DATE

Signature of Agent

DATE

Insured and Lender further agree that: **3. POLICY EFFECTIVE DATES:** The finance charge begins to accrue from the earliest policy effective date or the effective date of this Agreement, whichever is earlier. **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 or (b) insured transfers any of the scheduled policies to a third party. 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 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. **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. **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. **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:** Unless specifically authorized in writing by Lender, 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. **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. **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's gross negligence or willful misconduct. 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) the Insured signing this Agreement has the right 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 correct the insurer's name on this Agreement, if incorrect, and to insert or correct the policy number(s) if omitted or incorrect. Lender is also authorized to correct patent errors 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 Virginia will govern this Agreement. **19. AUTHORIZATION:** The insurance company(ies) and their agents 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 (except for assigned risk or residual policies) 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 on the schedule of policies, (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 indebtedness 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.