



Manufacturer's Limited Product Warranty

Shaw Contract Flooring Services, Inc. dba Shaw Sports Turf® endeavors to use the highest quality materials and the latest manufacturing techniques in the production of our Synthetic Turf products. Our products are manufactured within our product tolerances which permit Shaw Sports Turf® to offer a guarantee against defects in materials and workmanship with respect to Shaw Sports Turf® Synthetic Turf products for a period of eight (8) years from the date of Substantial Completion.

The term Synthetic Turf, as used herein, shall include only the synthetic turf fibers and backings supplied by Shaw Sports Turf®.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS LIMITED WARRANTY, THIS LIMITED WARRANTY SHALL NOT COVER ANY DEFECTS, FAILURE IN OR DAMAGE TO THE SYNTHETIC TURF THAT IS:

- (a) due or attributable to abuse, misuse, negligence, improperly prepared base or site work
- (b) installed, repaired, altered or replaced by any person other than an authorized Shaw Sports Turf installer;
- (c) damaged, directly or indirectly, including but not limited to, on account of, accident, vandalism, machinery, spiked shoes, animals, misuse, fire, flood, war, chemical reactions, acts of God, static or dynamic loads exceeding Shaw Sports Turf® specifications at time of installation, improper or faulty subsurface preparation, failure of the subsurface after installation including settling of the surface, or improper cleaning methods;
- (d) exposed to light other than natural light or approved artificial light; or
- (e) not maintained in accordance with Shaw Sports Turf® recommendations, including the care and maintenance of the infill system (if applicable)
- (f) caused by ordinary wear & tear.
- (g) results from use for any purpose other than those approved in writing by Shaw Sports Turf.

THE EXPRESS WARRANTIES SET FORTH IN THIS LIMITED WARRANTY ARE IN LIEU OF AND EXCLUDE ANY AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

No person or party is authorized to create any obligation or liability for Shaw Sports Turf® and only the limited warranty expressed herein shall apply.

Shaw Sports Turf's obligations under this limited warranty are restricted to the repair or, at Shaw Sports Turf's sole option, replacement of all, or the affected parts covered herein. Shaw Sports Turf's liability under this limited warranty is limited to the non-prorated replacement value of the item to be repaired or replaced. IN NO EVENT SHALL THE OBLIGATIONS OF SHAW SPORTS TURF® UNDER THIS LIMITED WARRANTY EXCEED THE PURCHASE PRICE OF THE PRODUCT.

The remedy of repair or replacement set forth herein shall be the sole and exclusive remedy of the Warranty Holder and Shaw Sports Turf® shall have no other obligations or liability in connection with any matter or thing, including without limitation, the condition or quality of the Synthetic Turf. WITHOUT LIMITATION OF THE FOREGOING, IN NO EVENT SHALL SHAW SPORTS TURF® BE LIABLE TO THE WARRANTY HOLDER OR ANY OTHER PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES CONNECTED WITH THE USE OF THIS PRODUCT, INCLUDING, WITHOUT LIMITATION, CLAIMS FOR DAMAGES RELATING TO PERSONAL INJURY, LOST TIME OR CONVENIENCE, LOSS OF USE OF THE PRODUCT, LOST PROFITS OR REVENUES, DOWNTIME COSTS, THE LOSS OF PERSONAL OR COMMERCIAL PROPERTY, THE COSTS OF TELEPHONE, TRAVEL OR LODGING, OR ANY OTHER DAMAGES.

Shaw Sports Turf® endeavors to handle all warranty claims promptly and professionally. The obligations of Shaw Sports Turf® under this Limited Warranty are conditional on Shaw Sports Turf® having been paid in full with respect to this project, including all change orders at time of claim.

It is agreed that all claims by purchaser made under the foregoing limited warranty shall be invalid unless made in writing to Shaw Sports Turf® within eight (8) years from date of Substantial Completion and within (30) days of learning of the defect giving rise to its claim.

This Limited Warranty is not transferable.

Issued to: _____
As Warranty Holder

Project Name: _____

Installation Location: _____

Date of Substantial Completion: _____

Expiry Date: _____

Signed: _____

NATIONAL FIRE & MARINE INSURANCE COMPANY

a stock insurance company
Omaha, Nebraska

Policy Number 92SPL100188

THIS CONTRACT IS REGISTERED AND DELIVERED AS A SURPLUS LINE COVERAGE
UNDER THE SURPLUS LINE INSURANCE LAW, O.C.G.A.CHAPTER 33-5.

NATIONAL FIRE & MARINE INSURANCE COMPANY

**CONTRACTUAL LIABILITY INSURANCE POLICY
FOR NAMED INSURED-ISSUED 8-YEAR
MANUFACTURER'S LIMITED WARRANTIES**

DECLARATIONS

Name and Address of Named Insured:

Shaw Contract Flooring Services, Inc.
d/b/a Shaw Sports Turf
185 South Industrial Blvd.
Calhoun, GA 30701

In consideration of the premium, insurance under all sections of this Policy is provided to the Named Insured only, and only with respect to those coverages for which a limit of liability is shown, subject to all the and conditions terms of this Policy including all forms and endorsements made part thereof.

THIS IS A CLAIMS-MADE POLICY. PLEASE READ IT CAREFULLY.

1. INCEPTION: 12:01 A.M. Standard Time at the Address of the Named Insured
2. COVERAGE: Contractual Liability for Named Insured-Issued Warranties
3. LIMITS OF INSURANCE:
 - a. Per Insured Warranty Limit: \$10,000,000.00
 - b. Annual Aggregate Limit: \$60,000,000.00
 - c. Policy Aggregate Limit \$60,000,000.00
4. POLICY PREMIUM:
5. POLICY PERIOD: October 22, 2017 – October 22, 2018



Signature of Authorized Representative

**CONTRACTUAL LIABILITY INSURANCE POLICY
FOR NAMED INSURED-ISSUED 8-YEAR
MANUFACTURER'S LIMITED WARRANTIES**

A. Insuring Agreement

- (1) In consideration of the payment of the Policy Premium and subject to all of the terms and conditions of the Policy, the Company will pay those amounts payable under an Insured Warranty that have not been paid or otherwise discharged by or on behalf of the Named Insured and that the Named Insured otherwise cannot pay or discharge.

This insurance applies only if:

- (a) The Named Insured files a petition or has an involuntary petition filed against it, or becomes insolvent, under any applicable federal or state bankruptcy or insolvency law or admits that it cannot meet its financial obligations as they become due;
 - (b) Such Insured Warranty was issued during the Policy Period; and
 - (c) The Contractual Obligations pursuant to which the costs were incurred resulted in a valid claim made under an Insured Warranty which was reported to the Company in accordance with Section E. Conditions.
- (2) The Company will have no duty to defend the Named Insured or pay any defense costs in any claim or suit brought by a Warranty Holder or any other party seeking damages due to the failure of the Named Insured to fulfill its Contractual Obligations.
 - (3) This Policy cannot be cancelled by the Named Insured.

B. Term

The term of the Policy shall be the Policy Period as noted on the Declarations Page.

C. Limits of Insurance

- (1) Per Insured Warranty Limit: subject to the Named Insured's Contractual Obligations, the Annual Aggregate Limit, and the Policy Aggregate Limit, the Per Insured Warranty Limit is the most the Company will pay for valid claims arising under any one Insured Warranty.
- (2) Annual Aggregate Limit: subject to the Policy Aggregate Limit, the Annual Aggregate Limit is the most the Company will pay in any one calendar year regardless of the number of claims made under any Insured Warranties.
- (3) Policy Aggregate Limit: the most the Company will pay regardless of the number of Insured Warranties.

D. Exclusions

This Policy does not apply to any of the following, or to any liability or obligation arising in connection with any of the following:

- (1) Any liability, cost, expense, damage, charge, assessment, exposure, or detrimental description other than the Named Insured's inability to fulfill its Contractual Obligations under an Insured Warranty;
- (2) Any warranty, representation, promise, covenant, commitment, guarantee, or other duty or obligation except a Contractual Obligation;
- (3) Any implied warranty of merchantability or fitness;
- (4) Any negligence, gross negligence, misrepresentation, willful or intentional misconduct, strict liability, or any fraudulent, dishonest, or criminal act;
- (5) The inability of the Named Insured to fulfill its Contractual Obligations under an Insured Warranty if the Warranty Holder has not met all of its obligations under the Insured Warranty;
- (6) Fines, penalties, liquidated damages, and punitive or exemplary damages; or
- (7) Attorneys' fees or any other costs or expenses resulting from action taken to enforce Contractual Obligations.

E. Conditions

- (1) **REPORT OF SALE OF INSURED WARRANTY:** The Named Insured shall report to the Company all Insured Warranties issued during each calendar quarter within sixty (60) days after quarter's end. Such report shall also indicate the specific Manufacturer's Limited Warranty applicable to each Insured Warranty.
- (2) **CHANGES TO WARRANTY:** The Named Insured shall obtain the Company's approval for any changes in the terms, conditions, or other provisions of a Manufacturer's Limited Warranty before it can be considered an Insured Warranty.
- (3) **INSPECTION AND AUDIT:** The Company at any reasonable time can visit the Named Insured's premises and inspect, audit, and copy the books and records maintained by or for the Named Insured as they pertain to any coverage under the Policy. Such rights shall exist so long as any Insured Warranties are in force and in effect plus two (2) years. No exercise of the foregoing rights shall constitute an undertaking by the Company, on behalf of or for the benefit of the Named Insured or others, to determine or warrant that any property, premises, procedures, actions, or operations are in compliance with any law, rule, or regulation.
- (4) **BANKRUPTCY OR INSOLVENCY:** Bankruptcy or insolvency of the Named Insured, or of the Named Insured's estate, shall not relieve the Company of any of its obligations under this Policy. This in no way creates a contractual relationship between the Company and the Warranty Holder, nor confers third-party beneficiary status upon the Warranty Holder.

If it is established that any such bankruptcy or insolvency has caused the Named Insured to fail to fulfill its Contractual Obligations under its Insured Warranties, and the Warranty Holder notifies the Company of such failure prior to making any repairs and the Company approves such repairs, then the Company will reimburse the Warranty Holder for the amounts paid directly by the Warranty Holder to repair or replace Shaw Sports Turf® Synthetic Turf products, as required by the Insured Warranty and subject to all other terms and conditions of this Policy.

- (5) EXAMINATION: The Named Insured and its shareholders, officers, directors, employees, agents, and independent contractors shall submit to examination under oath by any person named by the Company and subscribe to the same, as often as may reasonably be required by the Company.
- (6) COMPLIANCE: The Named Insured shall comply with all applicable laws, rules, and regulations. No action shall lie against the Company unless, as a condition precedent thereto, there shall have been full compliance by the Named Insured with all of the terms of the Policy.
- (7) NOTICE OF CLAIM: The Company must receive written notice of any valid claim under an Insured Warranty within thirty (30) days following the end of the calendar quarter in which the claim is made. The Named Insured must:
 - (a) Immediately send the Company copies of any demands, notices, summonses, or legal papers received in connection with the claim;
 - (b) Authorize the Company to obtain records and other information; and
 - (c) Cooperate with the Company in any investigation of the claim the Company chooses to undertake.
- (8) LEGAL ACTION AGAINST THE COMPANY: No person or organization has a right under this Policy:
 - (a) To join the Company as a party or otherwise bring it into a suit asking for damages from the Named Insured; or
 - (b) To sue the Company on this Policy unless there has been full compliance with all of the Policy's terms.

F. Cancellation and Nonrenewal

- (1) The Company may cancel this Policy by mailing a notice of cancellation to the Named Insured at least one hundred twenty (120) in advance of cancellation. Cancellation of the Policy shall not relieve the Company of any of its obligations already established under this Policy.
- (2) The Company may decline to renew this Policy effective on the Expiration Date by mailing a notice of nonrenewal to the Named Insured at least one hundred twenty (120) days in advance of such Expiration Date. Nonrenewal of the Policy shall not relieve the Company of any of its obligations already established under this Policy.

G. Reporting Requirements

- (1) On a quarterly basis, the Named Insured must provide the Company with a written summary (loss run) of all damages, claims, or suits arising from an Insured Warranty. The Named Insured must ensure that the Company receives this written notice within thirty (30) days following the end of the calendar quarter in which the claim is made.
- (2) Within thirty (30) days after the end of the Policy Period, the Named Insured must give the Company a listing of all existing claims and suits arising from an Insured Warranty. At a minimum the list must include for each claim or suit:
 - (a) A description of the claim or damages;
 - (b) The date of the incident;
 - (c) The amounts paid and reserved for future payments of loss and defense costs; and
 - (d) The current status of the claim or suit.
- (3) Semiannually after the expiration of the Policy, the Named Insured is required to give the Company an updated listing of the status of all claims and suits, both paid and reserved, until all claims and suits for the Policy Period are closed or settled.
- (4) Compliance with the reporting requirements in this Section is a condition precedent to coverage under this Policy.

H. General Provisions

- (1) **DECLARATIONS:** By acceptance of this Policy, the Named Insured warrants, represents, and covenants to the Company that the statements in the Declarations are true, complete, and correct in all respects, and that the Named Insured possesses and will maintain in full force and effect any and all licenses necessary for the sale and issuance of Insured Warranties.
- (2) **ENTIRE AGREEMENT:** This Policy embodies all agreements and understandings existing between the Named Insured and the Company or any of their respective agents relating to the insurance coverage provided by this Policy.
- (3) **ASSIGNMENT:** An assignment of any interest by the Named Insured under this Policy shall not bind the Company unless and until the Company's written consent is endorsed hereon. No liability of the Company shall exist under this Policy unless and until such assignment is accepted and the Policy is endorsed in writing as provided above.
- (4) **CHANGES IN THE POLICY:** No waiver or change of the terms of this Policy shall be made except by endorsement issued to form part of this Policy and signed by the Company.
- (5) **GIVING OF NOTICE:** All notices, notice of Claims, and surrender of this Policy shall be deemed to be given: (1) if to the Company, upon mailing, certified and postage prepaid, addressed to the Company's address shown in this Policy, or (b) if to the Named Insured,

CONTRACTUAL LIABILITY INSURANCE POLICY

upon mailing, certified and postage prepaid, addressed to the Named Insured's address shown in this Policy. The Company or the Named Insured may change any such address by making notice to the other as provided above. All notices required by this Policy must be in writing.

I. Definitions

Company means the Company issuing this Policy listed on the Declarations page.

Contractual Obligation means the Named Insured's obligation to perform its contractually-agreed duties under an Insured Warranty.

Insured Warranty(ies) means a Manufacturer's Limited Warranty for Shaw Sports Turf® Synthetic Turf products and related installation, as issued by the Named Insured and reported to the Company in accordance with Section E. Conditions, for which the Named Insured has paid the applicable Policy Premium. Insured Warranty does not include that part of any warranty that extends beyond eight (8) years after the date of Substantial Completion as identified in the applicable Manufacturer's Limited Warranty.

Manufacturer's Limited Warranty means the individual warranty for Shaw Sports Turf® Synthetic Turf products or installation as issued by the Named Insured to the Warranty Holder.

Named Insured means the Named Insured listed on the Declarations page of this Policy.

Policy means this insurance policy.

Policy Premium means the premium listed on the Declarations page.

Warranty Holder means the original purchaser of Shaw Sports Turf® Synthetic Turf products or installation that has been issued an Insured Warranty by the Named Insured.

NATIONAL FIRE & MARINE INSURANCE COMPANY

a stock insurance company
Omaha, Nebraska

Policy Number 92SPL100188

Endorsement No. 1

Effective October 22, 2018, in consideration of premium paid and other good and valuable consideration, the **Contractual Liability Insurance Policy For Named Insured-Issued 8-Year Manufacturer's Limited Warranties** No. 92SPL100188 (the "Policy") is hereby amended as follows:

- A) The POLICY PERIOD is hereby replaced with the following:
5. POLICY PERIOD: October 22, 2017 at 12:01 a.m. to October 22, 2019 at 12:01 a.m. at the Address of the Named Insured

All other terms and conditions of the Policy remain unchanged.



Authorized Representative

THIS CONTRACT IS REGISTERED AND DELIVERED AS A SURPLUS LINE COVERAGE
UNDER THE SURPLUS LINE INSURANCE LAW, O.C.G.A. CHAPTER 33-5.