



Golden Membership Agreement

Golden Insurance Company, a Risk Retention Group (GIC)

6825 East Tennessee Avenue, Suite 410 • Denver, CO 80224-1628 • 877.806.8777

Golden Insurance Company, a Risk Retention Group ("GIC"), and Member, enter into this Golden Membership Agreement ("Membership Agreement").

A. TERMS OF MEMBERSHIP AGREEMENT

Member hereby applied for membership in Golden Insurance Company, Inc., a Risk Retention Group (GIC). Upon GIC's acceptance of the application, and execution of the Membership Agreement and the Addendum, Member shall become a shareholder of GIC.

B. GIC SHAREHOLDER AGREEMENT

Golden Insurance Company, a Risk Retention Group ("GIC"), is domiciled in North Carolina and qualifies as a risk retention group pursuant to the Liability Risk Retention Act of 1986 (the "LRRR"). GIC was organized in 2001 as a stock risk retention group offering insurance coverage for Members participating in the StrucSure Home Warranty Programs. Since 2001, GIC has amended its business plan to provide comprehensive general liability insurance, and excess liability insurance. GIC is registered as a risk retention group in numerous states.

Under the provisions of the LRRR, all policyholders must also have an ownership interest (shareholder) in the risk retention group. Likewise, each entity or person with an ownership interest in a risk retention group must also be a policyholder of the risk retention group. An entity or person must become a Member of an insurance program offered by GIC to qualify as a policyholder and shareholder of GIC.

Pursuant to the LRRR, shares offered hereby have not been registered under federal or state securities laws. THE SHARES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION, OR ANY OTHER REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS AGREEMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

Member shall be entitled to one (1) share of stock in GIC with a par value of one cent (\$0.01). Member shall not be entitled to more than one (1) share in GIC regardless of how many insurance programs Member participates in or regardless of whether Member is required to remit additional paid in capital to GIC under selected insurance programs offered by GIC.

Member's Share Certificate shall be evidenced in an electronic bordereau maintained by GIC. Member may request an actual paper share certificate, provided Member notifies GIC in writing of such request. No share shall be transferred, encumbered or in any way alienated except under terms set forth in this Agreement.

Member shall be entitled to a proportional vote associated with the ownership of a share and receive a proportional dividend, if any, paid on outstanding shares until Member's share is otherwise sold, transferred, or surrendered and redeemed by GIC in the event Member ceases to be an insured of GIC.



Except as provided herein, no Member shall transfer, encumber, or in any way dispose of a share provided hereunder or any right or interest without obtaining the prior written consent of GIC and providing written notice to GIC of an intention to do so ("Notice"). Notice shall be accompanied by a copy of an executed counterpart of any document of transfer.

Notwithstanding the foregoing, no Member shall make any transfer hereunder if the:

1. Transfer will be of less than an entire share in GIC; or
2. Transfer is made to an entity that is not an insured of GIC; or
3. Transfer will result in GIC violating any law, including, but not limited to, North Carolina law where GIC is domiciled.

Shares surrendered to and redeemed by GIC shall be deemed to be treasury stock until reissued as deemed necessary by GIC. GIC is required to redeem shares held by its shareholders who fail to maintain their eligibility as Members, or their status as policyholders terminates for any reason whatsoever. The redemption price shall be one cent (\$0.01).

If Member's insurance coverage provided by GIC is terminated, cancelled, or lapses for any reason, Member's status as a shareholder will terminate automatically. Should this occur, Member is required to surrender its shares to GIC as provided in the GIC's Bylaws and in the Membership Agreement. Member's status as a shareholder automatically terminates upon the cancellation, termination, or lapse of Member's policy of insurance for whatever reason. Member may also voluntarily terminate their status as such, provided such termination is in accordance with the shareholder's policy of insurance, the GIC's Articles of Incorporation, Bylaws, Membership Agreement, and/or applicable North Carolina law.

The investment by Members is limited to one cent (\$0.01) in exchange for a single share of common stock plus a required capital contribution allocated to additional paid-in capital of GIC for certain General Liability and Excess Insurance coverages offered by the GIC. The shares of the GIC have no readily marketable investment value and will not gain such value by reason of capital contributions or accumulated earnings. Additional paid-in capital becomes an asset of GIC and may not be returned or refunded to shareholders except by determination of a validly appointed liquidator in the event of dissolution of GIC and then only to the extent of the percentage ownership of the shareholder in GIC.

The share owned by Member shall be called for redemption and shall be redeemed by GIC upon the expiration of insurance coverage issued by GIC for Member or to maintain GIC's qualified status as a risk retention group under the Liability Risk Retention Act of 1986 (as amended).

This Agreement shall also terminate on:

1. The written agreement of all parties;
2. The dissolution and liquidation of GIC;
3. At such time as only one Shareholder remains, the Shares of all others having been transferred or redeemed;



4. The closing of a public offering of GIC's capital stock registered, or exempted from registration, under the Securities Act of 1933; or
5. Upon the effective date of any merger, consolidation, or other acquisition of substantially all of GIC's assets if GIC is not the surviving corporation, except that a merger or consolidation with a subsidiary which effects a mere change in the form or domicile of GIC without changing the respective Share holdings of Member shall not terminate this Membership Agreement even if GIC is not the surviving corporation.

Attached to this Membership Agreement is Exhibit A, which is incorporated herein by this reference is a proxy ("Proxy") appointing the President of GIC at any annual or special meeting of the shareholders of GIC, to execute on behalf of Member any written consent of the shareholders of GIC in lieu of such a meeting, and to waive notice of the time, place, and purpose of any annual or special meeting of the shareholders of GIC. The Proxy will remain effective until the date Member no longer owns its Share in GIC. MEMBER MAY REVOKE THE PROXY AT ANY TIME BY SUBMITTING TO GIC A WRITTEN REVOCATION OF THE PROXY.

The parties acknowledge that it is unlawful to knowingly provide false, incomplete, or misleading facts or information to an Insurer for the purpose of defrauding or attempting to defraud the Insurer. Penalties may include imprisonment, fines, denial of insurance, and civil damages. This Membership Agreement shall not be modified orally.

Electronic Signature and Authority. The Parties acknowledge that one or more signatories to this Membership Agreement may sign via an electronic signature or authorization. Such electronic signature is as valid and enforceable as an original signature, and Member affirms that the person affixing such an electronic signature or notation has the authority to bind Member.

Signatures:

Member: _____

Golden Insurance Company, a Risk Retention Group

Signature: _____

Signature: _____

Name (Print): _____

Name (Print): _____

Title: _____

Title: _____

Date: _____

Date: _____



EXHIBIT A

PROXY GOLDEN INSURANCE COMPANY, A RRG

THE UNDERSIGNED, does hereby constitute and appoint the President of Golden Insurance Company, a Risk Retention Group ("GIC"), as its attorney-in-fact, agent and proxy, with full power of substitution, to act in its place and stead to vote as its proxy all of the shares owned by the undersigned of GIC as follows: (i) at any and all meetings of the shareholders of GIC upon any question which may be brought before such meetings, or any continuation or adjournment thereof; (ii) for the purpose of signing and delivering any consent of the shareholders of GIC executed in lieu of any such meeting; and (iii) for the purpose of signing and delivering any waiver of notice of the time, place or purposes of any meeting of the shareholders of GIC; in each such instance with full power to vote and act for the undersigned to the extent if the undersigned were personally present.

This Proxy shall be effective on the date of execution and shall terminate on the earlier to occur of the following events:

1. The undersigned owns no shares of GIC;
2. The undersigned gives to GIC written notice of its revocation of this Proxy; or

Electronic Signature and Authority. The Parties acknowledge that one or more signatories to this Proxy may sign via an electronic signature or authorization. Such electronic signature is as valid and enforceable as an original signature, and Member affirms that the person affixing such an electronic signature or notation has the authority to bind Member.

Signature:

Member: _____

Signature: _____

Name (Print): _____

Title: _____

Date: _____



ADDENDUM NO. 1

STRUCSURE HOME WARRANTY PROGRAMS

A. ENROLLMENT AND APPLICATION TO PROGRAM

Member hereby applied for membership in Golden Insurance Company, Inc., a Risk Retention Group (GIC). Member shall be allowed to apply to enroll Homes, Light Commercial Buildings, or Pools in the StrucSure Home Warranty Programs ("SHW Programs") provided the Member agrees to abide by the Membership Agreement, Addendum, and all membership rules adopted from time to time by StrucSure Home Warranty, LLC ("SHW") and/or GIC. Once a Home, Light Commercial Building, or Pool is accepted for enrollment and the Letter of Certificate of Coverage is issued, Member warrants that the Home, Light Commercial Building, or Pool will be free from certain defects or deficiencies as provided in the applicable StrucSure Warranty Booklet ("Warranty").

StrucSure Home Warranty, LLC ("SHW") is not an obligor or warrantor under these Warranties. SHW performs certain administrative functions related to Member's Warranties issued under the applicable Program. Member agrees to comply with the Warranty coverage provided and Member may not change the terms of the Warranties issued under the SHW Programs.

Member agrees to abide by and cooperate with all inspection requirements established by SHW, including but not limited to all inspections performed by SHW-approved engineers, fee inspectors, and SHW staff inspectors. Subject to SHW's sole discretion, SHW may choose to accept inspections performed by private inspection agencies or governmental inspection departments. It is Member's responsibility to have projects inspected if necessary and to pay all inspection and certification fees as may be required. SHW reserves the right to inspect or cause to have inspected any project that Member proposes to enroll in the applicable SHW Program.

Member shall submit a completed Enrollment Application for the Home, Light Commercial Building, Pool, or Construction Project. This includes as applicable, but is not limited to, Home Enrollment Application ("HEA"), Manufactured and Modular Home Warranty ("MMEA"), Remodeler's Enrollment Application ("REA"), Building Enrollment Application ("BEA"), Stucco Enrollment Application ("SEA"), Foundation Enrollment Application ("FEA"), Elevation Enrollment Application ("EEA"), or Pool Warranty Enrollment Application ("PWEA") within fifteen (15) days after closing or completion of transaction, along with full payment of the enrollment fee. Someone other than Member submitting the Enrollment Application does not relieve or excuse Member's obligation to ensure that the Enrollment Application is timely received by SHW, the correct enrollment fee is paid, and the Enrollment Application is complete and truthful. Member shall indemnify and hold GIC and SHW harmless from any and all damages and costs, including but not limited to reasonable attorneys' fees, incurred as a result of inaccurate information contained in the Enrollment Application submitted. Member shall make available to the Homeowner/Building Owner/Property Owner instructions on how to access SHW's warranty portal to download their Warranty and Certificate of Warranty (or will otherwise make these warranty documents available to them if they do not have Internet access). These instructions are included with each Enrollment Application provided at closing or completion of transaction.



B. NEW HOME AND REMODLER'S WARRANTY SHW WARRANTY PROGRAM

1. WORKMANSHIP/MATERIAL AND SYSTEMS DELIVERY WARRANTY COVERAGE (OPTIONAL).

Member is the primary obligor under the Workmanship/Material and Systems Delivery Warranty ("Workmanship/Systems"). Should the Member wrongfully fail or refuse to perform its Workmanship/Systems Warranty obligations under the SHW Program, then GIC, as the surety, shall perform the Member's Workmanship/Systems Warranty obligations. SHW and/or GIC, in its sole discretion, shall adjust any claim or suit, determine the scope of warranty coverage, cost of repair, or settle the claim under the Workmanship/Systems Warranty. In that event, Member waives all rights in law and equity and SHW and/or GIC shall be entitled to reimbursement whether Member is held liable under the Workmanship/Systems Warranty. The costs which Member may be required to reimburse include, but are not limited to, cost of materials, labor, architect fees, engineering fees, attorney's fees, expert fees, and incidental expenses including lodging, transportation, and related expenses and collection cost of such reimbursement. Additionally, Member shall indemnify and hold harmless SHW and GIC against any and all sums due SHW and/or GIC.

2. TEN YEAR MAJOR STRUCTURAL DEFECT WARRANTY.

GIC is the insurer of the Member's ten-year Major Structural Defect Warranty, provided that with respect to each warranted Home or Multi-Dwelling Building, Member has complied with its warranty obligations, and with the provisions of this Addendum. SHW and/or GIC, in its sole discretion, shall adjust any claim or suit, determine the scope of warranty coverage, decide whether to repair, replace, pay the reasonable cost of repair or replacement, or pay the Diminution in Value (that amount is equal to the fair market value of the Home *with* the defect compared to the Home's market value *without* the defect), including, the manner and method of any repairs. GIC shall only be liable for the cost of those repairs covered under the Major Structural Defect Warranty which GIC (or its administrator) investigates, designs, and approves in writing. Member shall not repair a Major Structural Defect without GIC's or SHW's prior written consent.

C. LIGHT COMMERCIAL BUILDING TEN YEAR MAJOR STRUCTURAL DEFECT WARRANTY PROGRAM.

GIC is the insurer of the Member's ten-year Major Structural Defect Warranty, provided that with respect to each warranted Light Commercial Building or Multi-Unit Building, Member has complied with its warranty obligations, and with the provisions of this Agreement. SHW and/or GIC, in its sole discretion, shall adjust any claim or suit, determine the scope of warranty coverage, decide whether to repair, replace, pay the reasonable cost of repair or replacement, or pay the Diminution in Value (that amount is equal to the fair market value of the Light Commercial Building *with* the defect compared to the Light Commercial Building's market value *without* the defect), including, the manner and method of any repairs. GIC shall only be liable for the cost of those repairs covered under the Major Structural Defect Warranty which GIC (or its administrator) investigates, designs, and approves in writing. Member shall not repair a Major Structural Defect without GIC's or SHW's prior written consent.

D. STUCCO TEN YEAR WARRANTY PROGRAM.

GIC is the insurer of the Member's ten-year Stucco Warranty, provided that with respect to each warranted Home or Light Commercial Building or Multi-Unit Building, Member has complied with its warranty obligations, and with the provisions of this Agreement. SHW and/or GIC, in its sole discretion, shall adjust any claim or suit, determine the scope of warranty coverage and decide whether to repair, replace, or pay the reasonable cost of repair. GIC shall only be liable for the cost of those repairs covered under the Stucco Defect Warranty which GIC (or its administrator)



investigates, designs, and approves in writing. Member shall not repair a Stucco Defect without GIC's or SHW's prior written consent.

E. FOUNDATION REPAIR CONTRACTOR'S TEN YEAR WARRANTY PROGRAM.

Member is the primary obligor under the Foundation Repair Ten (10) year Warranty. Should the Member wrongfully fail or refuse to perform its Foundation Repair obligations under the Foundation Repair Contractor's Program, then GIC, as the surety, shall perform the Member's Foundation Repair Warranty obligations. SHW and/or GIC, in its sole discretion, shall adjust any claim or suit, determine the scope of warranty coverage, cost of repair, or settle the claim under the Foundation Repair Warranty. In that event, Member waives all rights in law and equity and SHW and/or GIC shall be entitled to reimbursement whether Member is held liable under the Foundation Repair Contractor's Warranty. The costs which Member may be required to reimburse include, but are not limited to, cost of materials, labor, architect fees, engineering fees, attorney's fees, expert fees, and incidental expenses including lodging, transportation, and related expenses and collection cost of such reimbursement. Additionally, Member shall indemnify and hold harmless SHW and GIC against any and all sums due SHW and/or GIC.

F. FOUNDATION RE-ELEVATION PROGRAM.

The Foundation Re-Elevation Program is issued pursuant to the Federal Hazard Grant Mitigation Program (HGMP) which entails the re-construction of homes to meet the elevation requirements of a flood zone as prescribed by a government agency or jurisdiction.

1. WORKMANSHIP/MATERIAL AND SYSTEMS DELIVERY WARRANTY COVERAGE (OPTIONAL).

Member is the primary obligor under the Workmanship/Material and Systems Delivery Warranty ("Workmanship/Systems"). Should the Member wrongfully fail or refuse to perform its Workmanship/Systems Warranty obligations under the SHW Program, then GIC, as the surety, shall perform the Member's Workmanship/Systems Warranty obligations. SHW and/or GIC, in its sole discretion, shall adjust any claim or suit, determine the scope of warranty coverage, cost of repair, or settle the claim under the Workmanship/Systems Warranty. In that event, Member waives all rights in law and equity and SHW and/or GIC shall be entitled to reimbursement whether Member is held liable under the Workmanship/Systems Warranty. The costs which Member may be required to reimburse include, but are not limited to, cost of materials, labor, architect fees, engineering fees, attorney's fees, expert fees, and incidental expenses including lodging, transportation, and related expenses and collection cost of such reimbursement. Additionally, Member shall indemnify and hold harmless SHW and GIC against any and all sums due SHW and/or GIC.

2. TEN YEAR MAJOR STRUCTURAL DEFECT WARRANTY.

GIC is the insurer of the Member's ten-year Major Structural Defect Warranty, provided that with respect to each warranted Home, Member has complied with its warranty obligations, and with the provisions of this Agreement. Alternatively, Member may be the primary obligor under the Major Structural Defect coverage for years one (1) and two (2) in which a qualifying Major Structural Defect occurs. Should the Member wrongfully fail or refuse to perform its Major Structural Defect obligation, the GIC, as the surety, shall perform the Member's obligation. SHW and/or GIC, in its sole discretion, shall decide whether to repair, replace, pay the reasonable cost of repair or replacement, or pay the Diminution in Value (that amount is equal to the fair market value of the Home *with* the defect compared to the Home's market value *without* the defect), including, the manner and method of any repairs. GIC shall only be liable for the cost of those repairs covered under the Major Structural Defect Warranty which GIC (or its administrator)



investigates, designs, and approves in writing. Member shall not repair a Major Structural Defect without GIC's or SHW's prior written consent.

G. POOL WARRANTY

1. WORKMANSHIP AND SYSTEMS WARRANTY.

Member is the primary obligor under the one (1) year Workmanship and two (2) years Systems Warranty ("Workmanship/Systems"). Should the Member wrongfully fail or refuse to perform its Workmanship/Systems Warranty obligations under the SHW Program, then GIC, as the surety, shall perform the Member's Workmanship/Systems Warranty obligations. SHW and/or GIC, in its sole discretion, shall adjust any claim or suit, determine the scope of warranty coverage, cost of repair, or settle the claim under the Workmanship/Systems Warranty. In that event, Member waives all rights in law and equity and SHW and/or GIC shall be entitled to reimbursement whether Member is held liable under the Workmanship/Systems Warranty. The costs which Member may be required to reimburse include, but are not limited to, cost of materials, labor, architect fees, engineering fees, attorney's fees, expert fees, and incidental expenses including lodging, transportation, and related expenses and collection cost of such reimbursement. Additionally, Member shall indemnify and hold harmless SHW and GIC against any and all sums due SHW and/or GIC.

2. PLASTER AND MAJOR STRUCTURAL DEFECT WARRANTY. GIC is the insurer of the Member's five-year Plaster Defect Warranty and ten-year Structural Defect Warranty, provided that with respect to each warranted Pool, Member has complied with its warranty obligations, and with the provisions of this Addendum. SHW and/or GIC, in its sole discretion, shall adjust any claim or suit, determine the scope of warranty coverage, decide whether to repair, replace, pay the reasonable cost of repair or replacement, or pay the value of Pool, including, the manner and method of any repairs. GIC shall only be liable for the cost of those repairs covered under the Plaster Defect or Major Structural Defect Warranty which GIC (or its administrator) investigates, designs, and approves in writing. Member shall not repair a Plaster Defect or Structural Defect without GIC's or SHW's prior written consent.

H. ARBITRATION.

Any and all claims, disputes and controversies by or between the Homeowner, Building Owner, Pool Owner, the Member, SHW and/or GIC, or any combination of the foregoing arising out of, in connection with, or related to this Membership Agreement, the Addendum, the Golden Insurance Policy, the SHW Program, or the Warranty, any alleged defect or deficiency in or to the subject Home, Light Commercial Building, or the real property on which the subject Home, Light Commercial Building, or Pool is situated, including, without limitation, any claim of breach of contract, negligent or intentional misrepresentation, or nondisclosure in the inducement, execution, or performance of any contract, including this arbitration agreement, breach of any alleged duty of good faith and fair dealing, a violation of state, federal, or local law, statute, regulation, ordinance or rule, whether the claim must be arbitrated, or the validity and enforceability of this arbitration agreement, shall be settled by binding arbitration. Agreeing to arbitration means You are waiving Your right to a trial by a judge and/or a jury.

If an independent arbitration service cannot be mutually agreed upon by the Member, SHW and/or GIC; then the arbitration shall be conducted by the American Arbitration Association pursuant to its Home Warranty Rules, by DeMars & Associates, Ltd, or by Construction Dispute Resolution Services. This Warranty and arbitration provision involves and concerns interstate commerce and is governed by the Federal Arbitration Act, 9 U.S.C. 1 et seq., as amended (FAA), and any rules of the independent arbitration service employed by the parties to



the arbitration. Should any conflict exist between the FAA and the rules of the independent arbitration service selected, the FAA shall control. Should the Member submit a request for arbitration, all administrative fees of the arbitration service and fees of the arbitrator shall be allocated to the parties as provided in the rules of the arbitration service, subject to the discretion of the arbitrator to reallocate such fees in the interests of justice.

Any party shall be entitled to recover reasonable attorney fees and costs incurred in enforcing this arbitration agreement. The decision of the Arbitrator shall be final and binding and may be entered as a judgment in any State or Federal court of competent jurisdiction.

This arbitration agreement shall be deemed to be a self-executing arbitration agreement. Any disputes concerning the interpretation or the enforceability of this arbitration agreement, including, without limitation, its revocability or voidability for any cause, the scope of arbitration issues, class or collective arbitrability, and any defense based upon waiver, estoppel or laches, shall be decided by the Arbitrator. The initiation of or participation by any party in any judicial proceeding concerning this arbitration agreement or any matter arbitrable hereunder shall not be deemed a waiver of the right to enforce this arbitration agreement, and, notwithstanding any applicable rule of law to the contrary, shall not be asserted or accepted as a reason for delay, refusal to participate in, or refusal to enforce this arbitration agreement.

No arbitration proceeding shall involve more than one single-family detached dwelling, Light Commercial Building, or more than one Multi-Unit Dwelling Building involving common elements. Any arbitration proceeding shall be on an individual basis and not in a class, consolidated, or representative action.

I. CONSTRUCTION GUIDELINES

Member agrees to enroll Homes, Light Commercial Buildings, or Pools in compliance with the enrollment procedures set forth by SHW. Member agrees that all Homes, Light Commercial Buildings, or Pools to be enrolled in the SHW Program comply with all applicable federal, state, and local laws (including the locally adopted building codes), all applicable engineering or design professional specifications and recommendations, any Construction Quality Standards and/or Performance Standards shown within the applicable Warranty, and any special requirements which may be established by SHW. SHW may establish special standards, conditions, and tests, including requirements for escrow payments or other methods of protection, with respect to some Homes, Light Commercial Buildings, or Pools constructed in areas considered high risk by SHW, at SHW's sole discretion. Member shall notify SHW and/or GIC of any Major Structural Defect, suspected Major Structural Defect, or any structural repairs that were completed prior to or at the time of the enrollment of a Home, Light Commercial Building, or Pools in the Program. Homes, Light Commercial Buildings, or Pools with physical damage and a suspected Major Structural Defect shall not be enrolled without completing repairs acceptable to SHW and/or GIC.

If applicable, all fill materials placed by Member under and around the foundation of the enrolled project must be uniformly compacted throughout the complete depth of the fill to the density specified by Member's registered Professional Engineer. Fills must be free of all organic and metallic materials that deteriorate over time and in the presence of moisture. Member must have their registered Professional Geotechnical Engineer perform soil tests on all purchased land to confirm fills or suspected fills are uniformly compacted to the density as specified throughout the complete depth of the fill. Natural soil under any fill must have sufficient strength and density to support the load of the fill, without total consolidation exceeding that which may cause Major Structural Defect damage to the Home, Light Commercial Building, or Pool. All design and testing results for fills under and around Homes, Light Commercial



Buildings, or Multi-Unit/Dwelling Buildings to be enrolled in the SHW Program must be provided to SHW and must demonstrate confirmation of placement and testing. Member is solely responsible for any structural damage that occurs to Homes, Light Commercial Buildings, or Pools placed on fill or natural soils that do not meet the requirements herein. Member shall indemnify and hold SHW and GIC harmless for any losses caused by settlement of fill or natural soils that fail to meet the above criteria.

Areas with expansive, active, or other unstable soil conditions that may not be adequately addressed by conventional construction methods are deemed "Non-Standard Areas". All or portions of the state of Colorado, Mississippi, New Mexico, Oklahoma, Texas, and Utah have Non-Standard Areas. Member shall make applicable geotechnical reports, plans, and specification for Homes in Non-Standard Areas as deemed required by SHW. SHW and GIC reserve the right, to examine, audit, accept or reject all engineering investigations performed, and foundation designs, as well as establishing warranty cost differentials in Non-Standard Areas.

J. ENROLLMENTS AND INSPECTIONS

Subject to its sole discretion, SHW may choose not to enroll a Home, Light Commercial Building, Multi-Unit/Dwelling Building, or Pool into the SHW Program. A StrucSure Home Warranty shall not be provided if:

- a. The Member fails to remain in good standing with GIC and SHW;
- b. The Member is in a probationary or suspended status;
- c. The Home, Light Commercial Building, and/or Multi-Unit/Dwelling Building, or Pool is not constructed in accordance with SHW Construction Quality Standards and/or Performance Standards;
- d. The Home, Light Commercial Building, and/or Multi-Unit/Dwelling Building, or Pool is not enrolled in accordance with the procedures provided in the Membership Agreement; or
- e. Upon determination by SHW that such project presents an unreasonable risk exposure.

If SHW elects not to enroll a Home, Light Commercial Building, and/or Multi-Unit/Dwelling Building, or Pool, it shall provide notice to the Member, at Member's last known address. It is the Member's duty to notify the Homeowner, Building Owner, or Pool Owner.

The Home, Light Commercial Building, and/or Multi-Unit/Dwelling Building, or Pool must be enrolled in the name of the Member or another SHW approved Member which has its own Member Identification Number, title to the Home, Light Commercial Building, or Pool is transferred to unrelated party, and the Member is responsible for the completion of the Home, Light Commercial Building and/or Multi-Unit/Dwelling Building, or Pool. The Member shall not make a claim as an owner or titleholder with respect to a Home, Light Commercial Buildings and/or Multi-Unit/Dwelling Building, or Pool that the Member has constructed or is responsible for the construction.

Model homes must be warranted by the end of the first year of use as a model home. Such Warranty shall be issued to the Member and the unused portion shall automatically transfer to the first buyer. The effective date of the Warranty for a model home is either the completion date, original certificate of occupancy or building final and not the final certificate of occupancy after the home is converted from model to sold home.



Member must enroll all units in a Multi-Unit/Dwelling Building, such as a duplex, townhouse, or condominium, that is eligible for enrollment in the SHW Program. Failure to enroll all units in the Multi-Unit/Dwelling Building shall reduce the warranty limits for common element coverage on a pro-rata basis: The aggregate of the original sale price for all units within the Multi-Dwelling Building that have a valid and unexpired Warranty divided by the aggregate original sale price for all units within the Multi-Unit/Dwelling Building. Condominiums must be evaluated and approved by SHW prior to enrollment. A condominium is defined as “two or more units constructed in such a manner that the structural framing on one unit relies on the construction of the adjacent unit; or where the HVAC, mechanical, plumbing, or electrical systems are shared by two or more units and are contained within the structure; or where two or more units share a common access to the building contained wholly within the building.” Stacked units are considered condominiums.

K. ANNUAL REGISTRATION FEE

Member shall remit a non-refundable membership fee and a non-fundable annual re-registration fee as determined by SHW and/or GIC for each year thereafter.

L. TERM AND COMPLETE AGREEMENT

This Membership Agreement and Addendum shall remain effective so long as Member remains a shareholder of GIC in any insurance programs offered by GIC. This Membership Agreement and Addendum are the entire understanding between the parties with respect to the subject matter and supersede all previous agreements, either written or oral, and any prior statements, agreements, negotiations, or representations among the parties. This Membership Agreement and Addendum confer no insurance coverage and is not an insurance policy. The SHW Program does not replace General Liability or Homeowner’s Insurance. In the event of a conflict between this Membership Agreement/Addendum and the applicable GIC Insurance Policy, the GIC Insurance Policy shall control.

M. NO DUTY TO DEFEND

Member agrees to notify SHW and/or GIC of any legal proceeding commenced against the Member with respect to the Member’s obligations under the Warranty. Neither SHW nor GIC shall be obligated to defend or pay for the cost of defense of any legal proceeding, including but not limited to any suit or arbitration, initiated against the Member whether such proceeding relates to or arises out of the Member’s obligation under the applicable Warranty.

N. TERMINATION OF MEMBERSHIP AGREEMENT AND ADDENDUM

The SHW and/or GIC may terminate Member by giving written notice and reason for termination. Member shall have thirty (30) days from the date of notice to cure the cause of the termination. The cure must be made to the satisfaction of SHW and/or GIC. If such a cure is not made within the thirty (30) days, Member may be terminated. An extension of time to cure may be granted by SHW and/or GIC, provided Member submits such request for extension in writing, prior to the expiration of the time to cure. GIC membership may be terminated or suspended for, but not limited to, the following:

- a. Providing false or misleading information to SHW or GIC, including but not limited to information in connection with its application for registration or renewal;



- b. Failing to inform SHW or GIC of any: (i) adverse change in financial strength which could impair the ability of the Member to meet its obligations; or (ii) change in control of the Member. As used within this paragraph, "change in control" means a change in ownership, legal or beneficial, of 51% or more of the voting shares/interests in Member, whether by withdrawal, sale, or by operation of law (including, but not limited to a merger, consolidation, or re-organization), unless such change in control is a transfer to an affiliate. As used within this paragraph, affiliate means any corporation or entity which controls, is controlled by, or is under common control with Member, or with any entity that controls Member;
- c. Failing to cooperate in the dispute resolution process;
- d. Failing to comply with a decision rendered by an arbitrator or claims decision by SHW and/or GIC;
- e. Failing to comply with the terms and conditions of this Membership Agreement, Addendum, or the procedures and rules currently in effect for GIC;
- f. Failing to respond to a notification of a claim in accordance with the applicable StrucSure Home Warranty Booklet in a timely fashion; or
- g. Exhibiting a lack of professional competence or unethical conduct.

Member agrees to indemnify and hold GIC and/or SHW harmless from any claims or damages which are proximately caused by any of the acts or omissions by Member as noted in the prior paragraph.

Should SHW determine there is reason to terminate Member's Membership in the SHW Program, it may immediately terminate Membership by giving written notice. No project constructed by the terminated Member may be enrolled during any period of termination, nor may Member represent Membership in the SHW Program during such time.

Upon SHW's cancellation or termination of Membership for cause, SHW shall have the right, at its option, to cancel or terminate the Membership or any other "Affiliated Member" in which the terminated Member has an ownership interest of at least ten percent (10%) or in which the principals of the terminated Member serve as officers or directors.

No termination hereunder by GIC, SHW, or Member shall in any way affect or impair the rights and obligations of SHW, GIC, or Member under this Agreement with respect to any project enrolled in the SHW Program prior to termination, provided that as of the date of termination:

1. All applicable enrollment forms and inspection documents have been received and processed by SHW; and
2. Full warranty payment has been received by SHW.

O. ADDITIONAL PROVISIONS

1. Member is not an agent of SHW and/or GIC. Member and its employees are not authorized to hold themselves out as agents of SHW and/or GIC. Member and its employees have no authority to bind or obligate SHW and/or GIC. Member agrees to indemnify and hold SHW and/or GIC, including their agents, service providers and attorneys, harmless against any and all expenses incurred, and losses suffered, including, but not limited to, attorney fees by either of them as a result of Member's violation of this provision.



2. **Affiliate Information Sharing:** Enrolling Homes, Buildings, or Pools in the SHW Programs creates a long-term obligation for SHW to service those warranties. Member agrees that SHW and its Affiliates are authorized to provide Homeowners, Building Owners, and Pool Owners (collectively "Owners") with offers and information about products and services that may be necessary in connection with the SHW Programs process by accessing and using Owner's personal information. Member shall obtain written consent from Owners authorizing the disclosure of Owners' contact and other personal information to GIC's affiliates and non-affiliates to market insurance and warranty products when Member enters into any escrow agreement, purchase and sale agreement, construction agreement, or similar agreement, however titled. Member shall promptly notify GIC should any Owner not provide consent or later withdraws such consent. GIC shall timely disseminate that withdrawal of consent to any GIC affiliate or non-affiliate, as relevant. These services include providing Owners with homeowner's insurance, commercial insurance, and extended service warranty contract.
3. In the event Member owes sums to SHW and/or GIC under deductible, shared risk, or per the provisions of any of the warranties or policies herein, Member shall pay interest to SHW and/or GIC, as appropriate, at the rate of eighteen percent (18%) per annum on all sums due if such sums are not paid within thirty (30) days of demand.
4. Failure of either party to insist upon compliance with any provision of Membership Agreement and Addendum shall not constitute a waiver of the provision. The provisions to arbitrate and hold harmless and indemnity obligations shall survive the termination, cancellation, or expiration of the Membership Agreement and Addendum.
5. All notices required hereunder must be in writing and sent by certified mail, postage prepaid, or other such form of notice deemed acceptable by SHW and/or GIC to the recipient at the respective address shown herein or to whatever other address the party may designate in writing. Member shall inform SHW and/or GIC of any change of address in writing.
6. In the event any provision of the Membership Agreement and Addendum is held invalid or unenforceable, such invalid or unenforceable provision shall be considered severable from the rest of the document in the same manner as if it had not originally been included. Such invalidity or unenforceability shall not be construed to invalidate or otherwise affect any other provision of the Membership Agreement, Addendum, or any document executed in connection herewith.
7. The headings or titles given each section are used and included merely for the convenience of the parties, and shall not affect or alter the meaning, effect, or interpretation of any of the terms or provisions hereof.
8. This Membership Agreement and Addendum, when properly executed, binds all parties, their successors, assigns, and legal representatives to meet their obligations as previously stated herein. This Membership Agreement and its executed Addendum and referenced Exhibits contain the entire understanding of the parties and cannot be altered or amended in any way except by formal written instrument signed by all parties.
9. **Electronic Signature and Authority.** The Parties acknowledge that one or more signatories to this Addendum may sign via an electronic signature or authorization. Such electronic signature is as valid and enforceable as an original signature, and Member affirms that the person affixing such an electronic signature or notation has the authority to bind Member.



The parties acknowledge that it is unlawful to knowingly provide false, incomplete, or misleading facts or information to an Insurer for the purpose of defrauding or attempting to defraud the Insurer. Penalties may include imprisonment, fines, denial of insurance, and civil damages.

This Membership Agreement and Addendum shall remain in effect for one (1) year from the acceptance dated indicated below, and automatically renew for successive one-year terms, except as the Member is terminated or suspended earlier by SHW as stated herein. This Agreement shall not be modified orally.

Signatures:

Member: _____

Signature: _____

Name (Print): _____

Title: _____

Date: _____

Golden Insurance Company, a Risk Retention Group

StrucSure Home Warranty, LLC

Signature: _____

Signature: _____

Name (Print): _____

Name (Print): _____

Title: _____

Title: _____

Date: _____

Date: _____