

DISPUTE RESOLUTION AGREEMENT INCLUDING MANDATORY ARBITRATION TERMS, CLASS ACTION  
WAIVER AND LIMITED 30-DAY RIGHT TO REJECT.  
PLEASE REVIEW CAREFULLY AS THIS AFFECTS YOUR LEGAL RIGHTS.

We hope to avoid disputes with our customers and website visitors but if a dispute arises this Dispute Resolution Agreement shall govern what is required of us both. Unless you timely and properly exercise your right to reject this Dispute Resolution Agreement under Section K below (LIMITED 30-DAY RIGHT TO REJECT THIS DISPUTE RESOLUTION AGREEMENT) you confirm and agree that the following terms will be binding on you and us and constitute an agreement between us.

A. GENERAL.

THIS DISPUTE RESOLUTION AGREEMENT REQUIRES THE PARTIES TO RESOLVE DISPUTES THAT CANNOT BE RESOLVED INFORMALLY ONLY INDIVIDUALLY IN SMALL CLAIMS COURT OR THROUGH INDIVIDUAL ARBITRATION AS SET FORTH BELOW, SUBJECT TO THE RIGHT TO OPT OUT IN SECTION G BELOW. THIS AFFECTS YOUR RIGHTS, INCLUDING THE RIGHT TO: (I) HAVE A COURT OF GENERAL JURISDICTION, A JURY OR AN ADMINISTRATIVE AGENCY DECIDE THE CLAIM, (II) PARTICIPATE IN A CLASS OR COLLECTIVE ACTION IN COURT OR IN ARBITRATION, (III) ACT AS A PRIVATE ATTORNEY GENERAL IN COURT OR IN ARBITRATION, OR (IV) JOIN OR CONSOLIDATE YOUR CLAIM(S) WITH CLAIMS OF ANY OTHER PERSON. THE RIGHT TO APPEAL AND THE RIGHT TO DISCOVERY AND OTHER PROCEDURES MAY BE DIFFERENT IN ARBITRATION FROM IN COURT BUT AN ARBITRATOR CAN AWARD YOU THE SAME DAMAGES AND RELIEF THAT A COURT WOULD. IF THE LAW ALLOWS FOR AN AWARD OF ATTORNEYS' FEES, AN ARBITRATOR CAN AWARD THEM TOO. THE SAME DEFENSES ARE ALSO AVAILABLE TO BOTH PARTIES AS WOULD BE AVAILABLE IN COURT, INCLUDING ANY APPLICABLE STATUTE OF LIMITATIONS.

B: Definitions. The following definitions apply:

"We," "us," "our" and "Raymour & Flanigan" mean Raymours Furniture Company, Inc. d/b/a Raymour & Flanigan Furniture | Mattresses, and any of its affiliated companies, subsidiaries, successors, assigns, shareholders, directors, officers, employees, agents, representatives and insurers.

"You" and "your" mean the party having a Claim against us.

"Notice Address" means Raymour & Flanigan Furniture | Mattresses, P.O. Box 220, Liverpool, NY 13088, Attention: Legal Department—Consumer Claim. We may change the Notice Address by providing notice of such change by means of updating the online version of this Dispute Resolution Agreement to reflect such change in address (to be effective ten (10) days after posting online), so please consult the current online Dispute Resolution Agreement prior to sending us notice of a Claim. All demands or notices to us must be sent to the Notice Address by prepaid first class US Mail and must comply with all further requirements set out below.

"Administrator" means National Arbitration and Mediation, 122 East 42nd Street, Suite 803, New York, NY 10168, [www.namadr.com](http://www.namadr.com) ("NAM"), the American Arbitration Association, 1633 Broadway, 10th Floor, New York, NY 10019, [www.adr.org](http://www.adr.org) ("AAA"), or any other company selected by mutual agreement of the parties, except that in the event of a Mass Filing as defined in Section G below the Administrator shall be NAM. If a named Administrator cannot or will not administer an arbitration consistent with this Dispute Resolution Agreement and the parties cannot select an alternative Administrator by mutual consent, an Administrator that will administer an arbitration consistent with this Dispute Resolution

Agreement will be selected by a court (including, for the avoidance of doubt, consistent with Section C (INDIVIDUAL RELIEF ONLY AND NO CLASS ACTIONS) below).

"Claim" means any and all claims, disputes or controversies between you and us that in any way arise from or relate to your past, present or future relationship with us, including but not limited to: (1) your purchase of goods or services from us; (2) your visits to our website, showrooms, or other properties; (3) our use of any personal (or other) information or data you give us or authorize us to obtain, or the storage, theft, sharing or loss thereof; (4) issues regarding the construction, quality or written or verbal description of, our goods and services; (5) calls, texts, messages, emails, advertisements, promotions or statements made by us or on our behalf, or otherwise published or sent to you; (6) disclosures, mailings, handouts, offers, negotiations or discussions regarding purchase, discount, price, financing, deferred financing or other credit terms; (7) purchase financing, deferred financing, open-end or closed-end credit, or rent-to-own arrangements you requested or we offered, provided, facilitated, introduced or helped you obtain, including but not limited to credit inquiries (and ramifications thereof) that occur as a result thereof; (8) attempts we make to collect debts from you; (9) warranty, service, repair or Platinum Protection Plan issues, including issues which may arise from repairs attempted in your home; (10) delivery of goods or damage or injury therefrom, including in connection with customer pickups from one of our locations; (11) any practice, notice or other communication relating to such foregoing matters; or (12) personal or monetary injuries allegedly suffered by you or imposed on us by statute or regulation.

The term "Claim" shall have the broadest possible meaning, and includes past, present and future Claims, initial claims, counterclaims and crossclaims, third-party claims, and disputes based on theories of contract, negligence, intentional tort, restitution, consumer rights, fraud, deception, constitution, statute, regulation, ordinance, common law or equity (including claims for injunctive or declaratory relief). "Claim" does not include disputes about the enforceability of this Dispute Resolution Agreement, the scope of Claims covered by this Dispute Resolution Agreement, the enforceability of the Class Action Waiver or Procedures for Mass Arbitration Filings contained herein, compliance with Section D below (Informal Pre-Dispute Resolution Process), Section I below (Severability), and/or this sentence, all of which are for a court and not an arbitrator to decide.

#### C. INDIVIDUAL RELIEF ONLY AND NO CLASS ACTIONS (THE "CLASS ACTION WAIVER").

An arbitrator can award on an individual basis the same damages and relief as a court in favor or against only the parties to the arbitration, including monetary damages, attorneys' fees (if available under applicable law), injunctive relief and declaratory relief, and only to the extent necessary to provide relief warranted by that party's individual claim. AS PERMITTED BY APPLICABLE LAW AND NOTWITHSTANDING ANY LANGUAGE OR TERMS IN THIS DISPUTE RESOLUTION AGREEMENT TO THE CONTRARY, NEITHER YOU NOR WE WILL HAVE THE RIGHT TO: (I) PARTICIPATE IN A CLASS ACTION IN COURT OR IN ARBITRATION, EITHER AS A CLASS REPRESENTATIVE, CLASS MEMBER OR CLASS OPPONENT, (II) ACT AS A PRIVATE ATTORNEY GENERAL IN COURT OR IN ARBITRATION, OR (III) JOIN OR CONSOLIDATE CLAIMS WITH CLAIMS OF ANY OTHER PERSON. NO ADMINISTRATOR AND NO ARBITRATOR SHALL HAVE AUTHORITY TO CONDUCT ANY SUCH CLASS, COLLECTIVE, REPRESENTATIVE, PRIVATE ATTORNEY GENERAL OR MULTIPLE-PARTY PROCEEDING. THESE PROVISIONS OF THE CLASS ACTION WAIVER ARE AN ESSENTIAL PART OF THIS DISPUTE RESOLUTION AGREEMENT AND MAY NOT BE SEVERED FROM IT. Notwithstanding the foregoing, if after exhaustion of any appeals of the preceding prohibitions any of the preceding prohibitions are found to be unenforceable with respect to a particular claim or request

for relief, then the parties agree that such claim or request for relief shall be severed, stayed and decided by a court only after all other claims and requests for relief have been individually arbitrated.

**D. INFORMAL PRE-DISPUTE RESOLUTION PROCESS (CLAIMS NOTICES, CONFERENCES).**

Before any steps may be taken under the Formal Dispute Resolution Process described in Section E (Small Claims Election) or Section F (Arbitration) or, if applicable, Section G (Procedures for Mass Arbitration Filings) below, a party must first commence and follow to completion the informal steps set forth in this Section D. The informal process begins when you or we send to the other party a legible written notice of its Claim (a "Claim Notice"). We must send a Claim Notice to your address in our records. You must send a Claim Notice to the Notice Address. There is no prescribed form of Claim Notice, but to qualify as a Claim Notice your submission must at a minimum (1) include your full name, address, telephone number and email address, (2) describe the basis of the Claim with specific dates and facts that substantiate the Claim, including all information needed to identify any purchase where applicable, (3) set forth any damages you have suffered and the specific monetary or other relief you seek from us and how you calculated it, and (4) be personally signed by you. For the initial thirty (30) days following the submission of a Claim Notice we shall try to look into your Claim and may attempt to reach you to resolve the issues in the Claim Notice. However, any failure on our part during said initial 30-day period to investigate your Claim, respond to a Claim Notice or resolve the issue therein has no effect on the terms or validity of this Dispute Resolution Agreement. If the dispute is not resolved to your satisfaction within said initial 30-day period after you submit your Claim Notice, we may require you to personally participate in an individual telephone conference to give both sides an opportunity to communicate about your Claim and explore a mutually satisfactory resolution of your Claim (a "Conference"). You and a representative of Raymour & Flanigan are both mandatory participants at a Conference if one is requested. Your attorney or other representative, if any, may also participate at a Conference. A Conference shall occur within twenty (20) days after we request it, but you may extend the time for participating in a conference for up to thirty (30) additional days if you wish. You and we agree a Conference may not be recorded by either party.

The statute of limitations and any filing fee deadlines shall be tolled while you and we engage in this Informal Pre-Dispute Resolution Process. If the sufficiency of a Claim Notice or compliance with this Informal Pre-Dispute Resolution Process is at issue, either party may elect to have it decided by a court before the Claim proceeds in arbitration pursuant to the terms below. A court will have the authority to enforce this Section D, including the power to enjoin the filing or prosecution of an arbitration where a claimant has not satisfied these requirements.

If you submit a valid and proper Claim Notice, and if the matter described therein remains unresolved, and either (a) we did not request a Conference within sixty (60) days, or (b) we did request a Conference within sixty (60) days and you participated in the Conference, then you may proceed pursuant to Section E below (Small Claims Election) or Section F below (Arbitration), or, if applicable, Section G below (Procedures for Mass Arbitration Filings).

**E. FORMAL DISPUTE RESOLUTION PROCESS—SMALL CLAIMS ELECTION.**

If the Informal Pre-Dispute Resolution Process in Section D above has been complied with but the Claim is not resolved, either party may elect to resolve its Claim in small claims court (a "Small Claims Election") if the Claim (1) is within the jurisdiction of a small claims court, (2) proceeds only on an individual basis (not a class, collective, or representative basis), (3) seeks individual relief, and (4) remains in small claims court and is not removed or appealed to a court of general jurisdiction. A Small

Claims Election may be made at any time prior to the appointment of an arbitrator. If any of the foregoing limitations on a small claims court proceeding are ruled unenforceable for any reason, then the Small Claims Election feature shall be severed from this Dispute Resolution Agreement, the parties may not elect to proceed in small claims court, and the Claim shall be heard in arbitration pursuant to Section F below.

#### F. FORMAL DISPUTE RESOLUTION PROCESS—ARBITRATION.

General. This Dispute Resolution Agreement is subject to the Federal Arbitration Act (the “Act”). If the Informal Pre-Dispute Resolution Process in Section D above has been complied with but the Claim has not resolved, and if a Small Claims Election is not sought, possible or desired, then resolution of the Claim by arbitration shall proceed as set forth in this Section F (and, if applicable, Section G below). Should a party assert a Claim in court (other than by a Small Claims Election) that is subject to arbitration and the other party files a motion to compel arbitration with the court that is granted, the party moving to compel arbitration may be awarded its legal fees and other costs and expenses, if deemed appropriate by the court.

Details of Arbitration Proceedings. Arbitration proceedings under this Dispute Resolution Agreement will be conducted pursuant to the Administrator’s consumer arbitration rules as modified by this Agreement. Upon any conflict or inconsistency between this Dispute Resolution Agreement and the Administrator’s rules, this Dispute Resolution Agreement will govern. The Administrator will appoint the arbitrator in accordance with the Administrator’s rules. However, unless the parties agree otherwise, the arbitrator must be either a retired or former judge or a practicing or retired attorney with not less than ten (10) years’ experience in commercial litigation. The arbitration hearing will take place in the county of your billing address or, if you have not made a purchase from us, within fifty (50) miles of your residence. If you cannot obtain a waiver of the Administrator’s fees that are your obligation to pay, we will consider—but are free to deny—a request by you for us to pay such fees based on your demonstration of financial hardship, although we will pay any of the foregoing fees and charges if and to the extent required in order to make this Dispute Resolution Agreement enforceable. The parties are responsible for their own attorneys’, expert, and witness fees. In addition to the parties’ rights to discovery under the Administrator’s rules, either party may ask the arbitrator for more information from the other. The arbitrator will decide the issue after allowing the other party the opportunity to object.

Arbitration Award. The arbitrator can award on an individual basis the same damages and relief as a court in favor or against only the parties to the arbitration, including monetary damages, attorneys’ fees (if available under applicable law), injunctive relief, and declaratory relief and only to the extent necessary to provide relief warranted by that party’s individual claim. The arbitrator must follow the terms of this Dispute Resolution Agreement as a court would. The arbitrator may not consider any prior settlement offers in making the decision. Regardless of the manner in which the arbitration is conducted, the arbitrator shall issue a reasoned written decision sufficient to explain the essential findings and conclusions on which the award is based. The arbitrator shall apply the provisions of Federal Rule of Civil Procedure 68 in connection with any award.

Offer of Settlement. In any arbitration between you and us, we may make a written settlement offer at any time before the evidentiary hearing or a dispositive motion is ruled on. The settlement offer may not be disclosed to the arbitrator until after the arbitrator issues an award. If the award is issued in your favor and is less than our settlement offer you must pay our costs incurred after the offer was made, including any attorneys’ fees, except that if applicable law prohibits such shifting of costs then the

offer in this provision shall serve to cease the accumulation of further costs to which you may otherwise have been entitled.

Award of Fees and Costs. If the arbitrator determines that a Claim filed in arbitration was frivolous, brought for harassment or an illegitimate purpose, or brought without material compliance with the steps in this Dispute Resolution Agreement that are required to occur before an arbitration may be commenced, then in any of such events the arbitrator may make an appropriate award of fees and costs to the prevailing party consistent with the Administrator's consumer arbitration rules.

Effect of Arbitration Award. Any court with jurisdiction may enter judgment upon the arbitrator's award. The arbitrator's award will be final and binding, except for: (1) any right to petition or vacate under the Act, or (2) Claims resulting in an arbitration award of more than \$100,000. For awards greater than \$100,000, either party may appeal to another arbitrator ("Second Arbitrator") within fifteen (15) days of issuance of the award by written request to the Administrator. The Second Arbitrator shall be subject to the same appointment qualifications as are applicable for the appointment of the first arbitrator. The Second Arbitrator's decision will be final and binding except for any right to petition to vacate or modify described above. The costs of any such subsequent proceedings will be borne as set forth in Details of Arbitration Proceedings above. The arbitrator may consider rulings in other arbitrations involving other claimants, but an arbitrator's ruling will not be binding in proceedings involving different claimants.

#### G. PROCEDURES FOR MASS ARBITRATION FILINGS.

**YOU AND RAYMOUR & FLANIGAN AGREE THAT, TO THE FULLEST EXTENT PERMITTED BY LAW, EACH OF US IS WAIVING THE RIGHT TO SEEK, BRING OR PARTICIPATE IN A MASS OR SERIAL ARBITRATION.** The preceding and following terms of this Section G take precedence over any contrary or conflicting terms in this dispute resolution agreement.

Definition of Mass Filing; Introduction. A "Mass Filing" is when in the aggregate twenty-five (25) or more claimants submit Claim Notices or seek to file arbitrations raising substantially similar Claims as yours (at the same time as yours, contemporaneously therewith, or serially over time while similar Claims are outstanding) and counsel for claimants bringing the Claims or arbitrations are the same or coordinated. If your Claim is part of a Mass Filing you understand and agree that the resolution of your Claim might be delayed if a resolution is not reached through the Informal Pre-Dispute Resolution Process (see Section D above) and your Claim proceeds to arbitration. If your Claim is part of a Mass Filing, (i) the Administrator shall be NAM unless otherwise agreed by you and us, and (ii) your Claim may proceed only in accordance with the procedures set forth below in this Section G and subject to NAM's Mass Filing Supplemental Dispute Resolution Rules and Procedures ("NAM Mass Filing Rules" available at <https://www.namadr.com/resources/rules-fees-forms/>) to the extent not contrary to the other terms in this Dispute Resolution Agreement. If a court determines this Section G is not enforceable as to your Claim, then your Claim may only proceed individually in court in accordance with the remaining terms of this Dispute Resolution Agreement.

Grouping of Claims; Tolling. You and we agree that Claims—including yours—if deemed by us to be part of a Mass Filing may be filed with NAM in groups of no greater than 50 individual Claims at one time, with 25 (or half the total number of Claims in a group, if fewer than 50) selected by counsel for you and other claimants of the Mass Filing and 25 (or half the total number of Claims in a group, if fewer than 50) selected by us. At such time, if any, that your Claim is part of a group of Mass Filing Claims, you

and we agree that selection and appointment of an arbitrator for your Claim shall be governed by the NAM Mass Filing Rules. **Until such time, if any, as your Claim is part of a group being arbitrated as herein described, your Claim may not be filed or be deemed filed in arbitration, nor shall any arbitration or administration fees be assessed in connection with your Claim unless and until it is selected to be filed in individual arbitration as part of a group and authorized to be filed in arbitration with NAM. You and we reserve all our rights to seek appointment of a Procedural Arbitrator (as defined in NAM's Mass Filing Rules) if and when deemed appropriate or necessary.** If your Claim is part of a Mass Filing, any statute of limitations applicable to your Claim shall be tolled from the date the Informal Dispute Resolution process begins until the sooner of the date your Claim is filed properly in arbitration or the date you or Raymour & Flanigan opts out of arbitration as more particularly allowed below.

First Group; First Mediation: The first group of up to 50 Claims chosen to be arbitrated as set forth above ("First Group") shall be arbitrated by one arbitrator (selected by agreement of us and counsel for the claimants and otherwise in accordance with NAM's rules) for every 10 individual Claims that are in the First Group. After the Claims in the First Group are resolved, if your Claim remains unresolved you and we agree to mediate your Claim along with all other unresolved Claims in the Mass Filing with a mediator chosen according to NAM's rules, paid for by Raymour & Flanigan and concluded within 120 days after the mediator is chosen.

Second Group; Second Mediation. If your Claim was not resolved in the First Group or first mediation discussed above, a second group of up to 50 Claims chosen to be arbitrated as set forth above ("Second Group") shall be arbitrated by one arbitrator (selected by agreement of us and counsel for the claimants and otherwise in accordance with NAM's rules) for every 25 individual Claims that are in the Second Group. After the Claims in the Second Group are resolved, if your Claim remains unresolved you and we agree to mediate your Claim along with all other unresolved Claims in the Mass Filing with a mediator chosen according to NAM's rules, paid for by Raymour & Flanigan and concluded within 120 days after the mediator is chosen.

Election to Opt Out or Remain in Arbitration. If your claim was not resolved in the Second Group or second mediation discussed above, you or we may, within thirty (30) days after the conclusion of the second mediation, opt out of arbitration completely and elect to resolve your Claim in a court of law but otherwise consistent with the terms of this Dispute Resolution Agreement. If neither you nor we opt out, further groups of arbitrations, one group at a time, of up to 50 individual Claims chosen as set forth above shall be arbitrated by a single arbitrator (selected by agreement of us and counsel for the claimants and otherwise in accordance with NAM's rules), and after each such group of individual arbitrations are resolved another mediation shall occur as described above until your Claim is resolved. **To repeat: no claim that is not part of a group being arbitrated can proceed to be filed in arbitration.**

#### H. GOVERNING LAW.

This Dispute Resolution Agreement governs transactions involving interstate commerce; it shall be governed by the Act and not by any state law concerning arbitration. The arbitrator shall follow applicable substantive law to the extent consistent with the Act and applicable privilege rules. The arbitrator will follow rules of procedure and evidence consistent with the Act, this Dispute Resolution Agreement, and the Administrator's rules.

#### I. SURVIVAL.

This Dispute Resolution Agreement lasts for as long as you and we have Claims that may be asserted against each other. By way of example, this Dispute Resolution Agreement shall survive our delivery of goods and services to you, the cancelation of any purchase, any refund to you, termination of any credit agreement, your fulfillment or default of obligations under any contract, and/or your bankruptcy (to the extent permitted by law).

#### J. SEVERABILITY.

Except as specifically provided herein, if any provision of this Dispute Resolution Agreement (other than the Class Action Waiver) shall be held invalid or unenforceable, such invalidity or unenforceability shall attach only to such provision and shall not affect or render invalid any other provision of this Dispute Resolution Agreement, and the invalid or unenforceable provision shall be modified automatically to the minimum extent necessary to render this Dispute Resolution Agreement valid and enforceable. If a provision (other than the Class Action Waiver) conflicts with a mandatory provision of applicable law and cannot be modified, the conflicting provision shall be severed automatically and the remainder construed to incorporate the mandatory provision. Should a court determine the Class Action Waiver is invalid for any reason, the parties waive any right to arbitration of a class, collective, private attorney general, or group proceeding and instead agree and stipulate that their dispute will be heard only by a judge—and not an arbitrator or jury—to the maximum extent permitted by applicable law.

#### K. LIMITED 30-DAY RIGHT TO REJECT THIS DISPUTE RESOLUTION AGREEMENT.

IF YOU DO NOT WISH TO BE BOUND BY THIS DISPUTE RESOLUTION AGREEMENT YOU MAY REJECT IT BY MAILING A REJECTION NOTICE TO US AT THE NOTICE ADDRESS SET FORTH IN SECTION B ABOVE. ANY REJECTION NOTICE MUST INCLUDE THE DATE, YOUR NAME, ADDRESS AND TELEPHONE NUMBER, AND BE SIGNED BY YOU. TO BE TIMELY, YOUR REJECTION NOTICE MUST BE DATED AND THE ENVELOPE CONTAINING IT MUST BE STAMPED NOT LATER THAN THIRTY (30) DAYS AFTER THE FIRST TIME YOU EITHER AGREED TO THIS DISPUTE RESOLUTION AGREEMENT IN CONNECTION WITH A PURCHASE FROM US OR YOU FIRST VISITED OUR WEBSITE CONTAINING THESE TERMS OF USE OR SALES TERMS AND CONDITIONS THAT INCLUDE THIS DISPUTE RESOLUTION AGREEMENT. WE RECOMMEND YOU RETAIN PROOF OF MAILING TO SUBSTANTIATE YOUR OPT OUT. RAYMOUR & FLANIGAN WILL CONTINUE TO HONOR ANY VALID OPT OUTS IF YOU OPTED OUT OF A PRIOR VERSION OF THIS DISPUTE RESOLUTION AGREEMENT PURSUANT TO THE REQUIREMENTS SET FORTH IN THAT VERSION. HOWEVER, IF YOU DO NOT TIMELY OPT OUT OF THIS DISPUTE RESOLUTION AGREEMENT THEN SUCH INACTION SHALL CONSTITUTE MUTUAL ACCEPTANCE OF THE TERMS OF THIS DISPUTE RESOLUTION AGREEMENT BY YOU AND RAYMOUR & FLANIGAN.