



EVOLVE DAMAGE PROTECTION PROGRAM TERMS AND CONDITIONS

THIS PROGRAM IS NOT INSURANCE AND DOES NOT REPLACE YOUR HOMEOWNERS, GENERAL LIABILITY, BUSINESS OR ANY INSURANCE NECESSARY TO PROTECT YOUR PROPERTY AND/OR RENTAL BUSINESS. IT IS YOUR RESPONSIBILITY TO ENSURE YOU HAVE ADEQUATE INSURANCE IN PLACE. MANY HOMEOWNERS POLICIES DO NOT COVER DAMAGE OR LOSS CAUSED BY THE SHORT TERM RENTING OF YOUR HOME. TALK TO A LICENSED INSURANCE PROFESSIONAL TO UNDERSTAND YOUR CURRENT COVERAGE AND OPTIONS.

The Evolve Damage Protection Program (the “**Program**”) reimburses an Evolve Owner (“**You**”) enrolled in the Evolve Core Management Plan, for damage to your Covered Property (as defined below) caused by a booking guest or their invitee (collectively “**Guest**”) up to five thousand dollars (\$5,000) per stay at your Evolve listed property, subject to these terms and conditions.

1. Eligibility; Management Agreement.

- a. The Program is only available to the Owner of the Evolve listed property enrolled in Evolve’s Core Management Plan for stays booked pursuant to the Vacation Rental Management Agreement (the “**Management Agreement**”) between you and Evolve.
- b. These Program Terms and Conditions are made part of the Management Agreement and any terms not covered are governed by the Management Agreement.
- c. Any disputes concerning the Program will be resolved in accordance with the dispute resolution provisions of the Management Agreement.

2. Covered Property.

- a. Except as otherwise excluded by these terms, “**Covered Property**” means and is limited to: (1) real property belonging to you listed by Evolve pursuant to the Management Agreement, and enrolled in Evolve Core at the time of request submission; and (2) personal property owned by you or the homeowner, located in or on the aforementioned real property, which is made available for the use and enjoyment of Guests.

3. Exclusions and Limitations.

- a. **Covered Property does not include, and the Program will not reimburse you for, damage to any of the following:**

- i. currency, money, precious metals, rare or one-of-a-kind art, notes, securities, water, or land;
- ii. firearms;
- iii. animals, such as livestock or pets;
- iv. motorized vehicles of any kind including watercraft;
- v. consumables, food, alcohol, paper products, cleaning supplies or toiletries;
- vi. siding, roofs, driveways, exterior walls, exterior paint;
- vii. landscaping including lawns, sod, gardens, flowers, trees, or shrubs;
- viii. property not in, at, or on the Evolve-listed home, or property owned by a party other than you and not under your control; or
- ix. sporting, recreational, or special electronic equipment (e.g. cameras, telescopes, laptops, computer tablets, binoculars, etc.) not included in the Evolve listing for Guest use.

- b. **The Program does not cover and Evolve will not reimburse you for damage to Covered Property:**

- i. with a value of less than \$50;
- ii. not caused directly by a Guest;
- iii. caused by a Guest before or after the expiration of the booking period;

- iv. arising out of any one booking in excess of \$5,000;
- v. caused by motor vehicles;
- vi. caused by acts of nature; or
- vii. caused by a Guest's normal use of electricity, gas, fuel, plumbing, septic systems, water or any other utility or feature of the property.

c. Additionally, the Program does not cover and Evolve will not reimburse you for:

- i. **Cosmetic Damage:** any physical damage that impairs only the appearance of Covered Property, but not its functionality and does not prevent the Covered Property from being used for its intended purpose.
- ii. **Interruption of Business:** loss of use of Covered Property or booking income loss;
- iii. **Lost, Stolen or Missing Items**
- iv. **Ordinary Cleanings:** cleaning that may be needed from time to time as part of regular or routine rental property maintenance including routine professional carpet and deep cleanings.
- v. **Regular or Routine Repairs or Maintenance:** any maintenance or repair necessary to keep the property in compliance with Evolve's four core property standards, including those necessary to keep appliances, household systems, hot tubs, or pools running as intended.
- vi. **Wear and Tear:** deterioration to the condition of Covered Property that occurs under the normal use and conditions of its environment.

4. Conditions for Reimbursement. Reimbursement under the Program is conditioned on the following:

- a. You or your representative must inspect Covered Property to determine whether there is any damage following an Evolve stay. The reimbursement request must be submitted within fifteen (15) days of Guest Checkout even

if incomplete. A reimbursement request may be denied as untimely if it has not been filed during this time in Evolve's sole discretion.

- b. If the reimbursement request is initially filed as incomplete you have an additional fifteen (15) days in which to complete the request. Reimbursement requests which have not been completed within thirty (30) days of Guest checkout may be denied as untimely in Evolve's sole discretion.
- c. You must cooperate with Evolve's reasonable investigation of the reimbursement request, including complying with any requests for proof or other documentation.

5. Reimbursement Request Requirements.

- a. All reimbursement requests will require the booking number of the reservation responsible for the damage and proof of:
 - i. ownership;
 - ii. damage; and
 - iii. the out of pocket costs incurred in replacement or repair.
- b. Reimbursement requests for Depreciable Property (as defined below) also require proof of the year of manufacture and/or purchase.
- c. Proof may include information such as itemized receipts, paid invoices, photographs, videos, documents, and other customary forms of proof Evolve deems necessary to evaluate the reimbursement request.
- d. The reimbursement request must be submitted using the method prescribed by Evolve. Evolve will then conduct a review or investigation of your request and may request additional information or documentation. Evolve will use commercially reasonable efforts to complete processing of your request as quickly as possible after receipt of your complete request.

6. Depreciable Property. Damage Reimbursement Payment Calculation.

- a. **Depreciable Property** means any item of Covered Property with an original or replacement value in excess of five hundred (\$500) dollars, which, because of its nature, loses value over time due to wear and tear, age, or obsolescence.

- b. Reimbursement requests for Covered Property which meet the definition of Depreciable Property will be calculated per the table in Exhibit A, attached hereto and incorporated herein, which estimates useful life in years with a corresponding annual depreciation rate.
- c. The amount of repayment for damage to Depreciable Property will be the lesser of (i) the depreciated market value of the original Covered Property, or (ii) the cost to repair the damage.
- d. If the original value of the Depreciable Property is unknown and cannot be substantiated, the depreciation calculation will be made using the value of a comparable replacement item.
- e. Covered Property will never be depreciated beyond 20% of original value or replacement cost (“**Residual Value**”). Where the age of Depreciable Property is unknown or cannot be substantiated, the request will be reimbursed at Residual Value.

7. Non-Depreciable Property. Damage Reimbursement Payment Calculation.

- a. **Non-Depreciable Property** is any item of Covered Property which does not meet the definition of Depreciable Property.
- b. The amount of repayment for damage to Non-Depreciable Property will be the lesser of (i) the replacement cost, or (ii) the cost to repair the damage.

8. Repair Requirements. Mileage. Amounts Payable by Another Source.

- a. All repairs must be conducted by a professional who is unrelated to you, trained to perform the repairs, and compliant with any applicable State requirements.
 - i. Unless pre-approved by Evolve, any repairs made by You or an immediate family member will only receive payment for materials used.
- b. Invoices which include mileage reimbursement will be paid at a maximum rate of the current standard set by the Internal Revenue Service (IRS).
- c. Any amount payable under the Program will be reduced by the amount already paid to You or for Your benefit by a Guest or other source (such as an

insurer or other responsible party) for the same incident giving rise to the damage.

9. Your Acknowledgments and Agreements. You expressly acknowledges and agree that:

- a. Evolve provides the Program benefits solely for the purpose of promoting the use of Evolve services as described in the Management Agreement.
- b. The Program does not cover personal liability and is not an insurance policy. Evolve is not your insurer. You should consult with your attorney, insurance agent, broker or other advisor to ensure you have appropriate insurance in place for your property and short term rental business. The Program is not an offer to insure and does not constitute insurance or an insurance contract.
- c. Expenses for goods and services submitted must be reasonable and in-line with comparable items at current market rates. Evolve retains the right to deny or reduce reimbursements for those costs above and beyond reasonable or market rates. Evolve may request additional documentation verifying the value of the replacement item as compared to the original item, and if not justified, may in its sole discretion, deny the entire request.
- d. The Program is solely for your benefit, the Evolve Owner, who has entered into the Management Agreement with Evolve and such benefits are not assignable or transferable under any circumstances.
- e. **False, deceptive, fraudulent, abusive and dishonest requests are a violation of these terms and of the Management Agreement** and may lead to denial of your reimbursement request, termination of the Management Agreement, debit to your account or withheld Owner Payout in addition to any other appropriate and available legal remedies.

10. Changes to the Program. Evolve maintains the right to modify or terminate the Program, at any time, in its sole discretion. If Evolve terminates the Program, Evolve will provide you with notice by email at least thirty (30) days before such termination and will continue to process reimbursement requests filed prior to the effective date of termination.

Exhibit A
Depreciation Table

This table is non-exhaustive and Depreciable Property value may be calculated using a non listed useful life estimate in the event that the item is not easily categorized into one of the below item types.

Item Type	Useful Life - Years	Annual Depreciation Rate	Example: Annual Depreciation Amount: Assuming Value of \$1000 ¹	Example: Remaining Value after 1 Year - Assuming Value of \$1000 ²
Doors, Windows, and Fixtures	28	3.58%	\$35.70	\$964.30
Flooring (non-carpet)	15	6.67%	\$66.70	\$933.30
Major Appliances	10	10%	\$100	\$900
Furniture	10	10%	\$100	\$900
Hot tubs, Saunas	8	12.5%	\$125	\$875
Mattress	7	14.29%	\$142.90	\$857.10
Carpet/Rugs	7	14.29%	\$142.90	\$857.10
Sporting Equipment	7	14.29%	\$142.90	\$857.10
Interior Paint	5	20%	\$200	\$800
Pull Out Couches / Sleeper Sofas / Murphy Beds	5	20%	\$200	\$800

¹ For illustrative purposes only.

² For illustrative purposes only.

Covered Property will never be depreciated beyond 20% of original value or replacement cost.