

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

In re:

Chapter 11

Wellmade Floor Coverings
International, Inc., et al¹

Case No. 25-58764

Debtors.

(Jointly Administered)

AFCO Credit Corporation,

Movant,

v.

CONTESTED MATTER

Wellmade Floor Coverings
International, Inc.,

Respondent.

NOTICE OF HEARING

PLEASE TAKE NOTICE that AFCO Credit Corporation (“AFCO”) has filed a Motion for Relief from the Automatic Stay, or in the alternative, Adequate Protection (the “Motion”) and related papers with the Court seeking an order granting it relief from the automatic stay to exercise its rights and remedies including (i) the cancellation of financed insurance policies, (ii) the collection of all return premiums and related amounts under such policies, and (iii) the application of such return premiums and other amounts returned to AFCO to the obligations owed to AFCO or, in the alternative, for adequate protection of AFCO’s interest in its collateral.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: Wellmade Industries MFR. N.A LLC (1058) and Wellmade Floor Coverings International, Inc. (8425). The mailing address for the Debtors for purposes of these chapter 11 cases is: 1 Wellmade Drive, Cartersville, GA 30121.



PLEASE TAKE FURTHER NOTICE that the Court will hold a hearing on the Motion at **10 a.m. on January 28, 2026 in Courtroom 1201, United States Courthouse, 75 Ted Turner Drive, SW, Atlanta, Georgia 30303**, which must be attended in person, unless the Court orders otherwise.

Your rights may be affected by the Court's ruling on these pleadings. You should read these pleadings carefully and discuss them with your attorney, if you have one in this bankruptcy case. (If you do not have an attorney, you may wish to consult one.) If you do not want the Court to grant the relief sought in these pleadings or if you want the Court to consider your views, then you and/or your attorney must attend the hearing. You may also file a written response to the pleadings with the Clerk at the address stated below, but you are not required to do so. If you file a written response, you must attach a certificate stating when, how and on whom (including addresses) you served the response. Mail or deliver your response so that it is received by the Clerk before the hearing. The address of the Clerk's Office is: Clerk, U. S. Bankruptcy Court, Suite 1340, 75 Ted Turner Drive, SW, Atlanta Georgia 30303. You must also mail a copy of your response to the undersigned at the address stated below.

If a hearing on the Motion cannot be held within thirty (30) days, Movant waives the requirement for holding a preliminary hearing within thirty days of filing the Motion and agrees to a hearing on the earliest possible date. Movant consents to the automatic stay remaining in effect until the Court orders otherwise.

Dated: January 14, 2026

/s/ Arthur A. Ebbs

Arthur A. Ebbs
WOMBLE BOND DICKINSON (US) LLP
GA State Bar No. 416181
1331 Spring Street NW
Suite 1400
Atlanta, Georgia 30309
Telephone: (404) 872-7000
Email: arthur.ebbs@wbd-us.com

Counsel to AFCO Credit Corporation

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

In re:	Chapter 11
Wellmade Floor Coverings International, Inc., et al ¹	Case No. 25-58764
Debtors.	(Jointly Administered)
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AFCO Credit Corporation,	
Movant,	
v.	CONTESTED MATTER
Wellmade Floor Coverings International, Inc.,	
Respondent.	

**MOTION OF AFCO CREDIT CORPORATION FOR AN ORDER GRANTING
RELIEF FROM THE AUTOMATIC STAY, OR, IN THE ALTERNATIVE, FOR
ADEQUATE PROTECTION**

AFCO Credit Corporation (“AFCO”), through its undersigned counsel, and pursuant to 11 U.S.C. §§ 362(d)(1) & (d)(2), Federal Rule of Bankruptcy Procedure 4001 and the Local Rules of this Court, respectfully moves for the entry of an order terminating the automatic stay to permit AFCO to exercise its rights and remedies pursuant to insurance premium finance agreements and applicable law, including (i) the cancelation of financed insurance policies effective November 22, 2025, (ii) the collection of all return premiums and related amounts under such policies, and (iii)

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the application of such return premiums and other amounts returned to AFCO to the obligations owed to AFCO or, in the alternative, for adequate protection of AFCO's interest in its collateral. In support of this Motion, AFCO states as follows:

JURISDICTION

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and 11 U.S.C. § 362.
2. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 & 1409.
3. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2)(G).

PARTIES

4. On Augst 4, 2025 (the "Petition Date"), the Debtors filed voluntary petitions for relief under chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code").

5. On August 7, 2025, the Court issued an order consolidating the cases of the above-captioned debtors for procedural purposes only.

6. AFCO is a secured creditor in these cases pursuant to the terms of those certain Premium Finance Agreement – Promissory Notes dated June 4, 2025 and July 14, 2025 (the "Agreements") entered into by and between Debtor Wellmade Floor Coverings International, Inc., as borrower, and more particularly described in the following paragraphs. Hereinafter, all references to the Debtor shall mean Debtor Wellmade Floor Coverings International, Inc., as party to the Agreements.

FACTS

The June Agreement

7. On or about June 4, 2025, the Debtor entered into and executed that certain Premium Finance Agreement – Promissory Note (the "June Agreement"). Under the terms of the June Agreement, the Debtor obtained \$759,081.00 in loans to enable the Debtor to purchase twelve

months of commercial insurance coverage (workers compensation) for business purposes (the “June Insurance Coverage”). In consideration for the advance of funds, the Debtor promised to repay the loan plus interest in nine (9) monthly installments of \$88,646.10. All installment payments are due on the twenty-second (22nd) day of each month, commencing with an installment payment on June 22, 2025. A true and correct copy of the June Agreement is attached hereto as **Exhibit A** and incorporated herein by reference.

8. AFCO accepted the June Agreement. A true and correct copies of the Notice of Acceptance and Notice of Financed Premium for the June Agreement are attached hereto as **Exhibit B** and incorporated herein by reference.

The July Agreement

9. On or about July 14, 2025, the Debtor entered into and executed that certain Premium Finance Agreement – Promissory Note (the “July Agreement” and with the June Agreement, collectively the “Agreements”) to add additional insurance coverage for the Debtor’s business operations. Under the terms of the July Agreement, the Debtor obtained an additional \$116,507.25 in loans to enable the Debtor to purchase additional coverage related to the June Insurance Coverage (the “July Insurance Coverage” and with the June Insurance Coverage, collectively the “Insurance Coverage”). In consideration for the advance of funds, the Debtor promised to repay the loan plus interest in eight (8) monthly installments of \$15,368.82. All installment payments are due on the twenty-second (22nd) day of each month, commencing with an installment payment on July 22, 2025. A true and correct copy of the July Agreement is attached hereto as **Exhibit C** and incorporated herein by reference.

10. AFCO accepted the July Agreement. A true and correct copies of the Notice of Acceptance and Notice of Financed Premium for the July Agreement are attached hereto as **Exhibit D** and incorporated herein by reference.

11. The installment payments under the Agreements were consolidated.

12. The Debtors sought approval of an Order of this Court to continue to make payments to AFCO under the Agreements, and such approval was granted by the Court by Final Order entered on August 25, 2025 (Doc. No. 94) (the “Insurance Order”).

13. The Debtors are in default under the terms of the Agreements for failing to make the installment payment for November 22, 2025, and the installment payment for December 22, 2025, each in the amount of \$104,014.92 under the Agreements. A true and correct copy of the Account Transaction History for the Agreements is attached hereto as **Exhibit E** and incorporated herein by reference.

AFCO’S Security, Collateral Values, and Claims

14. Repayment of AFCO’s loan under the Agreements is secured by a security interest and assignment of all unearned premiums and related amounts under the Insurance Coverage (the “Collateral”), coupled with a limited power of attorney to cancel the Insurance Coverage upon a default. *See* Exh. A June Agreement ¶¶ 2 & 4; Exh. C July Agreement ¶¶ 2 & 4. The laws of the State of Oregon govern the Agreements. *See* Exh. A June Agreement ¶ 23; Exh. C July Agreement ¶ 23. No filing of a financing statement is required to perfect AFCO’s security interest in the Collateral. *See* ORS § 746.525 (“No filing of the premium finance agreement shall be necessary to perfect the validity of such agreement as a secured transaction as against creditors, subsequent purchasers, pledgees, encumbrancers, successors or assigns”).

15. The Debtor is in default under the Agreement for failing to pay under the terms of the Agreements as and when due, having failed to make the November 22, 2025, and December 22, 2025, payments under the Agreements.

16. The total amount due and owing to AFCO under the Agreements as of December 18, 2025, is \$403,194.98. As of November 22, 2025 (the date of the missed installment payment), the estimated value of AFCO's Collateral under the Agreements, which represents the aggregate unearned premium for the Insurance Coverage on a pro rata basis, was estimated to be \$426,808.24² and continued to rapidly decline. The estimated value of AFCO's Collateral under the Agreement declines at the approximate rate of \$2,831.33 per day,³ because each day a portion of the financed premium is earned by the insurance carrier for providing coverage.

17. As of January 12, 2026, the estimated value of the Collateral has eroded to \$283,160.92.⁴

REQUEST FOR RELIEF

18. Cause exists pursuant to 11 U.S.C. §362(d)(1) to grant AFCO relief from the automatic stay. Section 362(d)(1) of the Bankruptcy Code authorizes the Court to grant relief from the stay "for cause, including adequate protection of an interest in property" of the movant.

² The total refundable premium under the Insurance Policies was \$1,048,379.00 on the effective date of the Insurance Policies. The effective date of the Insurance Policies was April 22, 2025. Unearned premiums in the amount of \$14,945.00 were received on December 18, 2025, reducing the balance of the refundable premiums to \$1,033,434.00. The Insurance Policies are twelve month policies. November 22, 2025 is 214 days after the effective date of the Insurance Policies, and premiums were earned during that period by the carriers providing the Insurance Coverage. As of that date, 151 days of premium were "unearned" under the Insurance Policies. 151 divided by 365 (twelve months) is .413 or 41.3%. 41.3% of \$1,033,434.00 equals \$426,808.24 in unearned premium.

³ The total refundable premium under the Insurance Policies (\$1,033,434.00) divided by 365 days equals \$2,831.33 per day in unearned premium.

⁴ January 12, 2026 is 265 days after the effective date of the Insurance Policies. As of that date, 100 days of premium were "unearned" under the Insurance Policies. 100 divided by 365 (twelve months) is .274 or 27.4%. 27.4% of \$1,033,434.00 equals \$283,160.92 in unearned premium.

11 U.S.C. § 362(d)(1). Where adequate protection is lacking, the court “shall” grant relief from the automatic stay. *See* 11 U.S.C. § 362(d). The movant “bears the burden of establishing a prima facie case of cause, at which point the burden of proof shifts to the debtor to demonstrate adequate protection”; “nonpayment combined with a lack of equity will result in sufficient cause.” *In re Phoenix Pipe & Tube, L.P.*, 154 B.R. 197, 198 (Bankr. E.D. Pa. 1993); 11 U.S.C. § 362(g).

19. Here, payments to AFCO have not been made since October 2025. Since the Debtor defaulted under the Agreements, AFCO’s equity cushion has materially decreased rendering AFCO’s claim undersecured. Although the Debtor previously offered to make adequate protection payments to AFCO for the continued use of AFCO’s Collateral and related Insurance Coverage on an ongoing basis under the terms of the Insurance Order, it has failed to continue such payments. The continued use causes material diminution in the value of AFCO’s Collateral. An insurance premium finance lender is entitled to either relief from the automatic stay to cancel the financed coverage or, in the alternative, adequate protection payments pursuant to 11 U.S.C. § 363. *See In re JII Liquidating, Inc.*, 344 B.R. 875, 890 (Bankr. N.D. Ill. 2006) (terminating the automatic stay because the creditor “has not received any adequate protection for its security interest in the unearned premiums”); *In re U.S. Repeating Arms Co.*, 67 B.R. 990, 998 (Bankr. D. Conn. 1986) (finding that premium finance lender was entitled to adequate protection of the value of its security interest); *In re Auto-Train Corp.*, 9 B.R. 159, 167 (Bankr. D.D.C. 1981) (finding that premium insurance lender was entitled to adequate protection from the inception of the bankruptcy case to the expiration of the insurance policies).

20. Relief from the automatic stay is likewise proper under section 362(d)(2) of the Bankruptcy Code. As of the date of this Motion, AFCO is undersecured.

21. Moreover, the Collateral cannot be necessary to an effective reorganization of the Debtors. Relief from stay under section 362(d)(2) is proper when a secured creditor seeking such relief demonstrates “(1) the amount of its claim; (2) that its claim is secured by a valid, perfected lien in property of the estate; and (3) that the debtor lacks equity in the property.” *In re Kaplan Breslaw Ash, LLC*, 264 B.R. 309, 322 (Bankr. S.D.N.Y. 2001); *see also In re Continental Airlines*, 134 B.R. 536, 542 (Bankr. D. Del. 1991). The burden of proof regarding the necessity of the property for an effective reorganization falls on the non-movant debtor or trustee. 11 U.S.C. § 362(g)(2).

22. Here, AFCO has a valid and enforceable claim secured by the Collateral. There is no equity in the Collateral. The Debtors cannot satisfy their burden of proof that the Insurance Coverage and Collateral are necessary for an effective reorganization. To meet this burden, there must be sufficient proof that “the property is essential for an effective reorganization that is in prospect.” *In re Swedeland Devel. Group, Inc.*, 16 F.3d 552, 567 (3d Cir. 1994) (citing *United Savings Ass’n of Texas v. Timbers of Inwood Forest Assocs., Ltd.*, 484 U.S. 365, 375 (1988)). Here, the Debtors are proceeding in liquidation mode — the antithesis of reorganization, where they have sold all of their assets effective November 7, 2025. They have presumably no employees after such date, negating the need for the workers compensation insurance financed by AFCO. *See In re Prestwood*, 185 B.R. 358, 361 (Bankr. M.D. Ala. 1995) (where liquidation was sought under chapter 7, bankruptcy court correctly found property not necessary for reorganization); *In re Lyons*, 19 B.R. 66, 67 (Bankr. N.D. Ga. 1982) (a chapter 7 proceeding with a finding of no equity mandates relief from stay). Therefore, the property cannot be necessary for an effective reorganization.

23. To the extent there is any excess unearned premium returned to AFCO after AFCO is paid in full under the Agreements, such amounts will be remitted to the Debtors.

WAIVER OF BANKRUPTCY RULE 4001(a)(4)

24. Bankruptcy Rule 4001(a)(4) provides in pertinent part that “. . . an order granting a motion for relief from an automatic stay under [Rule 4001(a)] (1) is stayed for 14 days after it is entered.” Fed. R. Bankr. P. 4001(a)(4). AFCO requests that the Court waive the stay of any order entered that is imposed by Bankruptcy Rule 4001(a)(4). AFCO submits that cause exists to waive such stay given the nature of the Collateral and its daily diminution in value.

NO PRIOR REQUESTS

25. No prior request for the relief sought in this Motion has been made to this Court or any other court.

WHEREFORE, AFCO Credit Corporation requests that the Court enter an Order:

(A) Modifying and lifting the automatic stay, pursuant to 11 U.S.C. § 362, to allow AFCO to exercise its rights and remedies under the Agreement;

(B) Permitting AFCO to cancel the Insurance Coverage effective November 22, 2025, without further notice, and permitting AFCO to collect and to apply the unearned premiums under the Insurance Coverage to the outstanding indebtedness due and owing AFCO, including principal, interest, late fees, attorneys’ fees, and costs as allowed by the Agreements and applicable law;

(C) Requiring any insurance company or other entity in possession of the Collateral to turn over the Collateral to AFCO, and requiring the Debtors to cooperate with any audits related thereto;

(D) Permitting AFCO to pay any excess return premium, after payment of the outstanding indebtedness due and owing to AFCO, including principal, interest, late fees, attorneys' fees, and costs as allowed by the Agreements and applicable law, to the Debtors;

(E) Waiving the stay imposed by Federal Rule of Bankruptcy Procedure 4001(a)(4);

(F) Providing that any Order granting this Motion be binding on successors and survive confirmation of any plan filed in these cases; and

(G) Granting such other and further relief as is just and proper in this case.

Dated: January 14, 2026

/s/ Arthur A. Ebbs

Arthur A. Ebbs
WOMBLE BOND DICKINSON (US) LLP
GA State Bar No. 416181
1331 Spring Street NW
Suite 1400
Atlanta, Georgia 30309
Telephone: (404) 872-7000
Email: arthur.ebbs@wbd-us.com

Counsel to AFCO Credit Corporation

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 14th day of January, 2026, a copy of the foregoing Motion, notice thereof and proposed Order were electronically filed and served via CM/ECF on all parties registered to received electronic filings and sent by first class U.S. mail, postage prepaid, on the following:

Wellmade Floor Coverings International, Inc.
c/o David Baker, CRO
19150 SW 125th CT
Tualatin, OR 97062

Wellmade Industries MFR. N.A LLC
c/o David Baker, CRO
1 Wellmade Drive NE
Cartersville, GA 30321

John D. Elrod
Greenberg Traurig, LLP
Terminus 200 - Suite 2500
3333 Piedmont Road, NE
Atlanta, GA 30305

Allison Jane McGregor
Greenberg Traurig, LLP
Terminus 200 - Suite 2500
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Anna Mari Humnicky
Small Herrin, LLP
100 Galleria Parkway
Suite 350
Atlanta, GA 30339

Lindsay P. S. Kolba
Office of the U.S. Trustee
Suite 362
75 Ted Turner Drive, S.W.
Atlanta, GA 30303

/s/ Arthur A. Ebbs

Arthur A. Ebbs
WOMBLE BOND DICKINSON (US) LLP
GA State Bar No. 416181
1331 Spring Street NW
Suite 1400
Atlanta, Georgia 30309
Telephone: (404) 872-7000
Email: arthur.ebbs@wbd-us.com

EXHIBIT A

AFCODIRECT
A Division of AFCO Credit Corporation

150 North Field Drive, Suite 190, Lake Forest, Illinois 60045
Phone 877-226-5456 www.afcodirect.com

Quote Number **55.1**

Agent/Broker/Producer (Name and Address)
Hub International Northwest LLC
P.O. Box 3018
Bothell, WA 98011
Telephone Number: 425-489-4500 Agency Code: HUB17371NW

Insured (Name and Address as shown on the policy(ies) including all insureds covered by the policies below)
Wellmade Floor Coverings International Inc.
19150 SW 125th Ct
Tualatin, OR 97062
Telephone Number: 503-582-0848

Creditor: AFCO Credit Corporation			Federal Truth In Lending Disclosures		
(A) Total Premiums	(B) Down Payment	(C) Amount Financed (The amount of credit provided to you or on your behalf)	(D) FINANCE CHARGE (The dollar amount the credit will cost you)	(E) Total of Payments (The amount you will have paid after you have made all payments as scheduled)	(F) ANNUAL PERCENTAGE RATE (The cost of your credit as a yearly rate)
\$893,036.00	\$133,955.00	\$759,081.00	* \$38,733.90	\$797,814.90	10%
Your PAYMENT SCHEDULE will be: Monthly			*Includes a non-refundable service charge of \$50.00		If the borrower under this Agreement is a consumer, you will receive an Itemization of the Amount Financed
No. of Payments	Amount of Payments		When Payments are Due		
9	\$88,646.10		On the 22nd day of the month, beginning 6/22/2025		
<p>Security: You are giving a security interest in any and all unearned or return premiums and dividends which may become due under the policy(ies) being purchased. Late Charge: You will be charged 2% of the payment, subject to a minimum charge of \$1.00 on any payment received more than 10 days after the due date. Cancellation Charge: You will be charged a cancellation charge of \$0.00 if AFCO cancels any insurance policy in accordance with the terms of this Agreement. Prepayment: If you voluntarily prepay in full prior to the last installment due date you will not be charged a prepayment fee and you may be entitled to a refund of part of the finance charge. See Above and on the last page of this document for any additional information about non-payment default, any repayment in full before the scheduled date, and prepayment refunds and penalties.</p>					

SCHEDULE OF POLICIES

Policy Prefix and Numbers	Effective Date of Policy/Inst.	Name of Insurance Company and Address of General or policy Issuing Agent or Intermediary	Type of Coverage	Months Covered	Premium \$
WC5-33S-B26D99015 Audite= N Min Ernd= 0% AddCxlDays= 0	4/22/2025	Liberty Mutual Insurance Company 175 Berkeley St Boston, MA 02116	WORKERS COMP Ref. Tax/Fee: \$0.00 Non-Ref. Tax/Fee: \$0.00	12	\$893,036.00

In consideration of the payment(s) to be made by AFCO CREDIT CORPORATION ("AFCO") to the above insurance company(ies) ("Insurer(s)"), either directly or through your or their agents, representatives, or producer, the above-named insured ("Insured") (jointly and severally if more than one):
 1) **PROMISE OF PAYMENT:** Promises to pay to the order of AFCO at the above address or any address AFCO may designate, the Total of Payments in accordance with the Payment Schedule set forth in the above Truth-in-Lending Disclosures as well as any other sums due pursuant to this Agreement. No additional authority, acts, approvals or licenses are or will be necessary as a prerequisite to the enforceability of this Agreement. AFCO may, at its option, pay loan proceeds to any agent, broker, general agent, managing general agent or insurer set forth herein. Payments to AFCO are deemed made only upon receipt in good funds. Checks are accepted, subject to collection.
 2) **SECURITY INTEREST AND POWER OF ATTORNEY:** Irrevocably appoints AFCO as Attorney-in-Fact with full authority to affect cancellation of the policies covered hereby or any substitution, rewrite or renewal thereof in accordance with the provisions herein, to receive all sums assigned to AFCO or in which it has granted AFCO a security interest. AFCO may execute and deliver on behalf of the Insured all documents, forms and notices relating to the policies covered hereby in furtherance of this Agreement. The Power of Attorney is coupled with an interest and the powers given herein may be exercised by the Attorney-in-Fact, or its successors and assigns.
 3) **RECEIPT OF AGREEMENT AND PRIVACY NOTICE:** Acknowledges that it has received a copy of all pages of this Agreement and if the borrower is a consumer, the Insured acknowledges that he has received a copy of AFCO's Privacy Statement.
NOTICE: 1. DO NOT SIGN THIS AGREEMENT BEFORE YOU READ IT OR IF IT CONTAINS ANY BLANK SPACE. 2. YOU ARE ENTITLED TO A COMPLETELY FILLED-IN COPY OF THIS AGREEMENT. 3. UNDER THE LAW, YOU HAVE THE RIGHT TO PAY OFF IN ADVANCE THE FULL AMOUNT AND UNDER CERTAIN CONDITIONS TO OBTAIN A PARTIAL REFUND OF THE SERVICE CHARGE.

INSURED AGREES TO THE TERMS SET FORTH ABOVE AND ON ALL PAGES OF THIS AGREEMENT

Wellmade Floor Coverings International Inc
 INSURED'S NAME _____ SIGNATURE OF THE INSURED OR AUTHORIZED REPRESENTATIVE [Signature] Insured TITLE _____ 6/4/2025 DATE
 INSURED'S NAME _____ SIGNATURE OF THE INSURED OR AUTHORIZED REPRESENTATIVE _____ TITLE _____ DATE _____

AGENT/BROKER/PRODUCER WARRANTIES AND REPRESENTATIONS

The undersigned warrants and agrees: 1. The policies listed in the Schedule of Policies are in full force and effect, and the information and the premiums are correct. 2. The Insured has received a copy of this Agreement, has authorized this transaction and recognizes the security interest assigned herein. 3. To hold in trust for AFCO any payments made or recited to the Insured through or to the undersigned, directly or indirectly, actually or constructively by the insurance companies, their representatives or AFCO and to pay the monies as well as any unearned commissions to AFCO upon demand to satisfy the outstanding indebtedness of the Insured. 4. Any lien the undersigned has or may acquire in the return premiums arising out of the listed insurance policies is subordinate to AFCO's lien or security interest therein. 5. The policies comply with AFCO's eligibility requirements. 6. No audit or reporting form policies, policies subject to retrospective rating or minimum earned premium are included. 7. The deposit or provision premiums are not less than anticipated premiums to be earned for the full term of the policies. 8. The policies can be cancelled by the Insured and the unearned premiums will be computed on the standard short-rate or pro-rata table. 9. A proceeding in bankruptcy, receivership, or insolvency has not been instituted by or against the named Insured borrower. 10. That it has received the down payment and any other sums due as required by the Agreement and is holding same or they are attached to this Agreement. 11. No additional authority, acts, approvals or licenses are or will be necessary as a prerequisite to the enforceability of this Agreement. 12. AFCO will rely upon these representations in determining whether to accept this Agreement.

THE UNDERSIGNED FURTHER WARRANTS THAT IT HAS RECEIVED THE DOWN PAYMENT AND ANY OTHER SUMS DUE AS REQUIRED BY THE AGREEMENT AND IS HOLDING SAME OR THEY ARE ATTACHED TO THIS AGREEMENT

Hub International Northwest LLC
 AGENT OR BROKER [Signature: Paul Quandt] Agent TITLE _____ 6-5-2025 DATE

agreement and any other past, present or future extension of credit: (a) any and all unearned premiums or dividends which may become payable for any reason under all insurance policies financed by AFCCO, (b) loss payments which reduce the unearned premiums, subject to any mortgagee or loss payee interests and (c) any interest in any state guarantee fund relating to any financed policy. If any circumstances exist in which all premiums related to any policy could become fully earned in the event of any loss, AFCCO shall be named a loss-payee with respect to such policy. AFCCO at its option may enforce payment of this debt without recourse to the security given to AFCCO. The Insured irrevocably appoints AFCCO as its attorney-in-fact with full authority to (i) cancel all insurance financed by AFCCO for the reason set forth in paragraph 13, whether pursuant to this or any other agreement, (ii) receive all sums hereby assigned to AFCCO and (iii) execute and deliver on the Insured's behalf all documents, instruments of payment, forms and notices of any kind relating to the insurance in furtherance of this Agreement.

5) **WARRANTY OF ACCURACY:** The Insured (i) warrants that all listed insurance policies have been issued to it and are in full force and effect and that it has not and will not assign any interest in the policies except for the interest of mortgagees and loss payees; (ii) authorizes AFCCO to insert or correct on this Agreement, if omitted or incorrect, the insurer's name, the policy numbers, and the due date of the first installment and to correct any obvious errors; and (iii) authorizes AFCCO to correct or remedy any error or omission in the completion of this Agreement. In the event of any such change, correction or insertion, or of any change in Blocks (A) thru (F), or in the Federal Truth-in-Lending Disclosures or in the Itemization of the Amount Financed Disclosures the Insured will be notified at the address shown herein.

6) **REPRESENTATION OF SOLVENCY:** The Insured represents that it is not insolvent or the subject of any insolvency proceeding.

7) **ADDITIONAL PREMIUMS:** The money paid by AFCCO is only for the premium as determined at the time the insurance policy is issued. AFCCO's payment shall not be applied by the insurance company to pay for any additional premiums owed by the Insured resulting from any type of misclassification of the risk. The Insured shall pay to the insurer any additional premiums or any other sums that become due for any reason. The Insured agrees that, in the event the total premiums are greater than that shown hereon, or if the Insured requests additional premiums be added or additional premiums financed, this Agreement may be amended to reflect the actual premiums and the Insured will either (i) pay the difference in premium due or (ii) pay any required additional down payment and any additional finance charge permitted by law. In such event AFCCO will forward the Insured a revision notice showing all information required by law. If AFCCO assigns the same account number to any additional extension or extensions of credit, (i) this Agreement and any agreement or agreements identified by such account number shall be deemed to comprise a single and indivisible loan transaction, (ii) any default with respect to any component of such transaction shall be deemed a default with respect to all components of such transaction and (iii) any unearned premiums relating to any component of such transaction may be collected and applied by AFCCO to the totality of such transaction.

8) **SPECIAL INSURANCE POLICIES:** If the insurance policy is auditable or is a reporting form policy or is subject to retrospective rating, then the Insured promises to pay to the insurance company the earned premium computed in accordance with the policy provisions which is in excess of the amount of premium advanced by AFCCO which the insurance company retains.

9) **FIRST NAMED INSURED:** If the insurance policy provides that the first named insured in the policy shall be responsible for payment of premiums and shall act on behalf of all other insureds regarding the policy, then the same shall apply to this Agreement and the Insured represents that it is authorized to sign on behalf of all insureds. If not, then all insureds' names must be shown on this Agreement unless a separate agreement appoints an insured to act for the others.

10) **FINANCE CHARGE:** The finance charge shown in Block D begins to accrue as of the earliest policy effective date, unless otherwise indicated in the Schedule of Policies, and shall continue to accrue until the balance due AFCCO is paid in full or until such other date as required by law, notwithstanding any cancellation of coverage. If AFCCO issues a Notice of Cancellation, AFCCO may recalculate the total finance charge payable pursuant to this Agreement, and the Insured agrees to pay interest, on the Amount Financed set forth herein, from the first effective date of coverage, at the highest lawful rate of interest.

11) **AGREEMENT BECOMES A CONTRACT:** This Agreement becomes a binding contract when AFCCO mails the Insured its written acceptance and is not a contract until such time. The Insured agrees that (i) this Agreement may be transmitted by facsimile, e-mail or other electronic means to AFCCO, (ii) any such transmitted Agreement shall be deemed a fully enforceable duplicate original document and (iii) such Agreement, when accepted by AFCCO, shall constitute a valid and enforceable contract.

12) **DEFAULT AND DISHONORED CHECK CHARGES:** If the Insured is late in making a loan payment to AFCCO by more than the number of days specified by law the Insured will pay to AFCCO a delinquency charge equal to the maximum charge permitted by law. If a check is dishonored, AFCCO may re-present the check electronically and collect a service fee not to exceed the lesser of \$25 or the amount permitted by law.

13) **CANCELLATION:** AFCCO may cancel all insurance policies financed by AFCCO after giving statutory notice and the full balance due to AFCCO shall be immediately payable if the Insured does not pay any installment according to the terms of this or any other Agreement with AFCCO. Payment of unearned premiums shall not be deemed to be payment of installments to AFCCO, in full or in part.

14) **CANCELLATION CHARGES:** If AFCCO cancels any insurance policy in accordance with the terms of this Agreement the Insured will pay AFCCO a cancellation charge, if permitted, up to the limit specified by law.

15) **MONEY RECEIVED AFTER NOTICE OF CANCELLATION:** Any payments made to AFCCO after mailing of AFCCO's Notice of Cancellation may be credited to the Insured's account without affecting the acceleration of this Agreement and without any liability or obligation to request reinstatement of a canceled policy. In the event that AFCCO requests, on the Insured's behalf, reinstatement of the policy, such request does not guarantee that coverage will be reinstated. Any money AFCCO receives from an insurance company shall be credited to the amount due AFCCO with any surplus paid over to whomsoever it is entitled. No refund of less than \$1 shall be made. In case of a deficiency, the Insured shall remain liable and pay the same with interest as set forth above.

16) **ATTORNEY FEES - COLLECTION EXPENSE:** If, for collection, this Agreement is referred to an attorney and/or other party who is not a salaried employee of AFCCO, the Insured agrees to pay any reasonable attorney fees and costs as well as other reasonable collection expenses, as permitted by law or granted by the court.

17) **PREPAYMENT AND REFUND CREDITS:** The Insured may voluntarily prepay the full amount due and under certain conditions be entitled to receive a partial refund of the FINANCE CHARGE computed in accordance with the method prescribed by law, after deducting any fully earned charge permitted by law. AFCCO may retain an additional non-refundable service charge as indicated on Page 1 of this Agreement. Any minimum or fully earned fees will be deducted as permitted by law. The Insured agrees that any refunds may be applied against any debts owed AFCCO.

18) **INSURANCE AGENT OR BROKER:** The insurance agent or broker named in this Agreement is the Insured's agent, not AFCCO's and AFCCO is not legally bound by anything the agent or broker represents to the Insured orally or in writing. AFCCO has not participated in the choice, placement, acquisition or underwriting of any financed insurance. Any disclosures made by the agent are made in its capacity as the Insured's agent and AFCCO makes no representations with respect to the accuracy of any such disclosures.

19) **NOT A CONDITION OF OBTAINING INSURANCE:** This Agreement is not required as a condition of obtaining insurance coverage.

20) **SUCCESSORS AND ASSIGNS:** All legal rights given to AFCCO shall benefit AFCCO's successors and assigns. The Insured will not assign this Agreement and/or the policies without AFCCO's written consent except for the interest of mortgagees and loss payees.

21) **LIMITATION OF LIABILITY - CLAIMS AGAINST AFCCO:** The Insured hereby irrevocably waives and releases AFCCO from any claims, lawsuits and causes of action which may be related to any prior loans and/or to any act or failure to act prior to the time that this Agreement becomes a binding contract, pursuant to paragraph 11. AFCCO's liability for breach of any of the terms of this Agreement or the wrongful exercise of any of its powers shall be limited to the amount of the principal balance outstanding, except in the event of gross negligence or willful misconduct. Any claims against AFCCO shall be litigated exclusively in the Supreme Court of the State of New York, County of New York.

22) **DISCLOSURE:** The insurance company or companies and their agents, any intermediaries and the insurance agent or broker named in this Agreement and their successors are authorized and directed to provide AFCCO with full and complete information regarding all financed insurance policy or policies, including, without limitation, the status and calculation of unearned premiums.

23) **ENTIRE DOCUMENT - GOVERNING LAW - ENFORCEMENT VENUE:** This document is the entire agreement between AFCCO and the Insured and can only be changed in a writing signed by both parties except as stated in paragraph (5). The laws of the state indicated in the Insured's address as set forth herein will govern this Agreement. AFCCO may, at its option, prosecute any action to enforce its rights hereunder in the Supreme Court of the State of New York, County of New York, and the Insured (i) waives any objection to such venue and (ii) will honor any order issued by or judgment entered in such Court.

24) **WAIVER OF SOVEREIGN IMMUNITY:** The Insured hereby certifies that it is empowered to enter into this Agreement without any restrictions and that the individual signing it has been fully empowered to do so. To the extent that the Insured either possesses or claims sovereign immunity for any reason, such sovereign immunity is expressly waived and the Insured agrees to be subject to the jurisdiction of the laws and courts set forth in the preceding paragraphs.

EXHIBIT B

NOTICE OF ACCEPTANCE

Wellmade Floor Coverings International Inc. (NDIP)
19150 SW 125th Ct
Tualatin OR 97062

LOAN SUMMARY	
Notice Date:	06/11/2025
Loan Number:	██████24
Total Premiums:	\$893,036.00
Down Payment:	\$133,955.00
Amount Financed:	\$759,081.00
Finance Charge:	\$38,733.90
Amount Due on Each Date:	\$88,646.10
Annual % Rate:	10.00%
Number of Payments:	9
First Due Date:	06/22/2025

Hub International Northwest LLC
Attn: Anna De La Cruz
P.O. Box 3018
Bothell WA 98011

This notice will acknowledge our acceptance of your Premium Finance Agreement (the "Agreement") which was originated through the above-referenced Agent or Broker. The Insurance Company(ies) providing your insurance coverage will be notified that you have entered into this Agreement. We will issue payment on your behalf as directed by your Agent or Broker.

We are pleased to receive and process the Agreement which was recently negotiated through your Agent or Broker referenced above. The Notice of Acceptance is our official acknowledgment and acceptance of your Agreement. Please carefully review the Loan Summary above. If any of the information does not agree with your records, please notify us immediately. If this is your first transaction with us, the following information may be helpful:

LOAN NUMBER. Your loan number is indicated above. Please refer to it if you contact us about your loan.

PAYMENTS. You completed an ACH Debit Authorization Form to have your premium finance payments automatically debited from your account. AFCO Direct, a division of AFCO Credit/Acceptance Corporation, will deduct the payment on the due date or the closest business day to the due date. If for some reason the payment cannot be taken, you will be notified by phone or email to troubleshoot or automatically changed to billing statements.

INQUIRIES. You can log on to our website - www.afcodirect.com - to access your loan and/or make a payment. If you have questions or need help you can email us - notices@afcodirect.com - or call our toll-free number listed below. Our Customer Service Department is ready and eager to assist you with any questions about your loan or other premium finance needs.

THANK YOU for funding your insurance premiums through AFCO Direct, a division of AFCO Credit/Acceptance Corporation.



A Division of AFCO Credit/Acceptance Corporation
Two Conway Park, 150 North Field Drive, Suite 190
Lake Forest IL 60045
Phone: 877-226-5456 Fax: 877-226-5297

www.afcodirect.com

*****RECEIVE YOUR BILL BY EMAIL - notices@afcodirect.com*****

ADVICE OF FINANCED PREMIUM

Wellmade Floor Coverings International Inc. (NDIP)
19150 SW 125th Ct
Tualatin OR 97062

FINANCED POLICY	
Loan Number:	██████24
Policy Number:	██████████99-015
Effective Date:	04/22/2025
Term in Months:	12
Type of Coverage:	WORKERS COMP
Insurance Co:	Liberty Mutual Insurance Company
MGA:	
Gross Premium:	\$893,036.00
Notice Date:	06/11/2025
<i>PLEASE MARK YOUR RECORDS TO INDICATE AFCO'S INTEREST IN THE ABOVE-REFERENCED FINANCED POLICY</i>	

Liberty Mutual Insurance Company
175 Berkeley St
Boston MA 02116

Hub International Northwest LLC
P.O. Box 3018
Bothell WA 98011

AFCO Direct, a division of AFCO Credit/Acceptance Corporation (hereinafter "AFCO"), hereby notifies you of the premium finance agreement (the "Agreement") the subject of which is the above-referenced financed policy (the "Financed Policy"). The Agreement has been signed by the above referenced insured (the "Insured") or on behalf of the Insured by a legally authorized party. AFCO has accepted the Agreement, and will advance funds to pay all or part of the premiums on the Financed Policy. Please take notice concerning:

1. **POWER OF ATTORNEY.** The Agreement contains a power of attorney or other authority which, in the event of default on the Agreement, grants to AFCO the Insured's right to cancel the Financed Policy. This power of attorney also grants to AFCO the authority to execute and deliver on behalf of the Insured any documents, forms, or notices relating to the Financed Policy.
2. **AFCO'S RIGHTS TO RETURN OF GROSS UNEARNED PREMIUMS AND CERTAIN LOSS PAYMENTS.** The Agreement assigns to AFCO and gives AFCO the right to directly receive all return of gross unearned premiums and dividends resulting from cancellation, endorsement or modification of the Financed Policy by any party, and also assigns to AFCO any loss payments which reduce return premiums (subject to mortgagee or loss payee interests in these loss payments).
3. **ASSIGNMENTS.** The Agreement provides that AFCO may sell or assign its interest in the Agreement and the Financed Policy. The Agreement requires the written permission of AFCO for the Insured to assign the Financed Policy.

In accordance with this notice and/or the appropriate premium finance statute, please notify AFCO at once if:

- a. **POLICY TERMS DIFFER.** Notify AFCO if the Financed Policy is not in force, or the terms or provisions of the Financed Policy differ from those indicated above, or
- b. **NON-STANDARD PREMIUM REFUND PROVISIONS EXIST.** Notify AFCO if the Financed Policy provides that return premiums are calculated by a method other than the standard pro rata or short rate tables over the policy term indicated above, or if earning of the premium could be affected by claims, or
- c. **THIRD-PARTY NOTIFICATION IS REQUIRED FOR CANCELLATION.** Notify AFCO if the Financed Policy contains provisions which would prohibit the Insured or AFCO from effecting cancellation without waiting periods for notifications to third parties.

Should cancellation be necessary, AFCO will stipulate the cancellation effective date, as provided by the appropriate premium finance statute and AFCO's prior notices to the Insured. **All parties receiving copies of the Notice should contact AFCO regarding any discrepancies in the information presented herein within 10 days of the date of this notice. In the absence of such advice and any other contingencies, AFCO will issue the Financed Policy premium to the Agent or Broker indicated above.**

AFCODIRECT 
 A Division of AFCO Credit/Acceptance Corporation
 Two Conway Park 150 North Field Drive, Suite 190
 Lake Forest IL 60045
 Phone: 877-226-5456 Fax: 877-226-5297
 notices@afcodirect.com

EXHIBIT C

DocuSign Envelope ID: 6607A748-DED6-430F-A4DD-94838B2E4803



FINANCE AGREEMENT-PROMISSORY NOTE

150 North Field Drive, Suite 190, Lake Forest, Illinois 60045
Phone 877-226-5456 www.afcodirect.com

Quote Number 587.1

Agent/Broker/Producer (Name and Address)
Hub International Northwest LLC
P.O. Box 3018
Bothell, WA 98011

Telephone Number: 425-489-4500 Agency Code:HUB17371NW

Insured (Name and Address as shown on the policy(ies) including all insureds covered by the policies below)
Wellmade Floor Coverings International Inc.
19150 SW 125th Ct
Tualatin, OR 97062

Telephone Number: 503-582-0848

Creditor: AFCO Credit Corporation			Federal Truth In Lending Disclosures		
(A) Total Premiums \$155,343.00	(B) Down Payment \$38,835.75	(C) Amount Financed (The amount of credit provided to you or on your behalf) \$116,507.25	(D) FINANCE CHARGE (The dollar amount the credit will cost you) * \$6,443.31	(E) Total of Payments (The amount you will have paid after you have made all payments as scheduled) \$122,950.56	(F) ANNUAL PERCENTAGE RATE (The cost of your credit as a yearly rate) 10%
Your PAYMENT SCHEDULE will be: Monthly			*Includes a non-refundable service charge of \$50.00		If the borrower under this Agreement is a consumer, you will receive an Itemization of the Amount Financed
No. of Payments	Amount of Payments		When Payments are Due		
8	\$15,368.82		On the 22nd day of the month, beginning 7/22/2025		
Security: You are giving a security interest in any and all unearned or return premium(s) and dividends which may become due under the policy(ies) being purchased. Late Charge: You will be charged 2% of the payment, subject to a minimum charge of \$1.00 on any payment received more than 10 days after the due date. Cancellation Charge: You will be charged a cancellation charge of \$0.00 if AFCO cancels any insurance policy in accordance with the terms of this Agreement. Prepayment: If you voluntarily prepay in full prior to the last installment due date you will not be charged a prepayment fee and you may be entitled to a refund of part of the finance charge. See Above and on the last page of this document for any additional information about non-payment default, any repayment in full before the scheduled date, and prepayment refunds and penalties.					

SCHEDULE OF POLICIES

Policy Prefix and Numbers	Effective Date of Policy/Inst.	Name of Insurance Company and Address of General or policy Issuing Agent or Intermediary	Type of Coverage	Months Covered	Premium \$
WC5-33S-B26D99 015 Audit= N Min Ernd= 0% AddCxlDays= 0	4/22/2025	Liberty Mutual Insurance Company 175 Berkeley St Boston, MA 02116	WORKERS COMP Ref. Tax/Fee: Non-Ref. Tax/Fee:	12	\$155,343.00 \$0.00 \$0.00

In consideration of the payment(s) to be made by AFCO CREDIT CORPORATION ("AFCO") to the above insurance company(ies) ("Insurer(s)"), either directly or through your or their agents, representatives, or producer, the above-named insured ("Insured") (jointly and severally if more than one):

- PROMISE OF PAYMENT:** Promises to pay to the order of AFCO at the above address or any address AFCO may designate, the Total of Payments in accordance with the Payment Schedule set forth in the above Truth-in-Lending Disclosures as well as any other sums due pursuant to this Agreement. No additional authority, acts, approvals or licenses are or will be necessary as a prerequisite to the enforceability of this Agreement. AFCO may, at its option, pay loan proceeds to any agent, broker, general agent, managing general agent or insurer set forth herein. Payments to AFCO are deemed made only upon receipt in good funds. Checks are accepted, subject to collection.
 - SECURITY INTEREST AND POWER OF ATTORNEY:** Irrevocably appoints AFCO as Attorney-in-Fact with full authority to affect cancellation of the policies covered hereby or any substitution, rewrite or renewal thereof in accordance with the provisions herein, to receive all sums assigned to AFCO or in which it has granted AFCO a security interest. AFCO may execute and deliver on behalf of the Insured all documents, forms and notices relating to the policies covered hereby in furtherance of this Agreement. The Power of Attorney is coupled with an interest and the powers given herein may be exercised by the Attorney-in-Fact, or its successors and assigns.
 - RECEIPT OF AGREEMENT AND PRIVACY NOTICE:** Acknowledges that it has received a copy of all pages of this Agreement and if the borrower is a consumer, the Insured acknowledges that he has received a copy of AFCO's Privacy Statement.
- NOTICE: 1. DO NOT SIGN THIS AGREEMENT BEFORE YOU READ IT OR IF IT CONTAINS ANY BLANK SPACE. 2. YOU ARE ENTITLED TO A COMPLETELY FILLED-IN COPY OF THIS AGREEMENT. 3. UNDER THE LAW, YOU HAVE THE RIGHT TO PAY OFF IN ADVANCE THE FULL AMOUNT AND UNDER CERTAIN CONDITIONS TO OBTAIN A PARTIAL REFUND OF THE SERVICE CHARGE.**

Christy wei **INSURED AGREES TO THE TERMS SET FORTH ABOVE AND ON ALL PAGES OF THIS AGREEMENT**

Wellmade Floor Coverings International Inc

Christy Wei
SIGNATURE OF THE INSURED OR AUTHORIZED REPRESENTATIVE

Insured 7/14/2025
TITLE DATE

INSURED'S NAME

INSURED'S NAME

SIGNATURE OF THE INSURED OR AUTHORIZED REPRESENTATIVE

TITLE DATE

AGENT/BROKER/PRODUCER WARRANTIES AND REPRESENTATIONS

The undersigned warrants and agrees: 1. The policies listed in the Schedule of Policies are in full force and effect, and the information and the premiums are correct. 2. The Insured has received a copy of this Agreement, has authorized this transaction and recognizes the security interest assigned herein. 3. To hold in trust for AFCO any payments made or credited to the Insured through or to the undersigned, directly or indirectly, actually or constructively by the insurance companies, their representatives or AFCO and to pay the monies as well as any unearned commissions to AFCO upon demand to satisfy the outstanding indebtedness of the Insured. 4. Any lien the undersigned has or may acquire in the return premiums arising out of the listed insurance policies is subordinate to AFCO's lien or security interest therein. 5. The policies comply with AFCO's eligibility requirements. 6. No audit or reporting form policies, policies subject to retrospective rating or minimum earned premium are included. 7. The deposit or provision premiums are not less than anticipated premiums to be earned for the full term of the policies. 8. The policies can be cancelled by the Insured and the unearned premiums will be computed on the standard short-rate or pro-rata table. 9. A proceeding in bankruptcy, receivership, or insolvency has not been instituted by or against the named Insured borrower. 10. That it has received the down payment and any other sums due as required by the Agreement and is holding same or they are attached to this Agreement. 11. No additional authority, acts, approvals or licenses are or will be necessary as a prerequisite to the enforceability of this Agreement. 12. AFCO will rely upon these representations in determining whether to accept this Agreement.

THE UNDERSIGNED FURTHER WARRANTS THAT IT HAS RECEIVED THE DOWN PAYMENT AND ANY OTHER SUMS DUE AS REQUIRED BY THE AGREEMENT AND IS HOLDING SAME OR THEY ARE ATTACHED TO THIS AGREEMENT

Hub International Northwest LLC

Anna de la Cruz
SIGNATURE OF AGENT OR BROKER

Agent 7/14/2025
TITLE DATE

AGENT OR BROKER
Anna de la Cruz

- (4) **ASSIGNMENT OF SECURITY INTEREST AND POWER OF ATTORNEY:** The Insured assigns and hereby gives a security interest to AFCO as collateral for the total amount payable in this Agreement and any other policy providing coverage of the Insured's debt, including unearned premiums or dividends which may become payable for any reason under all insurance policies financed by AFCO, (b) loss payments which reduce the unearned premiums, subject to any mortgagee or loss payee interests and (c) any interest in any state guarantee fund relating to any financed policy. If any circumstances exist in which all premiums related to any policy could become fully earned in the event of any loss, AFCO shall be named a loss-payee with respect to such policy. AFCO at its option may enforce payment of this debt without recourse to the security given to AFCO. The Insured irrevocably appoints AFCO as its attorney in fact with full authority to (i) cancel all insurance financed by AFCO for the reason set forth in paragraph 13, whether pursuant to this or any other agreement, (ii) receive all sums hereby assigned to AFCO and (iii) execute and deliver on the Insured's behalf all documents, instruments of payment, forms and notices of any kind relating to the insurance in furtherance of this Agreement.
- (5) **WARRANTY OF ACCURACY:** The Insured (i) warrants that all listed insurance policies have been issued to it and are in full force and effect and that it has not and will not assign any interest in the policies except for the interest of mortgagees and loss payees; (ii) authorizes AFCO to insert or correct on this Agreement, if omitted or incorrect, the insurer's name, the policy numbers, and the due date of the first installment and to correct any obvious errors; and (iii) authorizes AFCO to correct or remedy any error or omission in the completion of this Agreement. In the event of any such change, correction or insertion, or of any change in Blocks (A) thru (F), or in the Federal Truth-in-Lending Disclosures or in the Itemization of the Amount Financed Disclosures the Insured will be notified at the address shown hereon.
- (6) **REPRESENTATION OF SOLVENCY:** The Insured represents that it is not insolvent or the subject of any insolvency proceeding.
- (7) **ADDITIONAL PREMIUMS:** The money paid by AFCO is only for the premium as determined at the time the insurance policy is issued. AFCO's payment shall not be applied by the insurance company to pay for any additional premiums owed by the Insured resulting from any type of misclassification of the risk. The Insured shall pay to the insurer any additional premiums or any other sums that become due for any reason. The Insured agrees that, in the event the total premiums are greater than that shown hereon, or if the Insured requests additional premiums be added or additional premiums financed, this Agreement may be amended to reflect the actual premiums and the Insured will either (i) pay the difference in premium due or (ii) pay any required additional down payment and any additional finance charge permitted by law. In such event AFCO will forward the Insured a revision notice showing all information required by law. If AFCO assigns the same account number to any additional extension or extensions of credit, (i) this Agreement and any agreement or agreements identified by such account number shall be deemed to comprise a single and indivisible loan transaction, (ii) any default with respect to any component of such transaction shall be deemed a default with respect to all components of such transaction and (iii) any unearned premiums relating to any component of such transaction may be collected and applied by AFCO to the totality of such transaction.
- (8) **SPECIAL INSURANCE POLICIES:** If the insurance policy is auditable or is a reporting form policy or is subject to retrospective rating, then the Insured promises to pay to the insurance company the earned premium computed in accordance with the policy provisions which is in excess of the amount of premium advanced by AFCO which the insurance company retains.
- (9) **FIRST NAMED INSURED:** If the insurance policy provides that the first named insured in the policy shall be responsible for payment of premiums and shall act on behalf of all other insureds regarding the policy, then the same shall apply to this Agreement and the Insured represents that it is authorized to sign on behalf of all insureds. If not, then all insureds' names must be shown on this Agreement unless a separate agreement appoints an insured to act for the others.
- (10) **FINANCE CHARGE:** The finance charge shown in Block D begins to accrue as of the earliest policy effective date, unless otherwise indicated in the Schedule of Policies, and shall continue to accrue until the balance due AFCO is paid in full or until such other date as required by law, notwithstanding any cancellation of coverage. If AFCO issues a Notice of Cancellation, AFCO may recalculate the total finance charge payable pursuant to this Agreement, and the Insured agrees to pay interest, on the Amount Financed set forth herein, from the first effective date of coverage, at the highest lawful rate of interest.
- (11) **AGREEMENT BECOMES A CONTRACT:** This Agreement becomes a binding contract when AFCO mails the Insured its written acceptance and is not a contract until such time. The Insured agrees that (i) this Agreement may be transmitted by facsimile, E-mail or other electronic means to AFCO, (ii) any such transmitted Agreement shall be deemed a fully enforceable duplicate original document and (iii) such Agreement, when accepted by AFCO, shall constitute a valid and enforceable contract.
- (12) **DEFAULT AND DISHONORED CHECK CHARGES:** If the Insured is late in making a loan payment to AFCO by more than the number of days specified by law the Insured will pay to AFCO a delinquency charge equal to the maximum charge permitted by law. If a check is dishonored, AFCO may re-present the check electronically and collect a service fee not to exceed the lesser of \$25 or the amount permitted by law.
- (13) **CANCELLATION:** AFCO may cancel all insurance policies financed by AFCO after giving statutory notice and the full balance due to AFCO shall be immediately payable if the Insured does not pay any installment according to the terms of this or any other Agreement with AFCO. Payment of unearned premiums shall not be deemed to be payment of installments to AFCO, in full or in part.
- (14) **CANCELLATION CHARGES:** If AFCO cancels any insurance policy in accordance with the terms of this Agreement the Insured will pay AFCO a cancellation charge, if permitted, up to the limit specified by law.
- (15) **MONEY RECEIVED AFTER NOTICE OF CANCELLATION:** Any payments made to AFCO after mailing of AFCO's Notice of Cancellation may be credited to the Insured's account without affecting the acceleration of this Agreement and without any liability or obligation to request reinstatement of a canceled policy. In the event that AFCO requests, on the Insured's behalf, reinstatement of the policy, such request does not guarantee that coverage will be reinstated. Any money AFCO receives from an insurance company shall be credited to the amount due AFCO with any surplus paid over to whomever it is entitled. No refund of less than \$1 shall be made. In case of a deficiency, the Insured shall remain liable and pay the same with interest as set forth above.
- (16) **ATTORNEY FEES - COLLECTION EXPENSE:** If, for collection, this Agreement is referred to an attorney and/or other party who is not a salaried employee of AFCO, the Insured agrees to pay any reasonable attorney fees and costs as well as other reasonable collection expenses, as permitted by law or granted by the court.
- (17) **PREPAYMENT AND REFUND CREDITS:** The Insured may voluntarily prepay the full amount due and under certain conditions be entitled to receive a partial refund of the FINANCE CHARGE computed in accordance with the method prescribed by law, after deducting any fully earned charge permitted by law. AFCO may retain an additional non-refundable service charge as indicated on Page 1 of this Agreement. Any minimum or fully earned fees will be deducted as permitted by law. The Insured agrees that any refunds may be applied against any debts owed AFCO.
- (18) **INSURANCE AGENT OR BROKER:** The insurance agent or broker named in this Agreement is the Insured's agent, not AFCO's and AFCO is not legally bound by anything the agent or broker represents to the Insured orally or in writing. AFCO has not participated in the choice, placement, acquisition or underwriting of any financed insurance. Any disclosures made by the agent are made in its capacity as the Insured's agent and AFCO makes no representations with respect to the accuracy of any such disclosures.
- (19) **NOT A CONDITION OF OBTAINING INSURANCE:** This Agreement is not required as a condition of obtaining insurance coverage.
- (20) **SUCCESSORS AND ASSIGNS:** All legal rights given to AFCO shall benefit AFCO's successors and assigns. The Insured will not assign this Agreement and/or the policies without AFCO's written consent except for the interest of mortgagees and loss payees.
- (21) **LIMITATION OF LIABILITY - CLAIMS AGAINST AFCO:** The Insured hereby irrevocably waives and releases AFCO from any claims, lawsuits and causes of action which may be related to any prior loans and/or to any act or failure to act prior to the time that this Agreement becomes a binding contract, pursuant to paragraph 11. AFCO's liability for breach of any of the terms of this Agreement or the wrongful exercise of any of its powers shall be limited to the amount of the principal balance outstanding, except in the event of gross negligence or willful misconduct. Any claims against AFCO shall be litigated exclusively in the Supreme Court of the State of New York, County of New York.
- (22) **DISCLOSURE:** The insurance company or companies and their agents, any intermediaries and the insurance agent or broker named in this Agreement and their successors are authorized and directed to provide AFCO with full and complete information regarding all financed insurance policy or policies, including, without limitation, the status and calculation of unearned premiums.
- (23) **ENTIRE DOCUMENT - GOVERNING LAW - ENFORCEMENT VENUE:** This document is the entire agreement between AFCO and the Insured and can only be changed in a writing signed by both parties except as stated in paragraph (5). The laws of the state indicated in the Insured's address as set forth herein will govern this Agreement. AFCO may, at its option, prosecute any action to enforce its rights hereunder in the Supreme Court of the State of New York, County of New York, and the Insured (i) waives any objection to such venue and (ii) will honor any order issued by or judgment entered in such Court.
- (24) **WAIVER OF SOVEREIGN IMMUNITY:** The Insured hereby certifies that it is empowered to enter into this Agreement without any restrictions and that the individual signing it has been fully empowered to do so. To the extent that the Insured either possesses or claims sovereign immunity for any reason, such sovereign immunity is expressly waived and the Insured agrees to be subject to the jurisdiction of the laws and courts set forth in the preceding paragraphs.

EXHIBIT D

**NOTICE OF ACCEPTANCE
ADDITIONAL PREMIUM**

Wellmade Floor Coverings International Inc. (NDIP) 19150 SW 125th Ct Tualatin OR 97062 Hub International Northwest LLC P.O. Box 3018 Bothell WA 98011	ADDITIONAL PREMIUM SUMMARY	
	Notice Date:	7/17/2025
	Loan Number:	██████24
	Down Payment on Increase:	\$38,835.75
	Amount Financed:	\$116,507.25
	Finance Charge:	\$6,443.31
	Total of Payments:	\$122,950.56
	Number of Payments:	8
	First Due Date:	7/22/2025

In Accordance with provisions of the Premium Finance Agreement between the Insured and AFCO Direct, a division of AFCO Credit/Acceptance Corporation ("AFCO"), with a policy or endorsement effective date of 4/22/2025, AFCO has included in and consolidated with said Premium Finance Agreement additional premiums due on one or more of the Insured's insurance policy(s) currently listed on the loan as: WC5-33S-B26D99-015.

TRUTH IN LENDING DISCLOSURES (for additional credit only)

YOUR PAYMENT AMOUNT WILL BE INCREASED AS FOLLOWS		AMOUNT OF PREMIUM INCREASE	\$155,343.00
NUMBER OF INCREASED PAYMENTS	8	STATE TAX/STAMP FEES	\$0.00
AMOUNT OF PAYMENT INCREASE	\$15,368.82	OTHER ADDITIONAL FEES	\$0.00
FIRST OF ADDITIONAL PAYMENTS DUE	7/22/2025	AMOUNT OF DOWN PAYMENT ON INCREASE	\$38,835.75
NEW PAYMENT AMOUNT	\$104,014.92	PRINCIPAL AMOUNT OF INCREASE (ADDITIONAL AMOUNT FINANCED)	\$116,507.25
		FINANCE CHARGE ON ADDITIONAL AMOUNT FINANCED	\$6,443.31
		NEW BALANCE DUE ON THE LOAN	\$832,119.36

LOAN NUMBER. Your loan number is indicated above. Please refer to it when calling or writing about your loan.

PAYMENTS. You will receive a billing statement approximately 12-15 days before each payment is due. If your first payment is due soon, your first billing statement will arrive in the next few days. It is important that your payments be received in our office on or before the scheduled due date to ensure uninterrupted coverage. The new balance is payable in 8 monthly installments of \$104,014.92 each, the payment dates have not changed so that the first of the remaining payments is due on 7/22/2025.

SECURITY. You are giving a security interest in unearned premiums and loss payments on the insurance policy being purchased.

INQUIRIES. Our toll-free number is listed below. Our Customer Service Department is ready and eager to assist you with any questions about your loan or other premium finance needs. ContactUs@bankdirectcapital.com.

THANK YOU for funding your insurance premiums through AFCO Direct.



A Division of AFCO Credit/Acceptance Corporation
 Two Conway Park, 150 North Field Drive, Suite 190
 Lake Forest IL 60045

Phone: 877-226-5456 Fax: 877-226-5297

ADVICE OF FINANCED PREMIUM

Wellmade Floor Coverings International Inc. (NDIP)
19150 SW 125th Ct
Tualatin OR 97062

Liberty Mutual Insurance Company
175 Berkeley St
Boston MA 02116

FINANCED POLICY	
Loan Number:	██████24
Policy Number:	██████████99-015
Effective Date:	04/22/2025
Term in Months:	12
Type of Coverage:	WORKERS COMP
Insurance Co:	Liberty Mutual Insurance Company
MGA:	
Gross Premium:	\$155,343.00
Notice Date:	07/17/2025
<i>PLEASE MARK YOUR RECORDS TO INDICATE AFCO'S INTEREST IN THE ABOVE-REFERENCED FINANCED POLICY</i>	

Hub International Northwest LLC
P.O. Box 3018
Bothell WA 98011

AFCO Direct, a division of AFCO Credit/Acceptance Corporation (hereinafter "AFCO"), hereby notifies you of the premium finance agreement (the "Agreement") the subject of which is the above-referenced financed policy (the "Financed Policy"). The Agreement has been signed by the above referenced insured (the "Insured") or on behalf of the Insured by a legally authorized party. AFCO has accepted the Agreement, and will advance funds to pay all or part of the premiums on the Financed Policy. Please take notice concerning:

1. **POWER OF ATTORNEY.** The Agreement contains a power of attorney or other authority which, in the event of default on the Agreement, grants to AFCO the Insured's right to cancel the Financed Policy. This power of attorney also grants to AFCO the authority to execute and deliver on behalf of the Insured any documents, forms, or notices relating to the Financed Policy.
2. **AFCO'S RIGHTS TO RETURN OF GROSS UNEARNED PREMIUMS AND CERTAIN LOSS PAYMENTS.** The Agreement assigns to AFCO and gives AFCO the right to directly receive all return of gross unearned premiums and dividends resulting from cancellation, endorsement or modification of the Financed Policy by any party, and also assigns to AFCO any loss payments which reduce return premiums (subject to mortgagee or loss payee interests in these loss payments).
3. **ASSIGNMENTS.** The Agreement provides that AFCO may sell or assign its interest in the Agreement and the Financed Policy. The Agreement requires the written permission of AFCO for the Insured to assign the Financed Policy.

In accordance with this notice and/or the appropriate premium finance statute, please notify AFCO at once if:

- a. **POLICY TERMS DIFFER.** Notify AFCO if the Financed Policy is not in force, or the terms or provisions of the Financed Policy differ from those indicated above, or
- b. **NON-STANDARD PREMIUM REFUND PROVISIONS EXIST.** Notify AFCO if the Financed Policy provides that return premiums are calculated by a method other than the standard pro rata or short rate tables over the policy term indicated above, or if earning of the premium could be affected by claims, or
- c. **THIRD-PARTY NOTIFICATION IS REQUIRED FOR CANCELLATION.** Notify AFCO if the Financed Policy contains provisions which would prohibit the Insured or AFCO from effecting cancellation without waiting periods for notifications to third parties.

Should cancellation be necessary, AFCO will stipulate the cancellation effective date, as provided by the appropriate premium finance statute and AFCO's prior notices to the Insured. **All parties receiving copies of the Notice should contact AFCO regarding any discrepancies in the information presented herein within 10 days of the date of this notice. In the absence of such advice and any other contingencies, AFCO will issue the Financed Policy premium to the Agent or Broker indicated above.**

AFCODIRECT 
A Division of AFCO Credit/Acceptance Corporation
Two Conway Park 150 North Field Drive, Suite 190
Lake Forest IL 60045
Phone: 877-226-5456 Fax: 877-226-5297
notices@afcodirect.com

EXHIBIT E

Account Transaction History # [REDACTED] 24 (Wellmade Floor Coverings International Inc. (NDIP))

Click on a payment description for printable receipt

Show Account Notes Show Account Status Show Balance After Each Transaction (including fees)

Date	Activity	Transaction Code	Amount	Balance	Description/Note	User	
6/11/2025 1:57:51 PM	Activation			\$797,814.90	Account Activated	jjarrell	
6/11/2025 1:57:51 PM	Status				Current	jjarrell	
6/11/2025 1:57:51 PM	Down Payment	RCPT10074003	\$133,955.00	\$797,814.90	Insured: Credit Card [REDACTED] 0208	jjarrell	Reve
6/21/2025 2:53:44 AM	Installment	RCPT10089104	\$88,646.10	\$709,168.80	Insured: ACH Withdrawal	bwatkins	Reve
7/17/2025 3:28:20 PM	Endorsement #WC5-33S-B26D99-015	END1787776	\$116,507.25	\$832,119.36	Gross Prem. \$155343.00 Amt. Fin. \$116507.25 Total Interest \$6443.31	stephenc	
7/21/2025 2:53:53 AM	Installment	RCPT10137700	\$104,014.92	\$728,104.44	Insured: ACH Withdrawal	bwatkins	Reve
8/21/2025 2:54:04 AM	Installment	RCPT10190466	\$104,014.92	\$624,089.52	Insured: ACH Withdrawal	bwatkins	Reve
9/21/2025 2:57:20 AM	Installment	RCPT10240982	\$104,014.92	\$520,074.60	Insured: ACH Withdrawal	bwatkins	
9/24/2025 9:01:47 AM	Reversal	RCPT10245586	(\$104,014.92)	\$624,089.52	Insured: ACH Withdrawal Corporate Customer Advises Unauthorized	tylerma	
9/25/2025 5:21:26 PM	Installment	RCPT10247907	\$104,014.92	\$520,074.60	Insured: eCheck	wellmade	Reve
10/22/2025 2:56:27 AM	Installment	RCPT10292599	\$104,014.92	\$416,059.68	Insured: ACH Withdrawal	bwatkins	
10/27/2025 12:57:56 PM	Installment	RCPT10300246	\$104,014.92	\$312,044.76	Insured: eCheck	wellmade	Reve
10/28/2025 10:53:30 AM	Reversal	RCPT10301840	(\$104,014.92)	\$416,059.68	Insured: ACH Withdrawal Corp advises unauthorized	kraschondragr	
12/1/2025 5:01:20 AM	Status				Intent To Cancel	System	
12/3/2025 4:30:54 AM	Late Fee	LF28939639	\$2,080.30	\$418,139.98		bwatkins	Reve
12/18/2025 12:34:22 PM	Cancel Return Premium for # [REDACTED] 99-015	RCPT10389893	\$14,945.00	\$403,194.98	Agent: Check [REDACTED] 9603	amandadi	Reve