

# UPKEEP HOME SERVICE PLAN CONTRACT

Welcome to UPKEEP Home Service Plan! Rest assured that you have chosen one of the most comprehensive and innovative ways to protect and maintain your home. The warranty portion of our program provides you with industry leading coverage that allows you to repair or replace your major home systems and keep them running like new. The Protection and home maintenance portion of our program helps you maintain these critical systems, giving you peace of mind all while saving you money! In the following terms and conditions you will learn about how our program works that allow you to properly navigate our program.

## **PLEASE READ THIS DOCUMENT CAREFULLY.**

**TO REPORT ALL CLAIMS: Call UPKEEP at (636) 387-7331 and speak to one of our Home Managers. You must notify UPKEEP before the commencement of any repairs or replacement.**

This Home Service Plan Contract (this "Contract") is between UPKEEP ("UPKEEP," "We" or "Us") and the party identified in the signature block below and who has executed this Contract ("Customer" or "You").

The maximum coverage per Contract Term is limited to twenty thousand Dollars (\$20,000.00) with a five thousand Dollar (\$5,000.00) limit per system. See the attached Schedule 1.

Certain items and events are not covered by this Contract. Coverage details are attached as Schedule 1 and made a part of this Contract. Please refer to Schedule 1 Paragraph D (Limitation of Coverage) below and to the exclusions listed in each applicable paragraph of this Contract.

## **A. Definitions**

1. **"Component Parts"** - the constituent elements of mechanical items as covered by this Contract.
2. **"Contract Term"** - The twelve (12) month period of Coverage under this Contract which begins when you have accepted its terms and conditions as provided in Paragraph F (Acceptance) below and the Subscription Amount has been paid in full.
3. **"Home Manager"** - Once you sign up for our program, you will be assigned a Home Manager This person will be your point of contact at UPKEEP. They will schedule your Preventive Maintenance, schedule the repairs for any claims you might have, and make sure your home is properly cared for.
4. **"Interior"** - the space within the external surface area which constitutes the perimeter of the residence's exterior walls; under the roofing materials; above or encased in the basement floor or home's slab, or above the ground surface in a crawl space.
5. **"Limit"** - The limit stated for the coverages provided in this Contract is the maximum amount that we will pay for the specified system or subsystem during the Contract Term. (**Note:** For purposes of calculating loss amounts, we will use ninety-five Dollars (\$95.00) per hour when we use our Technicians for repairs. If we use a Certified Systems Contractor, the actual loss amount will apply.) Any component parts needed to maintain or repair covered systems will also be applied against the stated limits.
6. **"Loss"** - the reasonable market cost or the actual cost that we can repair, or contract repairs for the required services, whichever is less, for the repair or replacement of Component Parts.
7. **"Onboarding Visit"** - Once you sign up for our Home Service Plan program, we will schedule a visit to your home by one of our Home Managers within forty-eight (48) hours. During this visit, they will determine the condition and operational function of your homes covered systems.
8. **"Operational Failure"** - the mechanical breakdown of Component Parts.
9. **"Proper Working Order"** - functioning as intended and expected for its age, and within the safety standards as established by the system manufacturer.
10. **"Subscription Amount"** - The payment that is due from you in exchange for the Coverage(s) and optional and premium coverages that we offer and which you have accepted under this Contract.
11. **"Unit"** - A unit, as used to describe the items identified in Schedule 1, means an individual appliance or equipment regarded as single and complete but which can also form part of a larger or more complex system.

## **B. Coverage**

1. We will provide home protection coverage for repair or replacement of Component Parts during the Contract Term that are mentioned as covered in accordance with the terms and conditions of this Contract that fail due to Operational Failure. We will cover a Loss so long as the Component Parts:
  - a. Are located within the Interior of the main foundation of the home or attached or detached garage (except for optional coverage of the exterior well pump, septic system and pool/spa equipment).
  - b. Are properly installed throughout the Contract Term for proper diagnosis.
  - c. Become inoperative due to normal wear and tear. (Note: We will not cover systems and appliances which malfunction due to lack of maintenance prior to Coverage, rust and corrosion or intentional damage.)
  - d. Are in Proper Working Order on the effective date of this Contract.
2. This Contract covers single-family homes, condominiums, and town house units. Coverage is for owned or rented residential property and excludes commercial property or residences used as businesses.
3. Coverage includes only the items stated as covered and excludes all others. Items described as Not Covered in Schedule 1 Paragraphs A (Covered Component Parts) and B (Optional Coverage) are intended as examples of the types of items excluded from warranty coverage. The items are not completely inclusive of all systems and appliances excluded from coverage. Coverage is subject to limitations and conditions specified in this Contract. Please read this Contract carefully.
4. Coverage under this Contract includes normal wear and tear malfunctions during the Contract Term.
5. This Contract does not cover repairs or replacements of any item covered by other insurance, warranties or guarantees, including but not limited to, manufacturer's, contractor's, builder's, distributor's, or other in-home warrantees. We will not pay for any services or parts that you have independently sought / secured without our prior authorization.
6. Coverage under this Contract begins when you have accepted its terms and conditions as provided in Paragraph F (Acceptance) below and the Subscription Amount is paid in full.

### **C. Coverage period**

1. **Home buyer.** For properties of Customers involved in a real estate transaction, coverage begins the day of the Onboarding Visit and the completion of our Onboarding Visit to verify system condition. If a particular system is not working correctly or at all, it may be excluded from your plan or assigned by the Home Manager, at the Home Manager's sole discretion, a maximum limit for the affected equipment. If this happens, you will have the right to either cancel your Contract as outlined in Paragraph G (Cancellation, Transfer and Renewal) below or continue your Contract with the modified terms. All systems must be working properly at the inception of your plan to be included. In addition, your Home Manager will capture vital information such as System Brand, Model and Serial numbers that will be used in the system maintenance portion of your plan. Once accepted into our program, coverage continues for twelve (12) months from that date. Payment of the Subscription Amount is due at the close of the sale.
2. **Buyer direct.** For properties of Customers not involved in a real estate transaction, coverage begins thirty (30) calendar days after we receive payment of the Subscription Amount and the successful completion of our Onboarding Visit to verify systems conditions. If a particular system is not working correctly or at all, it may be excluded from your plan or assigned by the Home Manager, at the Home Manager's sole discretion, a maximum limit for the affected equipment. If this happens, you will have the right to either cancel your Contract as outlined in Paragraph G (Cancellation, Transfer and Renewal) below or continue your Contract with the modified terms. All systems must be working properly at the inception of your plan to be included. In addition, your Home Manager will capture vital information such as System Brand, Model and Serial numbers that will be used in the system maintenance portion of your plan. Once accepted into our program, your Coverage continues for twelve (12) months from that date.

### **D. Customer Service**

1. **YOU MUST NOTIFY US PRIOR TO REPAIR OR REPLACEMENT.** When service is needed due to an Operational Failure, including emergency situations, you are to telephone us at (636) 387-7331, twenty-four (24) hours per day, and seven (7) days per week. Your call may be recorded and/or monitored for quality assurance purposes. This telephone contact shall initiate the service process without the requirement of a claim form or service application. This notification includes the requirement that we have the opportunity to either assign one of our on-staff Maintenance Technicians, or one of our Certified Systems Contractors, prior to the implementation

of any repairs. Failure to do so may result in our denial of the claim.

**We shall not be liable for a Loss unless we are provided notice prior to the expiration of your coverage and the reported Operational Failure is professionally diagnosed and the diagnosis is reported to us within 15 days after the expiration of your coverage, regardless of when the Operational Failure occurred.**

2. You shall take every precaution to protect the property giving rise to the Operational Failure until we authorize the necessary repair or replacement. Repair or replacement shall be performed within forty-eight (48) hours, under normal circumstances, of an approved claim by our full time Maintenance Techs or a Certified Systems Contractor approved by us. Our Technicians or Systems contractors must be used on all claims. If for some reason we cannot provide the repair or replacement for you in a reasonable amount of time, at our discretion, we will approve the use of a contractor outside of our network. We have the sole right to determine if items will be repaired or replaced. Unless specifically identified elsewhere in this Contract, replacement shall be with systems comparable in features, capacity and efficiency; we are not responsible for matching dimensions, color or brand. The use of non-original manufacturer Component Parts is permitted in making repairs under this Contract. We will use original manufacturer Component Parts when non-original manufacturer Component Parts are unavailable. we reserve the right to obtain additional opinions at our expense. We reserve the right to offer cash in lieu of repair or replacement based on what we can expect to pay to repair the failure (parts and labor); this amount may be less than retail or less than your actual cost. Once a failure has been diagnosed, subsequent failures to the same system will be exempt from coverage unless and until proof of repair is submitted to us. Proof shall include, but is not limited to, receipts verifying repair and/or replacement.

**DEDUCTIBLE:** You will pay a seventy-five Dollar (\$75.00) deductible for each separate System Failure Claim. If multiple visits are required for the same repair, you will not be charged an additional deductible. If service work performed under this Contract should fail, then we will make the necessary repairs without an additional deductible for a period of ninety (90) days on parts and thirty (30) days on labor. In the event that the failure is not covered, you are responsible for all charges incurred. Electrical and Plumbing failures that are repaired during the same visit can be combined under the same seventy-five Dollar (\$75.00) deductible. HVAC or Appliance claims are exempt from this feature.

3. If in the rare event that we are unable to send out one of our Technicians or a Certified Systems Contractor, we may give you approval to contract the repairs yourself. In this case, you may be required to pay them directly and seek reimbursement from us if the Certified Systems Contractor will not bill us. We are not responsible for overtime service rates unless we determine a life threatening or property damaging Operational Failure has occurred. We will reimburse you for your approved coverage, subject to applicable deductible(s) within thirty (30) days of receipt of a paid invoice from the Certified Systems Contractor or other proof of payment acceptable to us. Claim documentation and any correspondence can be emailed to us at [homemanager@upkeep.homes](mailto:homemanager@upkeep.homes) or mailed to UPKEEP Inc., 5377 State Hwy N, Cottleville, Missouri 63304.

## **E. Building Codes**

We are not responsible for any upgrades, work or costs required to comply with any federal, state or local laws, regulations or ordinances or utility regulations, or to meet current building or zoning code requirements, or to correct for code violations. Please see Schedule 1 Paragraph A (5) (HVAC) for specific information regarding air conditioning coverage and federal regulations. We are not responsible for service when permits cannot be obtained, nor will it pay any costs relating to permits. If you have purchased the Premium package we will pay the cost for obtaining permits, up to two hundred fifty Dollars (\$250.00) per occurrence, for our-approved repairs and replacements.

## **F. Acceptance**

This Contract is expressly limited to and made conditional upon Customer's acceptance of its terms and conditions. Any of Customer's terms and conditions which are in addition to or different from those contained herein which are not separately agreed to in writing are deemed material and are hereby objected to and rejected. Customer waives all objections to any terms and conditions contained herein. Customer will in any event be deemed to have assented to all terms and conditions contained herein.

## **G. Cancellation, Transfer and Renewal**

1. The warranty is non-cancelable by either party except for the following: (a) you fail to pay the Subscription Amount, (b) you make a fraudulent statement or mis- representation of facts material to the issuance of this Contract, or (c) this Contract provides coverage prior to the time that an interest in residential property to which it attaches is sold and the sale of the residential property does not occur. In the event of cancellation for any fraud or material misrepresentation, we may recover immediate payment of the cost of all services provided to you, less any payments made, and no refund of any kind will be issued. Should this Contract be cancelable under the laws of the state where the Customer resides, an allowable administrative fee and all serve costs that we have incurred up until and including the date of cancellation will be charged upon cancellation.

2. In the event of a transfer of the legal title and ownership of the covered residence during Customer's coverage, the remaining Contract Term may be assigned to the new homeowner. The assignee takes the warranty on the same terms, conditions, and expiration date as the assignor.
3. The warranty is renewable, by mutual consent, at prevailing rates for an additional twelve (12) month period from the date of the Contract expiration. Customers must inform us, in writing, sixty (60) days prior to the end of their contract, of their desire to cancel and not continue for another year. Failure to do so will serve as consent to renew for an additional year at the prevailing rate for our service. We may, at our option, decline to issue any renewal or cancel any contract, if the Subscription Amounts are not paid within ten (10) days of the due date. The due date will be sixty (60) days prior to Contract termination. We will use the payment method on record for your account as a payment method for renewal unless otherwise notified by you.

## **H. Limitation of Remedies**

Your sole and exclusive remedy against us for any and all claims for damages arising out of or alleged to have arisen out of this Contract will be limited to the repair or replacement by us, at our option, of any item covered under this Contract provided that we are given a reasonable opportunity and thirty (30) days to cure any alleged breach or nonconformity. This exclusive remedy shall not be deemed to have failed of its essential purpose so long as we are willing and able to repair or replace the item in issue, in any event, our maximum liability for any damages shall be limited to the total amount paid to us under this Contract. This limitation of remedies clause shall apply to the parties to this agreement as well as to their respective successors and assigns. You agree to give us written notice of your claim and provide us an opportunity to inspect the alleged damages within thirty (30) days after our receipt of the notice to cure any alleged breach or nonconformity. If you fail to give the required notice and/or fail to allow us an opportunity to cure as provided herein, you hereby waive any and all rights for damages and/or correction against us.

## **I. Limitations on Actions and Liability**

THE MAXIMUM LIABILITY, IF ANY, OF UPKEEP FOR ALL DAMAGES, INCLUDING WITHOUT LIMITATION CONTRACT DAMAGES AND DAMAGES FOR INJURIES TO PERSONS OR PROPERTY, WHETHER ARISING FROM OUR ALLEGED BREACH OF THIS CONTRACT, BREACH OF WARRANTY, NEGLIGENCE, STRICT LIABILITY OR OTHER TORT IS LIMITED TO AN AMOUNT NOT TO EXCEED THE SUBSCRIPTION AMOUNT. WE SHALL IN NO EVENT BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, LIQUIDATED, OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION, LOST REVENUES AND PROFITS, LEGAL EXPENSES, ATTORNEYS' FEES AND/OR COSTS EVEN IF YOU HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE RIGHT TO RECOVER DAMAGES WITHIN THE LIMITATIONS SPECIFIED IS YOUR EXCLUSIVE REMEDY IN THE EVENT THAT ANY OTHER CONTRACTUAL REMEDY FAILS OF ITS ESSENTIAL PURPOSE.

## **J. Agency**

Neither the real estate broker nor the broker's sales representative is an agent of UPKEEP. Coverage is strictly determined by the express terms and conditions of this Contract and not the representations of the real estate professional.

## **K. Right to Recovery**

In the event of any payment under this Contract, we shall be subrogated to all of your rights of recovery against any person or organization. You shall do nothing after a Loss to prejudice such rights. We shall not be bound to pay any loss if you have impaired any right of recovery for loss.

## **L. Rescission**

Rescission / Cancellation. The Customer may within three (3) calendar days, excluding weekends and holidays, of the delivery of the signed original of this Contract reject and return this Contract for a full refund less any actual costs or charges needed to issue and service this Contract.

## **M. Severability**

If any provision of this Contract is found to be contrary to the law by a court of competent jurisdiction, such provision shall be of no force or effect; but the remainder of this Contract shall continue in full force and effect.

## **N. Miscellaneous**

1. Both parties hereby warrant that they are at least eighteen (18) years of age and fully authorized and entitled to enter into this Contract and do so agree on the dates written by affixing their signatures.
2. The paragraph titles and other headings contained in this Contract, when used, are for reference only and shall not in any way affect the meaning or interpretation of this Contract.
3. No waiver of any provision of this Contract shall be valid unless in writing and signed by UPKEEP and you. The waiver by either party of a breach or violation of any provision of this Contract shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or other provision hereof.

4. The Company may assign any of its rights and obligations under this Contract. This Contract may not be assigned by the Client. Any assignment of rights and obligations by any other party to this Contract requires the Company's prior written consent. This Contract, and the rights and obligations of the parties hereunder, will be binding upon and inure to the benefit of their respective successors, assigns, heirs, executors, administrators and legal representatives.
5. In the event any party to this Contract is required to bring action against the other party to enforce any of the terms and conditions of this Contract, the prevailing party in such action shall be entitled to recover their reasonable attorneys' fees in addition to any other damages and costs that they may otherwise be awarded by the Court.
6. Issues and questions concerning the construction, validity, enforcement and interpretation of this Agreement and the exhibits and schedules hereto will be governed by, and construed in accordance with, the laws of the State of Missouri without giving effect to any choice of law or conflict of law rules or provisions (whether of the State of Missouri or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Missouri except that the Federal Laws of the United States of America shall apply to questions regarding the validity or infringement or enforceability of United States trademark rights and copyrights relating in any way to this Agreement or the subject matter of this Agreement. In furtherance of the foregoing, the internal law of the State of Missouri will control the interpretation and construction of this Agreement (and any amendments hereto), even though under Missouri's choice of law or conflict of law analysis, the substantive law of some other jurisdiction would ordinarily apply.
7. MANDATORY ARBITRATION. ANY CLAIM, DISPUTE OR CONTROVERSY, REGARDING ANY CONTRACT, TORT, STATUTE, OR OTHERWISE ("CLAIM"), ARISING OUT OF OR RELATING TO THIS CONTRACT OR THE RELATIONSHIPS AMONG THE PARTIES HERETO SHALL BE RESOLVED BY ONE ARBITRATOR THROUGH BINDING ARBITRATION ADMINISTERED BY THE AMERICAN ARBITRATION ASSOCIATION ("AAA"), UNDER THE AAA COMMERCIAL OR CONSUMER, AS APPLICABLE, RULES IN EFFECT AT THE TIME THE CLAIM IS FILED ("AAA RULES"). COPIES OF THE AAA RULES AND FORMS CAN BE LOCATED AT WWW.ADR.ORG, OR BY CALLING 1-800-778-7879. THE ARBITRATOR'S DECISION SHALL BE FINAL, BINDING, AND NON-APPEALABLE. JUDGMENT UPON THE AWARD MAY BE ENTERED AND ENFORCED IN ANY COURT HAVING JURISDICTION. THIS CLAUSE IS MADE PURSUANT TO A TRANSACTION INVOLVING INTERSTATE COMMERCE AND SHALL BE GOVERNED BY THE FEDERAL ARBITRATION ACT. NEITHER PARTY SHALL SUE THE OTHER PARTY OTHER THAN AS PROVIDED HEREIN OR FOR ENFORCEMENT OF THIS CLAUSE OR OF THE ARBITRATOR'S AWARD; ANY SUCH SUIT MAY BE BROUGHT ONLY IN FEDERAL DISTRICT COURT FOR THE DISTRICT OR, IF ANY SUCH COURT LACKS JURISDICTION, IN ANY STATE COURT THAT HAS JURISDICTION. THE ARBITRATOR, AND NOT ANY FEDERAL, STATE, OR LOCAL COURT, SHALL HAVE EXCLUSIVE AUTHORITY TO RESOLVE ANY DISPUTE RELATING TO THE INTERPRETATION, APPLICABILITY, UNCONSCIONABILITY, ARBITRABILITY, ENFORCEABILITY OR FORMATION OF THIS AGREEMENT INCLUDING ANY CLAIM THAT ALL OR ANY PART OF THE AGREEMENT IS VOID OR VOIDABLE. HOWEVER, THE PRECEDING SENTENCE SHALL NOT APPLY TO THE PARAGRAPH ENTITLED "CLASS ACTION WAIVER" BELOW.
8. CLASS ACTION WAIVER. ANY CLAIM MUST BE BROUGHT IN THE PARTIES' INDIVIDUAL CAPACITY, AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS, COLLECTIVE, REPRESENTATIVE, MULTIPLE PLAINTIFF, OR SIMILAR PROCEEDING ("CLASS ACTION"). THE PARTIES EXPRESSLY WAIVE ANY ABILITY TO MAINTAIN ANY CLASS ACTION IN ANY FORUM. THE ARBITRATOR SHALL NOT HAVE AUTHORITY TO COMBINE OR AGGREGATE SIMILAR CLAIMS OR CONDUCT ANY CLASS ACTION NOR MAKE AN AWARD TO ANY PERSON OR ENTITY NOT A PARTY TO THE ARBITRATION. ANY CLAIM THAT ALL OR PART OF THIS CLASS ACTION WAIVER IS UNENFORCEABLE, UNCONSCIONABLE, VOID, OR VOIDABLE MAY BE DETERMINED ONLY BY A COURT OF COMPETENT JURISDICTION AND NOT BY AN ARBITRATOR. THE PARTIES UNDERSTAND THAT THEY WOULD HAVE HAD A RIGHT TO LITIGATE THROUGH A COURT, TO HAVE A JUDGE OR JURY DECIDE THEIR CASE AND TO BE PARTY TO A CLASS OR REPRESENTATIVE ACTION, HOWEVER, THEY UNDERSTAND AND CHOOSE TO HAVE ANY CLAIMS DECIDED INDIVIDUALLY, THROUGH ARBITRATION.
9. Upon occurrence of an event of force majeure, the party affected shall promptly notify the other party in writing, setting forth the details of the occurrence, its expected duration and how that party's performance is affected. The affected party shall resume the performance of its obligations as soon as practicable after the force majeure event ceases. If a party's performance of any of its material obligations under this Contract is significantly hindered or prevented by an event of force majeure for more than six (6) months, whether or not consecutive, in any twelve (12) month period, then the other party may terminate this Contract upon thirty (30) days' written notice.
10. This Contract may be amended only by a written Contract executed by each of the parties hereto. No delay or failure to require performance of any provision of this Contract shall constitute a waiver of that provision as to that or any other instance.
11. This Contract and the documents referred to herein constitute the entire Contract and understanding of the

parties with respect to the subject matter of this Contract, and supersede all prior understandings and agreements, whether oral or written, between or among the parties hereto with respect to the specific subject matter hereof.

**IN WITNESS WHEREOF**, this Contract has been executed by the Customer on the date indicated beneath the signature below.

**CUSTOMER,**

[Print Customer Name:] \_\_\_\_\_

By: \_\_\_\_\_

[Print signer's name:] \_\_\_\_\_

[Title, if applicable:] \_\_\_\_\_

DATE: \_\_\_\_\_



**Schedule 1**  
**COVERAGE DETAILS**

**A. COVERED COMPONENT PARTS**

In accordance with the terms and conditions of the Contract, we will repair or replace systems and appliances specifically mentioned as covered during the Contract Term; all others are excluded. Except as provided to the contrary elsewhere in this Contract, we will determine, at our sole discretion, whether a covered system or appliance will be repaired or replaced. When replacing any appliance, we will not pay for any failures that do not contribute to the appliance's primary function including, without limitation, TVs or radios built into the kitchen refrigerator. We reserve the right to replace with a rebuilt component or part or repair systems and appliances with non-original manufacturer's parts. Items identified as Not Covered are intended as examples of the types of items excluded from warranty coverage. They are not completely inclusive of all systems and appliances excluded from coverage. Please see Paragraph D (Limitation of Coverage) below for general exclusions and limitations.

**1. INTERIOR PLUMBING SYSTEMS \$5,000.00 Limit**

**COVERED:** Leaks and breaks of water supply lines, gas lines, drain and waste lines, polybutylene piping; drain line routing with rotary machinery (excludes camera diagnosis and hydro-jetting to clear the line) through an accessible cleanout, p-trap, drain or overflow access points; pressure regulators, wax ring seals; toilet fixture and water tank (replaced with like kind and quality when deemed necessary by us); parts within the toilet tank, in-line shut-off valves; hose bibs; faucets and shower valves and their respective component parts; single-point instant hot water dispenser including casing, element, wiring and valve; whirlpool bathtub pump and motor assembly.

**NOT COVERED:** Ejector/lift pumps; tub diverter, shower heads, trip levers, tub stopper assembly and sink pop-up assembly; basket strainers, shower base pans, shower enclosures or doors, sinks, tubs, drain tile/French drains, sprinkler systems; water well/cistern or septic systems and components; water softener, water filter/purifier, bidets, failures due to salt, mineral beds or deposits; caulking, grouting, or tiles; lines or parts lying within an unheated area; drain line stoppages caused by roots; we are not responsible for installing a clean-out or pulling/re-setting a toilet to access a drain line stop- page; routing through roof vents is not covered.

**a. DOMESTIC WATER HEATER SUBSYSTEMS \$1,000.00 Limit**

**COVERED:** Tank, heat elements, thermostat, thermocouples, valves, flue piping, sediment build- up, electrical or gas connections; includes tankless water heaters; water heater/heating combination units and oil systems are covered.

**NOT COVERED:** Solar/solar-assisted water heating units, circulating pumps, expansion tanks, energy conservation flues and vents. Commercial grade equipment and units exceeding 80-gallon capacity.

**2. INTERIOR ELECTRICAL SYSTEMS \$5,000.00 Limit**

**COVERED:** Wiring, main service panels, sub-panels, receptacles or outlets, switches, fuse boxes, electric wiring to all major electrical equipment; outside outlets attached to the primary residential structure and garage; garage door opener (2 systems maximum) must meet current safety standards; includes track assembly and carriage unit if part of the opener unit; permanently installed Interior attic and exhaust fans used for the intake and output of air **excluding** belts, shutters and filters.

**NOT COVERED:** Any failure in the central electrical system caused by non-covered electrical wiring or components; direct current (D.C.) wiring or components and/or low voltage systems including wiring and relays; telephone wiring; garage door: cables, rollers, hinges, springs, keypads, remote transmitter units or door replacement (garage door cables, rollers, hinges, springs, keypads and remotes are covered when you purchase our **Premium Package**); central vacuum systems, hoses or accessories; ceiling fans, doorbell systems, lighting fixtures, chandeliers; smoke alarms, intercom systems; and exhaust equipment mounted on the roof (i.e. turbine ventilator).

**3. KITCHEN APPLIANCES \$5,000.00 Limit**

**COVERED:** All Component Parts, except for those excluded below, including timers that affect the primary function of the appliance; except for clothes washer and dryer all appliances must be located in the primary kitchen unless additional units have been approved by us and we have received the full Subscription Amount; appliances covered include; one each, refrigerator, oven/range, dishwasher, garbage disposal, washer and dryer and built-in microwave oven . We will pay up to a limit of one thousand Dollars (\$1,000.00) per appliance during the Contract Term toward repair/replacement of Standard or Professional series or ultra- premium, appliances including, but not limited to, Sub-Zero, Viking or Jenn-Air (individual trademarks are owned by the brand name company). If the Premium Appliance package is purchased, the limit is increased to three thousand Dollars (\$3,000.00) per appliance for the Contract Term.

**NOT COVERED:** Ice maker/crusher and beverage dispensers; drain, condensate line clearing, any failures to the door other than appliance controls located within the door; clocks, knobs, handles, dials, springs, hinges, tubs, liners, baskets, shelves, drains, glass breakage, probes, rotisseries, racks, rollers, light bulbs, lock/key assemblies, buckets, televisions, computer screens or computers that are part of an appliance but do not affect the primary function of the appliance; stand-alone freezer; walk-in freezers.

**MAINTENANCE COVERAGE:** Included in your plan is refrigerator coil cleaning, condensate line cleaning, water inlet screen cleaning, dryer vent cleaning and other critical appliance maintenance.

**PREMIUM PACKAGE COVERAGE:** When you purchase Premium Appliance Coverage your per appliance limit increases during the Contract Term from one thousand Dollars (\$1,000.00) per appliance to three thousand Dollars (\$3,000.00) per appliance.

4. **HVAC SYSTEM** \$5,000.00 Limit

a. **CENTRAL HEAT SUBSYSTEMS** \$2,500.00 Limit per unit

**COVERED: (Up to 2 units per Contract Term)** Forced air furnace, gas or electric; radiant hot water/steam boilers, water heater/heating combination units and oil systems are covered including radiant heating lines, circulating pumps and piping; heat exchangers, wall furnaces if they are the main source of heat to the residence; ductwork-attached humidifiers, thermostats, ductwork from heating unit to point of attachment at registers or grills.

**NOT COVERED:** Solar heating units including solar collectors, reflectors and fiberglass or galvanized holding tanks that are used for storage of water for a solar heating system, collector box, coal and wood burning equipment, chimneys, fireplaces, flue liners, systems with compressors larger than five tons; oil storage tanks, free standing or portable space heaters, heat or energy recovery units; air cleaners/filters, condensate line clearing, crane charges, heat lamps, filters, registers, grills, insulation, improperly sized ductwork or commercial equipment.

**MAINTENANCE COVERAGE:** Included in your plan is a twice a year clean and check, plus quarterly filter changes / cleanings.

b. **CENTRAL AIR SUBSYSTEMS** \$2,500.00 Limit per unit

**COVERED: (Up to 2 units per Contract Term)** Electric units, refrigerated or evaporative units, packaged systems, heat pumps; geothermal system and water source heat pump system Component Parts located within the Interior of the residence; **thermostats, ductwork** from cooling unit to point of attachment at registers or grills. For covered air conditioning and heat pump failures, when repair is not possible and like SEER (Seasonal Energy Efficiency Ratio) or HSPF (Heating Seasonal Performance Factor) equipment is not readily available, we will replace with 13 SEER or 7.7 HSPF equipment. We will also install a TX valve or will replace the evaporator coil/air handler and line set if necessary to be compatible with the replaced equipment. Modifications, including but not limited to, a replacement pad for the condensing unit, relocation of existing equipment to accommodate larger sized equipment, ductwork fabrication or plenum work that is necessary to install the new coil in the existing space, will be the responsibility of the homeowner; if our Premium Upgrade is purchased, we will pay modification charges up to five hundred Dollars (\$500) during the applicable Contract Term. We will pay up to ten Dollars (\$10.00) per pound for refrigerant.

**NOT COVERED:** Gas units, systems with compressors larger than five tons; outside/underground piping, well pump and Component Parts for geothermal and/or water source heat pumps outside the home; heat or energy recovery units; non-ducted air conditioners, crane charges, registers, grills, insulation, improperly sized ductwork.

**MAINTENANCE COVERAGE:** Included in your Plan is a twice a year clean and check.

**B. OPTIONAL COVERAGE**

Optional coverage may be purchased up to thirty (30) days after the effective date of Customer's coverage; however, coverage shall commence when we receive the full Subscription Amount due and will expire with the Contract Term.

1. **WATER WELL PUMP** \$1,500.00 Limit

**COVERED:** Operational Failures occurring more than thirty (30) days after the inception date of buyer/buyer direct coverage are limited to one thousand five hundred Dollars (\$1,500.00) including access, diagnosis, repair and/or replacement; must be primary water source to residence. The Customer is responsible for any cost in excess of one thousand five hundred Dollars (\$1,500.00).

**NOT COVERED:** Digging new or deeper wells; co-op/shared wells, irrigation/sprinkler wells, windmills, curing water quality, failures from lack of water, drop pipe, tank, electrical supply line, exterior piping or any part of the well that is not the pump; cistern and all Component Parts.

2. **SEPTIC SYSTEM** \$300.00 Limit

**COVERED:** Operational Failures occurring more than thirty (30) days after the inception date of buyer/buyer direct coverage; includes ejector/lift pump; failures to the septic system electrical wiring, lines, tank, and dry (refuse) well are limited to three hundred Dollars (\$300.00) per Contract Term including access, diagnosis, repair and/or replacement. Customer is responsible for any costs in excess of three hundred Dollars (\$300.00).

**NOT COVERED:** Drain fields, leach beds, aerator/aerator systems and electrical supply lines; cess pools, cess pool cave-ins; upgrading system such as to city or municipal sewage system; septic tank pumping.

3. **WATER SOFTENER** \$300.00 Limit

**COVERED:** All Component Parts, except for those excluded below, including electrical wiring. Up to a limit of three hundred Dollars (\$300.00) for the Contract Term.

**NOT COVERED:** Rental or leased equipment; repair or replacement of water softener necessitated by mineral beds or deposits; cleaning.

4. **HOME FREEZER** \$1,000.00 Limit



**COVERED:** All Component Parts, except for those excluded below, including compressor, fan motor, thermostat and wiring. We will pay up to a limit of one thousand Dollars (\$1,000.00) during the applicable Contract Term toward repair/replacement of Standard or Professional series or ultra-premium appliances, including, but not limited to, Sub-Zero, Viking or Jenn-Air (individual trademarks are owned by the brand name company).

**NOT COVERED:** Walk-in freezers, drain, condensate line clearing, clocks, knobs, dials, springs, hinges, liners, any failures to the door other than appliance controls located within the door; glass breakage, baskets, racks, rollers, handles, shelves and light bulbs.

**5. HOT TUB \$1,000.00 Limit**

**COVERED:** Must have jets, impellers, valves, be able to fill with water to qualify for coverage; includes filter, heater, pump, motor, gaskets, relays, jets, impellers, valves if stand-alone hot tub. We will pay up to a limit of one thousand Dollars (\$1,000.00) during the Contract Term.

**NOT COVERED:** Cleaning equipment, skimmer equipment or secondary or booster type pumps used for cleaning pools; timers, lights, main body, liners, structural defects, covers, filter grids, concrete-encased or underground plumbing, electrical or fuel lines; geothermal, solar or solar-assisted water heaters and their respective plumbing and equipment; wood encased or otherwise inaccessible parts; any unit with an independent boiler system; habitat spa or similar type unit.

**6. SWIMMING POOL \$1,000.00 Limit**

**COVERED:** We will pay up to a limit of one thousand Dollars (\$1,000) during the Contract Term for Operational Failure; includes heaters which do not have a compressor as a component; filter, pump, motor, gaskets, relays, impellers, back flush valve and above ground plumbing lines leading to and from the swimming pool; must be for a single family, commercially built and properly installed.

**NOT COVERED:** Cleaning equipment, skimmer equipment or secondary or booster type pumps used for cleaning pools; timers, lights, main body, liners, structural defects, covers, filter grids, concrete-encased or underground plumbing, electrical or fuel lines; geothermal, solar or solar-assisted water heaters and their respective plumbing.

**7. Sump Pump \$300.00 Limit**

**COVERED:** We will pay up to a limit of three hundred Dollars \$300.00 during the Contract Term for Operational Failure; includes the sump pump and motor and check valve.

**NOT COVERED:** Back up systems and batteries, any discharge piping, sump pits.

**C. PREMIUM COVERAGE**

1. **Crane.** We will cover up to a limit of three hundred Dollars (\$300.00) during the Contract Term for fees associated with the use of cranes or other lifting equipment required to remove or install rooftop heating or air-conditioning units.
2. **Central Air: adds.** Refrigerant recovery is included up to a limit of three hundred Dollars (\$300.00) during the Contract Term. We will pay up to twenty-five Dollars (\$25.00) per pound for refrigerant.
3. **Electrical: adds.** We will cover up to a limit of three hundred Dollars (\$300.00) during the Contract Term. for garage door opener hinges, springs, keypads, remote transmitters and garage door openers not meeting current safety standards.
4. **Code violations.** When the correction of code violation(s) is required to affect a covered repair or replacement of a heating, plumbing or electrical Component Part, we will pay up to a limit of two hundred fifty Dollars (\$250.00) during the Contract Term to correct the code violation(s). If there is only a code violation and no related covered repair or replacement, we will not pay simply to remove the violation.
5. **Modification charges.** If we have authorized the replacement of a water heater, central heat or central air system and sheet metal fabrication, plenum work or installation of a new pad for a condensing unit are necessary to complete the covered replacement, we will pay up to a limit of five hundred Dollars (\$500.00) during the Contract Term toward modification charges.
6. **Permits.** We will pay the cost for obtaining permits for approved repairs and replacements during the Contract Term up to a limit of two hundred fifty Dollars (\$250.00) per occurrence.
7. **Removal and disposal of replaced equipment.** When we replace a covered system during the Contract Term, we will also pay the cost to dispose of the defective equipment.
8. **Mismatched heating and cooling systems.** We will cover a defect or mechanical failure of a system that was not properly matched in size or efficiency, if the defect or mechanical failure would have otherwise been covered. We will cover up to a limit of five hundred Dollars (\$500.00) during the Contract Term.
9. **Improper installation, modifications and/or repair.** We will cover a defect or mechanical failure of a system that was not properly installed, modified and/or repaired by others, if the defect or mechanical failure would have otherwise been covered. We will pay up to a limit of two hundred fifty Dollars (\$250.00) during the Contract Term.
10. **Emergency Lodging.** We will pay up to a limit of five hundred Dollars (\$500.00) during the Contract Term for emergency lodging needed due to heating, cooling and plumbing system failures that make the home uninhabitable during extreme weather conditions or lack of water.

## **D. LIMITATION OF COVERAGE**

### **Coverage does not apply in the following instances:**

1. Detectable pre-existing defects or deficiencies, when the Component Parts were not in Proper Working Order on the inception date of coverage, are not covered by us. If, on the Customer's effective date of this Contract, the defect or malfunction of the covered Component Parts would not have been detectable by either visual inspection and/or simple mechanical test and/or safety test performed by a qualified professional, the defect or malfunction may qualify for coverage. For example: a simple test would be a visual inspection of a heat exchanger for cracks or a carbon-monoxide test.
2. Repairs or replacements required as a result of abuse, misuse, fire, lightning, freezing, ice, storms, smoke, water damage, acts of God, accident, earthquake, soil movement, mud, chemical or sediment build-up, fungus, rot, mold, power failure, power shortage or power outage, insect or rodent damage, pet damage, insurable peril, vandalism, theft, or accidents.
3. We are not obligated to perform any service nor pay any costs for any issues, circumstances, conditions, maintenance or repairs involving hazardous or toxic materials or asbestos, nor will we pay costs related to refrigerant recapture, evacuation or disposal of refrigerants or contaminants. If the Premium Package is purchased for/by the Customer, we will pay costs associated with refrigerant recovery.
4. Modification charges or costs for metal fabrication, plenum work, or electrical changes necessary to satisfy the installation requirements of a new replacement unit. If the Premium Package is purchased for/by the Customer, we will pay up to a limit of five hundred Dollars (\$500.00) during the applicable Contract Term towards modification charges associated with an approved heating, air conditioning or water heater repair or replacement as outlined under Paragraph C (Premium Coverage) above.
5. Providing access to a covered component or system other than plumbing or ductwork systems. We will pay to provide access to plumbing and ductwork systems through unobstructed walls, ceilings or floors only, and will return the access opening to a finished drywall ready for paint condition. We are not responsible for moving obstructions including, but not limited to, built-in appliances, systems, cabinets, tile and floor coverings or pulling and re-setting a sink, shower or bathtub to access a failure. Any plumbing or ductwork failure requiring access through concrete, stone, rock or brick is limited to five hundred Dollars (\$500.00) during the Contract Term for total repair cost including access, diagnosis, repair and/or replacement, even if the primary failure is not located within the concrete, stone, rock or brick.
6. Excessive or inadequate water pressure, electrical surge, excessive or inadequate voltage, electrical currents artificially generated or inadequate amperage, water entry along the service cable.
7. Lack of capacity; line bleeding; capacity increases; licenses or inspection fees; failure to maintain the temperature in the residence above freezing; improper use; contamination of fuel or energy.
8. Faulty workmanship by any person including a contractor or trade-person selected and hired. Improper installation or connection of any system, appliance or component part by a contractor/trade-person or any other person, including improper conversions of heating systems and additions of air conditioning systems to an existing heating system. If the Premium Package is purchased for/by the Customer, we will pay costs associated with covered systems that fail due to faulty workmanship or improper installation or modification if the defect or mechanical failure would have otherwise been covered.
9. Secondary damage, consequential damage or any damage caused by or resulting from the failure or malfunction of covered or non-covered Component Parts. Any damage resulting from the actual repair or replacement itself. Conditions beyond our control including delays in obtaining parts, relocation of equipment or labor difficulties including, but not limited to, additional costs associated with repair or replacement of a covered mechanical system due to space restrictions or location of the covered equipment. Any damage alleged to be caused directly or indirectly by the services or the timeliness of the services provided by us.
10. Consequential, incidental, emotional distress, pain or suffering, tort or exemplary damages, secondary damage, loss resulting from the malfunction of any Item, or a delay or neglect in providing, or failing to provide, repair or replacement of any covered item or event.
11. Any remote-control transmitting/receiving items. If the Premium Package is purchased for/by the Customer, the remote transmitter for the garage door opener will be covered for the Customer only. Electronic, computerized or energy management systems or devices, or lighting and appliance management systems are not covered; home computers, computer systems, leased or rental equipment and/or components are not covered.
12. Damage to the physical structure of the residence including, but not limited to, load bearing walls, walls, roof, roof supports, structural floor base, foundation or slabs, and ceilings except where specifically identified as covered.
13. Cosmetic repairs and non-Operational Failures including, but not limited to: finishes, cabinetry, panels, trim, buttons, chipping, dents or scratches.
14. You may be charged an additional fee by the Certified Systems Contractor to dispose of an old appliance, system or component. We are not responsible for these charges. If the Premium Package is purchased for/by the Customer, we will pay the cost to dispose of defective equipment on our approved system replacement.
15. Equipment, items or systems that are owned by a condominium association or designated as common area in condominium declarations, plats or plans.

16. More than two central heating units, central air conditioning units or garage door opener systems unless specifically listed and approved by us. Optional coverage is available.
17. More than one of any appliance unless specifically listed and approved by us. Optional coverage is available.
18. Repairs or replacement related to manufacturer recall or defects. In the event that there is other collectible insurance, manufacturer warranty or in-house warranty or guarantee coverage available to you covering an Operational Failure that is also covered by this Contract, our coverage shall be in excess of, and we will not contribute with, any other insurance, warranty or guarantee.
19. Repairs or replacement of any system, appliance, component or part thereof that has previously, or is subsequently, determined to be defective by the Consumer Product Safety Commission or other government entity or agency, and for which such entity has issued, or issues a warning or recall, or when a failure is caused by manufacturer's improper design, use of improper materials, formula, manufacturing process or manufacturing defect.
20. We are not responsible for repair or replacement of systems or appliances classified by the manufacturer as commercial. We will pay up to a limit of one thousand Dollars (\$1,000.00) during the Contract Term toward repair/replacement of each covered appliance including professional series or ultra-premium appliances, including, but not limited to, Sub-Zero, Viking or Jenn-Air (individual trademarks are owned by the brand name company).
21. We are not responsible for anything involving hazardous or toxic materials, including asbestos or any other contaminants. We are not responsible for any claim arising out of any pathogenic organisms regardless of any event of cause that contributed in any sequence to damage or injury. Pathogenic organisms mean any bacteria, yeasts, mildew, virus, fungi, mold or their spores, mycotoxins or other metabolic products.
22. Loss or damage to resulting from defects in the structure of the home, nearby swimming pools and other recreational facilities, driveways, walkways, patios, boundary and retaining walls, bulkheads, fences, landscaping, French drains, or any other improvements to the property but not a part of the home itself.
23. Loss or damage resulting from, or made worse by, modifications or additions to the home or property under or around the home made after commencement of the Contract Term (other than changes made in order to meet the obligations of this Contract).
24. Loss or damage resulting from, or made worse by, changes in the grading of the property surrounding the home by anyone except us, or changes in the grading or drainage resulting from erosion or subsidence.
25. We are not liable for any damages that result from any of your independent contractor's service or delay in providing service or failure to provide service. We are not liable for any incidental, consequential, special, and/or punitive damages, whether caused by negligence or any other cause, and you agree to waive any and all claims for such damages, arising from, resulting from or related to any such independent contractor's service, delay in providing service or failure to provide service, including, but not limited to, damages, resulting from delays in securing parts and/or labor, the failure of any equipment used by an independent contractor, labor difficulties, and/or the negligent, tortious and/or unlawful acts or omissions of any independent contractor.
26. Any defect, damage or loss which is caused or made worse by your failure to notify us of any defect, Loss or damage within a reasonable period of time.
27. Loss or damage resulting from, or made worse by, negligent maintenance or operation of the home and its systems by anyone other than us, our employees, agents, or subcontractors.
28. Loss or damage resulting from your failure to minimize or prevent such loss or damage in a timely manner provided that you knew, or reasonably should have known, that such damage or loss might occur or worsen.
29. Items listed as Not Covered are intended as examples of the types of items excluded from warranty coverage. They are not completely inclusive of all systems and appliances excluded from warranty coverage.
30. All else not specifically enumerated and identified as covered elsewhere in this Contract.