

AGREEMENT

AIG WarrantyGuard, Inc.

Except in Florida, where it is AIG Warranty Services of Florida, Inc.
500 West Madison, Suite 3000, Chicago, IL 60606-6613
1-877-637-7890

PLEASE READ THIS AGREEMENT CAREFULLY

FLORIDA RESIDENTS ONLY:

This Agreement may not provide listing period coverage free of charge.
Certain items and events are not covered by this Agreement. Please refer
to the exclusions listed on pages 4 through 7 of this document.

I. DEFINITIONS:

Throughout this document, "You" and "Your" refers to the Purchaser listed on the **Declaration of Coverage**. "We", "Us", "Our", "Obligor" and "Administrator" refers to AIG WarrantyGuard, Inc. except in Florida where it is AIG Warranty Services of Florida, Inc., 500 West Madison, Suite 3000, Chicago, IL 60606-6613 Phone # 1-877-637-7890. In addition, when in bold certain words and phrases are defined as follows:

Agreement means this document and the Declaration of Coverage. It describes the terms, conditions, and exclusions (losses We do not cover) that apply. This is the entire agreement between You and Us and no other written or oral modifications are valid.

Breakdown means a mechanical or electrical failure of the covered system, component, or appliance to perform its fundamental operation(s) in normal service as defined by the manufacturer.

This Agreement is not available in California, Iowa, and Virginia.

II. COVERAGE PERIOD:

Your initial payment, on the Purchase Date, includes a thirty (30) day wait period before You are eligible for coverage under this Agreement. **COVERAGE BEGINS ON THE EFFECTIVE DATE AS INDICATED ON THE DECLARATION OF COVERAGE WHICH IS THIRTY (30) DAYS AFTER THE PURCHASE DATE.** Your initial annual term provides eleven (11) months of coverage from the Effective date. **All annual renewal terms thereafter will include twelve (12) months of coverage.** Your initial quarterly term provides two (2) months of coverage from the Effective Date. **All quarterly renewal terms thereafter will include three (3) months of coverage.** All monthly terms will begin upon payment of the monthly Agreement Price on the Effective Date. After the Effective Date, coverage will continue as long as all payments are made as scheduled.

During the coverage period, We will arrange for an authorized service contractor to service, repair or replace covered items, due to a **Breakdown**. This **Agreement** provides coverage only for those items specifically listed as being covered on the **Declaration of Coverage** and excludes all other items. Coverage is subject to limitations and conditions specified in this **Agreement**.

Plans may be selected for monthly, quarterly or annual terms and paid for accordingly. **All plans automatically renew unless cancelled by You or Non-renewed by Us.**

III. WHAT YOUR AGREEMENT COVERS:

The provisions of the **Agreement** provide for the service, repair or replacement of the covered parts and labor due to a **Breakdown**.

The appliances or system must be:

- 1) Located within the confines of the main foundation of the home or garage (with exception to the exterior air conditioner, and pool or spa equipment);
- 2) In good working order on the Effective Date of this contract;
- 3) Properly maintained and installed throughout the coverage period; and
- 4) Domestic grade (meaning those items manufactured and marketed solely for use in a residential single-family dwelling). This **Agreement** does not cover costs for maintenance.

This **Agreement** only covers residential properties including single family homes, townhomes, condominiums, multi-family properties (duplex, triplex, etc.), or Mobile homes attached to a permanent foundation. Properties listed on a historical register, and any property used in whole or in part for business purposes such as, but not limited to, day care, group home, rest home, church, school or sorority/fraternity are not covered. Common areas or items shared by non-purchasers of this **Agreement** will not be covered. Coverage is for occupied residences only.

IV. EXPLANATION OF PLANS:

Platinum Premier (available without A/C)

Coverage includes:

- Central Air Conditioning System
- Central Home Heating System
- Interior Electrical System
- Plumbing System (Does Not Include Fixtures)
- Plumbing Stoppages (Does Not Include Fixtures)
- Water Heater
- Range/Oven/Cooktop
- Kitchen Exhaust Fans
- Refrigerator (Including Ice Maker)
- Dishwasher
- Built-In Microwave
- Garbage Disposal
- Garage Door Opener
- Humidifier
- Ductwork
- Ceiling Fans

Platinum (available without A/C)

Coverage includes:

- Central Air Conditioning System
- Central Home Heating System
- Interior Electrical System
- Water Heater
- Range/Oven/Cooktop
- Kitchen Exhaust Fan
- Refrigerator (Does Not Include Ice Maker)
- Dishwasher
- Built-In Microwave
- Garbage Disposal
- Humidifier

Kitchen Plus

Coverage includes:

- Interior Electrical System
- Water Heater
- Range/Oven/Cooktop
- Kitchen Exhaust Fan
- Refrigerator (Does Not Include Ice Maker)
- Dishwasher
- Built-In Microwave
- Garbage Disposal

Heating & Cooling

Coverage includes:

- Central Air Conditioning System
- Central Home Heating System
- Interior Electrical System
- Humidifier

Additional Options Include:

- Clothes Washing Machine and Clothes Dryer
- Swimming Pool and Spa
- Swimming Pool Only
- Spa Only
- Plumbing System (Does Not Include Fixtures or Clogs)
- Additional Air Conditioning System
- Additional Central Home Heating System
- Second Refrigerator/Freezer (Does Not Include Ice Maker)
- Food Spoilage
- Ceiling Fans
- Ice Maker (In Refrigerator or Stand Alone)
- Water Heater
- Range/Oven/Cooktop
- A/C Advantage – Refrigerant & coils
- Plumbing Advantage – Fixtures
- Deluxe Advantage Package

Plans and Pricing can be found at www.AmericanResidentialWarranty.com

V. TO OBTAIN SERVICE:

To request service, call toll-free at 1-877-637-7890 **24 hours a day, 7 days a week**. Under normal circumstances, the company will initiate performance of services within 48 hours after Your request unless the call is for emergency service as provided for below.

1. Emergency service is available for the **Breakdown** of covered items or systems that affect the safe inhabitability of the home. We reserve the right to determine which repairs constitute an emergency. Emergencies include the **Breakdown** of Central Home Air Conditioning when outside temperatures exceed 90 degrees Fahrenheit and Central Home Heating when outside temperatures fall below 40 degrees Fahrenheit. We will make all reasonable effort to initiate meaningful service within 24 hours for emergency service calls. **For emergency service please call 1-877-637-7890, 24 hours a day, 7 days a week.**
2. Notice of any **Breakdown** must be given to Us immediately upon discovery and must have occurred during the coverage period.
3. We will not pay for any services or parts provided without Our prior authorization.
4. You will be responsible to pay a trade service fee for each trade service request, if applicable. The trade service fee must be paid in advance of any service being scheduled and may be paid to the Administrator through a valid credit card or debit card. Please see Your **Declaration of Coverage** for Your trade service fee amount.
5. Prior to service being dispatched all required plan payment(s) must be collected and current.
6. Outstanding or unpaid service trade fees must be paid prior to new service requests being dispatched.
7. If work performed by Our service contractors under this **Agreement** fails, We will make the additional necessary repairs for no additional trade service fee for a period of 30 days.
8. All covered repairs will be serviced by qualified contractors. If We cannot provide a contractor for You, We may approve the use of a contractor outside of Our network provided they can show proof of insurance and are fully licensed to perform such service.
9. After a contractor's diagnosis, if it is determined that coverage under this **Agreement** does not apply, or no **Breakdown** is discovered, You are required to pay the service contractor directly for all charges incurred, including access and diagnosis. You may then choose to have any necessary repair completed at Your expense.
10. Should You have any problems obtaining service, please call 1-877-637-7890 for a Customer Service Representative.

VI. APPLIANCE AND SYSTEM COMPONENTS:

All brands of equipment will be covered under the **Agreement** subject to availability of repair parts. Only those items specifically named as Covered are eligible for coverage. **Those items listed as Not Covered are examples and not an all-inclusive list. This listing does not in any way limit Our right to decline coverage for items not specifically mentioned.**

1. **We will cover up to \$1,000 per system or Deluxe Advantage Package per 12 month period listed below. The \$1,000 limit includes any costs for access, diagnosis, repair/replacement and installation.**

- A. **Central Air Conditioning System (includes Heat Pumps):** (Electric only) Coverage is available on residential cooling systems not exceeding a five (5) ton capacity. **COVERED:** Condenser, Defrost Heating Element, Standard Thermostat, Fuse, Relay, Transformer, Motors, Compressor, Pulleys, Timer, Fan Control, Bearings, Fluid Pump, Switches, Electrodes, Semi-Conductors, Rectifiers, and Electronic Circuits. **NOT COVERED:** Gas air conditioning systems, baseboard casings, coils, line driers, portable units, registers, grills, clocks, timers, flues and vents, condenser casings, portable electric air cleaners, filters, humidifiers, service valves, driers, refrigerant, refrigerant line sets, refrigerant reclamation, belts, wiring, condensate pump, thermostat, float/wet switch, wiring harness, circuit breakers, drains, primary and secondary drain pans, drain line stoppages, roof jacks or stands, chilled water systems, unit accessories, improperly sized cooling systems, zone controls, thermal expansion valve, wall units not ducted when designed to be ducted by the original manufacturer.
- B. **Central Home Heating System:** (Gas or Electric or Oil) **COVERED:** Gas Valve, Main Burner, Limit Control, Pilot Burner, Thermocouple, Flame Spreader, Regulator, Standard Thermostat, Manifold, Fuse, Transformer, Relay, Igniter, Sensor, Motor, Power Pack, Bearings, Pulleys, Fan Control, Pressure Control, Pressure Gauge, Low Water Cut-Off, Sight Glass, Coupler, Power Pile, Fluid Pump, Blower, expansion tank and Heat Coil. Only natural gas/propane space heaters used for heating customer's entire residence are covered as central heat. **NOT COVERED:** Solar heating systems, fireplaces, chimneys, heat lamps, fuel storage tanks, liners, registers, grills, timers, condensate pump, thermostat, float/wet switch, flues and vents, filters, improperly sized heating systems, free-standing or portable heat units. **All components and parts relating to geothermal, water source heat pumps, and pellet stoves.**
- C. **Deluxe Advantage Package:** The below items to be covered under this option are currently "not covered" on covered appliances/systems, and will only be covered if You have the item covered under Your purchased plan. Coverage provided by these upgrade options is in addition to the base coverage offered under this **Agreement, in addition to the coverage offered under A/C Advantage and Plumbing Advantage.** The underlining coverage for these options must also be purchased to receive upgrade coverage. To purchase coverage please call 888-508-8886.
- COVERED:**
- a. **AIR CONDITIONING:** Refrigerant recapture, Condenser Pads;
 - b. **BUILT-IN MICROWAVE OVEN:** Interior lining, Door glass, Clocks, Shelves
 - c. **CODE VIOLATIONS:** Will pay up to the item's limit to correct a code violation made necessary by the repair or replacement a system or appliance under this Agreement.
 - d. **DISHWASHER:** Racks, Baskets, Rollers
 - e. **HEAT PUMP (including Gas Packs):** Condenser Pads
 - f. **GARAGE DOORS:** Springs and Tracks
 - g. **HEATING SYSTEMS:** Condenser Pads
 - h. **IMPROPER INSTALLATION OR REPAIR:** Will cover a Breakdown to a system and appliance due to improper installation or repair prior to the Agreement effective date.
 - i. **MISMATCHED SYSTEMS:** Will cover a Breakdown to a system due to insufficient size or efficiency, if the system was installed prior to the Agreement effective date.
 - j. **MODIFICATIONS:** Duct, electrical or plumbing modifications required for a covered repair
 - k. **PERMITS**
 - l. **RANGE/OVEN/COOKTOP:** Clocks, Rotisseries, Racks, Handles, Knobs, Dials, Interior lining
 - m. **REMOVAL OF DEFECTIVE EQUIPMENT:** Will replace a covered system or appliance due to a Breakdown, We will pay for the removal or disposal of the system or appliance.
 - n. **WATER HEATER:** Repair or replacement if Breakdown is caused by sediment build-up. Such repair or replacement for sediment build-up shall not be subject to item 11 of section VII. Limit of Liability and Conditions.

NOTE: For Central Air Conditioning Systems or Central Home Heating Systems over 10 years old the 12 month limit of liability is \$600. If the repair is over \$600 or parts are not available to repair the equipment, a \$600 replacement allowance will be paid to the customer. This allowance will increase by \$50 for each full year the customer has been in the program up to a maximum of \$1,000. Proof of purchase of a new heating or cooling system is required in the form of a purchase receipt.

2. We will cover up to \$500 per appliance or system per 12 month period listed below. The \$500 limit includes any costs for access, diagnosis, repair/replacement and installation.
- A. **Water Heater:** (Gas or Electric or Tankless) **COVERED:** Gas Valve, Main Burner, Limit Control, Pilot Burner, Thermocouple, Flame Spreader, Regulator, Standard Thermostat, Manifold, Relief Valve, Vent Damper, and Electrical Heating Element. **NOT COVERED:** Solar water heaters, oil-fired water heaters, secondary holding or storage tanks, anode rods, noise, thermal expansion tanks, fuel storage tank, heat recovery units, flues, piping, insulation, and T&P discharge lines.
 - B. **Range/Oven/Cooktop:** **COVERED:** Gas Valve, Main Burner, Pilot Burner, Thermocouple, Manifold Transformer, Relay, Regulator, Standard Thermostat, Igniter, Fuse, Sensor, Power Pack, Seals, Surface Unit Controls, Programmed Cooking Controls, Heating Elements (will be replaced with builder's standards only), Internal Wiring. **NOT COVERED:** Clocks, meat probe assemblies, rotisseries, racks, handles, knobs, sensi-temp burners, cosmetic issues such as scratches, dents, chipping or breakage to an oven door or glass/ceramic cooktop.
 - C. **Built-In Microwave:** **COVERED:** Door Interlock Electrical Switch, Touch Pad/Controller, Control Board, Power Supply, Motor, Related Electrical Parts. **NOT COVERED:** Countertop units, door glass, clocks, rotisseries, interior linings, or cosmetic issues such as scratches, dents or chipping.
 - D. **Refrigerator:** **COVERED:** Condenser, Defrost Heating Element, Standard Thermostat, Fuse, Relay, Transformer, Motor, Compressor, Pulleys, Timer, Fan Control, Bearings, Pump Motor, Switches, Electrodes, Semi-Conductors, Rectifiers, Gaskets, Valves and Electronics Circuits. **NOT COVERED:** ice makers and controls, food spoilage, media centers, or cosmetic issues such as scratches, dents or chipping.
 - E. **Ice Maker:** **COVERED:** Mold and Heater Assembly, Refill Bearing, Ice Stripper, Heating Element, Microswitch, Ejector, Wiring Harness, Ejector Motor, Mounting Module, Ejector Gear, and Lever Arm. **NOT COVERED:** Springs, hinges, liners, baskets, racks, rollers, handles, or shelves.
 - F. **Dishwasher:** **COVERED:** Heating Element, Pump, Thermostat, Thermal Fuse, Washer and Spray Arms, Drain Valve, Motor Assembly, Door Switch Interlock, Timer, Float Switch, Inter Valve, Internal Hoses, Control Panel and Related Electrical Parts. **NOT COVERED:** Baskets, rollers, racks, or cosmetic issues such as scratches, dents or chipping.
 - G. **Kitchen Exhaust Fan:** **COVERED:** All internal related Electrical Parts, including Belts, Fan Motors, Motors, Switches, Relays and Control Boards. **NOT COVERED:** Rooftop exhaust units, filters, or cosmetic issues such as scratches, dents or chipping.
 - H. **Interior Electrical System:** **COVERED:** All Interior AC Wiring including Receptacles, Switches, Fuses, Single and Two Pole Breakers. **NOT COVERED:** Fixtures; attic or whole house exhaust fans; door bells; intercom systems; alarm systems; central vacuum systems; audio/video/computer wiring or cable; direct current (DC) wiring and systems; exterior wiring and components; telephone wiring; inadequate wiring capacity; power failure/shortage or surge; low voltage systems (including wiring and relays); load control devices; electrical generation systems; solar electrical systems; timers; touch pad assemblies; remote controls or failure caused by circuit overload.
 - I. **Plumbing System:** **COVERED:** All Interior Plumbing including Angle Stops, Risers, Waste Vents, P-Traps Assemblies, and Interior Hose Bibs. **NOT COVERED:** Fixtures or stoppages, all piping and plumbing outside of the perimeter of the foundation or below the foundation of the home, well pumps, bath tubs, gas lines, caulking or grouting, toilets and toilet parts, holding and pressure tanks, jet pumps, laundry tubs, lawn sprinkler systems, pressure regulating devices, conditions of excessive or insufficient water pressure, exterior hose bibs, or water supply lines to the refrigerator. We are not responsible for any repair work which must be executed to access interior lines or pipes.
 - J. **Plumbing Stoppages:** **COVERED:** Clearing of mainline drain, sewer and lateral drain line stoppages up to 100 feet from access point which can be cleared with standard sewer cable through an accessible, existing ground level cleanout without excavation, except if caused by roots; P-Traps; Drains; and Overflow Access Points. **NOT COVERED:** Stoppages caused by roots; collapsed, broken, or damaged lines outside the confines of the main foundation (even within 100 feet of access point); access to drain or sewer lines from roof vents; removal of toilet or costs to locate, access or install a ground level cleanout.
 - K. **Clothes Washer:** **COVERED:** Water Level Switch, Water Inlet Valve, Water Temperature Switch, Drive Basket, Brakes, Clutch Assembly, Timer, Sequencer, Lid Switch and Actuator, Touch Pad, Control Board, Power Supply, Motor, Agitator, Pump Coupling, Wigwag, Drive Belt, Boot Seal, and Related Electrical Parts. **NOT COVERED:** Removable mini-tubs or buckets, soap dispensers, filter screens, knobs and dials, damage to clothing, water flow restrictions due to mineral deposits, drawers, or cosmetic issues.
 - L. **Clothes Dryer:** **COVERED:** Gas Valve, Main Burner, Pilot Burner, Thermocouple, Manifold, Transformer, Relay, Regulator, Standard Thermostat, Igniter, Fuse, Sensor, Power Pack, Seals, Drive Belt, Surface Limit Control, Motor, Bearings, Pulleys, Controls (replaced with builder's standard), Timer and Electrical Heating Element. **NOT COVERED:** Venting, knobs and dials, damage to clothing, lint screens, dryer cabinet fragrance/ humidity center or cosmetic issues.
 - M. **Humidifier:** **COVERED:** All Internal Electrical parts.
 - N. **Garage Door Opener:** **COVERED:** All Mechanical & Electrical Components including Chain, Belts, Door Arm, Trolley, Control Board, Motor, Gear Assembly and Sensors. **NOT COVERED:** Cables, springs, handles, wheels, wheel track, track assembly,

doors, hinges, remote transmitters, frequency interference, lights, or exterior mounted key pads.

- O. **Pool & Spa: COVERED:** All Above Ground, Accessible, Working Components and Parts of the Heating and Pumping Systems; Gaskets; Primary Circulator Pump; Motor; Relays and Impellers; Back Flush Valves; and Check Valves. **NOT COVERED: Seals and hoses, automatic feeders and chemicals, lights, liners, structural defects, solar equipment, jets, ornamental fountains, waterfalls and their pumping systems, pool cover and related equipment, filter elements or media, remote control systems, refrigerant reclamation, built-in or detachable cleaning equipment including pool sweeps, pop-up heads, turbo valves, skimmers, chlorinators and ionizers, fuel storage tanks, disposable filtration mediums.**
- P. **Ductwork: COVERED:** Accessible Ductwork from Cooling and/or Heating Unit to Point of Attachment to Registers or Grills. **NOT COVERED: Insulation; asbestos covered ductwork; registers; grills; dampers; improperly sized ductwork; diagnostic testing of, or locating leaks to ductwork, including as required by any law, regulation, ordinance or code or when required due to the installation or replacement of system equipment; ductwork outside the perimeter of the home or crawl space; collapsed or crushed ductwork; ductwork damaged by moisture or rodents. We will only repair unobstructed and accessible ductwork. Obstructions include, without limitation, walls, floors, ceilings, built-in appliances, systems, and cabinets.**
- Q. **Ceiling Fans: COVERED:** Ceiling Fan Motors and Controls (replaced with builders standard). **NOT COVERED: Remote transmitter units, light fixtures on ceiling fans, removable attachments and wall fans.**
- R. **Garbage Disposal: COVERED:** All mechanical and electrical components and parts. **NOT COVERED: Problems and/or jams caused by bones and foreign objects other than food.**
- S. **A/C Advantage – Refrigerant & coils: COVERED:** Refrigerant and coils and thermal expansion valve. If the Central Air Conditioning unit must be replaced the additional option limit only covers the coil and not any other components. **NOT COVERED: All other components of the Central Air Conditioning (includes Heat Pumps).** Coverage provided by this options is in addition to the base coverage offered under this **Agreement**. The underlining coverage for this option must also be purchased to receive coverage.
- T. **Plumbing Advantage – Fixtures: COVERED:** faucets, fixtures, & toilets including wax seals, toilet flange and internal guts. Coverage provided by this options is in addition to the base coverage offered under this **Agreement**. The underlining coverage for this option must also be purchased to receive coverage.

NOTE: For appliances and systems over 10 years old the 12 month limit of liability is \$300. If the repair is over \$300 or parts are not available to repair the equipment, a \$300 replacement allowance will be paid to the customer. This allowance will increase by \$50 for each full year the customer has been in the program up to a maximum of \$500. Proof of purchase of a new appliance, system or item is required in the form of a purchase receipt.

- 3. **FOOD SPOILAGE: We will cover up to \$250 per 12 month period for food spoilage. COVERED:** A prolonged and continuous outage of greater than 12 hours for refrigerated foods and 24 hours for frozen foods due to a refrigerator/freezer **Breakdown**.

VII. LIMIT OF LIABILITY AND CONDITIONS:

- 1. **Our obligation to pay for the repair or replacement of covered appliances, systems or items will not exceed \$5,000 per 12 month period. We will not pay more than the original purchase price for any appliance, system or item.**
- 2. We have the sole right to determine whether a covered item needs to be repaired or replaced. If We decide to replace the covered appliance, item, system or electronic equipment, We are responsible for replacement equipment of similar features, capacity and efficiency, but not for matching dimensions, brand, or color. We are not responsible for like-for-like replacement of appliances if the appliance contains any features that do not contribute to the appliance's primary function including, without limitation, TV's or Radios in Refrigerators.
- 3. We reserve the right to offer cash settlement in limited circumstances, including but not limited to, unavailability of parts, obsolescence, or similar circumstances when repair or replacement is not feasible. Cash settlements will be based on what We would ordinarily expect to pay for the same part or labor, which may be less than actual retail cost.
- 4. All equipment covered by this **Agreement** must be in good working condition as of the Effective Date of the plan and be reasonably clean and accessible at the time of service. **This Agreement does not cover pre-existing conditions, defects or deficiencies.**
- 5. We reserve the right to obtain a second opinion at Our expense.
- 6. We reserve the right to use qualified contractors, select parts to be used, and to restrict certain makes of equipment used to fulfill all or any part of Our obligation under the terms of this **Agreement**.

7. We reserve the right to rebuild a part or component, or replace with a rebuilt part or component. The use of non-original manufacturer parts is permitted under this **Agreement**.
8. We are not a service contractor and are not ourselves undertaking to repair or replace any such systems or components.
9. In the event that there is any other collectable insurance, warranty, or guaranty coverage available to You covering a loss also covered by this **Agreement**, this **Agreement** will pay in excess of and not contribute with other insurance, warranty or guaranty. We will not pay for parts covered under a manufacturer's warranty.
10. This **Agreement** does not cover disconnection of appliance(s), nor does it cover the cost of hauling away or disposing of the covered product. This **Agreement** does not cover the cost of opening or closing walls, floors, or ceilings.
11. **We are NOT responsible for:**
 - A. The performance of routine maintenance including the cleaning of coils, clearing drain lines, changing filters or adding/draining refrigerant for appliances or HVAC units.
 - B. Breakdowns, failures or stoppages due to chemical or sedimentary build up or failure to clean or maintain as specified by the equipment manufacturer.
 - C. Missing parts or structural changes.
 - D. Any appliance or system deemed or classified by the manufacturer as commercial.
 - E. Upgrades, nor for the cost of construction, carpentry, or other modifications made necessary by existing equipment or installing different equipment.
 - F. The restoration of wall coverings, floor coverings, tiles, countertops, paint, cabinets, or the like, or the repair of any other cosmetic defects, including cosmetic damage to a covered product (e.g., scratches, tears, dents and broken casing) that does not otherwise affect or impede the functionality, or materially impair the use, of the covered product.
 - G. Consequential, secondary, indirect, or direct damages, injury or illness including, but not limited to, loss of income, utility bills, additional living expenses, personal and/or property damage caused by delays, non-availability of parts, failure to service, labor difficulties and other conditions beyond Our control.
 - H. The lack of capacity, adequacy, efficiency, design or improper installation of any system, appliance or electronic equipment.
 - I. Any material, parts or labor required as a result of: abuse, misuse, vandalism, freezing, fire, wind, water, lightening, ice, snow, explosion, mud, earthquake, pet damage, pest damage, acts of God, power or water fluctuations, and flooding.
 - J. Any material, parts or labor required for: damage caused by equipment not covered; damage to exterior surfaces; repairs covered by manufacturer's recall, warranty, or other service contract; This Agreement does not cover accessories such as knobs, buttons, handles, shelves, drawers, racks, inner door liners, etc. nor maintenance items or other replaceable or consumable items, such as filters.
 - K. Failures due to rust or corrosion within the first sixty (60) days from the date of initial purchase date.
 - L. Any service or repair associated with hazardous material treatment, removal, or disposal.
 - M. Electronic or computerized home management systems including, but not limited to, energy, lighting, security, appliances, entertainment, comfort or audio systems.
 - N. The diagnosis, repair, removal or remediation of mold, mildew, bio-organic growth, rot or fungus, or any damages resulting from or related to mold, mildew rot or fungus, even if caused by or related to the malfunction, repair or replacement of a covered item.
 - O. Any costs or fees associated with use of cranes needed to install or remove any equipment located on the roof.
 - P. Damage or failure caused by animals or insects, including infestation and human or animal bodily fluids.
12. **ACCESSIBILITY OF PRODUCT:** If service is required, You agree to make the product reasonably accessible to the service contractor. If the product is not accessible, the service contractor will have the option of declining to provide service or assessing You an additional charge for making the product accessible, commensurate with the difficulty in working on the product.

13. **FEES and CHARGES:**
 - A. If plan payment is not collected on a scheduled payment date (i.e. every 30, 90 or 365 days), service under this **Agreement** may be denied until payment is received. Accounts delinquent more than ten (10) days may be cancelled as provided in the cancellation section VIII.
 - B. The price of this **Agreement** and any included limits, fees or charges may be adjusted from time to time. Notice of any price adjustment will be given to You in writing at least thirty (30) days prior to implementation. You may terminate the **Agreement** giving written notice prior to the effective date of increase.
14. **TRANSFERABILITY:** This **Agreement** is transferable to a new owner of the existing address for a one-time \$39 transfer fee. This **Agreement** is non-transferable to a new address and is only valid for the original residence.
15. **LAWS, CODES and REGULATIONS:** This **Agreement** does not cover correcting or upgrading any parts, system, appliance, or electronic equipment in order to comply with any federal, state or local laws, regulations, or ordinances or utility regulations, or to meet changes in efficiency requirements (including but not limited to, heating system efficiency requirements), or to meet current building or zoning codes requirements, or to correct for code violations. This includes any corrections or upgrades at the time of repair, which are required by law, regulation or ordinance. We are not responsible for service when permits cannot be obtained, nor will We pay any costs relating to permits.
16. **This Agreement is not a contract of insurance.** The obligations of the Obligor are secured by an insurance policy issued by Illinois National Insurance Co., 500 W. Madison St., 30th Floor, Chicago, IL 60661, Ph: (800) 250-3819 in all covered states with the exception of AR, FL, MS, NC, NY, and OK, which are covered by New Hampshire Insurance Company, 500 W. Madison St., 30th Floor, Chicago, IL 60661, Ph: (800) 250-3819. If, within 60 days, We have not paid a claim, provided You with a refund, or if You are otherwise dissatisfied, or We are no longer a going concern, become insolvent or are otherwise financially impaired, You are entitled under state law to make a claim directly to the Insurer by contacting the Insurer at the address or phone number listed above. Please enclose a copy of your **Agreement** when sending correspondence to the Insurer. The Insurer and Obligor shall not be deemed to provide coverage and the Insurer or Obligor shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such coverage, payment of such claim or provision of such benefit would expose the Insurer, its parent company or its ultimate controlling entity to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union or the United States of America.

VIII. CANCELLATION AND NONRENEWAL OF THE AGREEMENT:

1. You may cancel the **Agreement** only by contacting American Residential Warranty in writing at 901 Yamato Road, Suite 100E, Boca Raton, FL 33431, Attn. Customer Service Department. Cancellation becomes effective at the end of the current month of coverage.
2. In the event of cancellation of a Quarterly or Annual payment plan, a pro-rata refund, recalculated at the higher posted monthly rate, minus any paid claims, will be issued for the unexpired term.
3. In the event of cancellation within the first thirty (30) days of the Purchase Date, You will be refunded the full **Agreement** price.
4. **We reserve the right to cancel this Agreement upon thirty (30) days written notice.** However, in the event of customer fraud, material misrepresentation, failure to pay, or termination as a customer, cancellation may be immediate. In the event of cancellation for customer fraud or material misrepresentation, We may demand immediate payment of the cost of all services provided to You, less any payments made, and no refund of any kind will be issued. The notice of cancellation will include the reason and the effective date of cancellation.
5. Once this **Agreement** is cancelled, You will be subject to a thirty (30) day waiting period if You wish to purchase another **Agreement**.
6. This **Agreement** is renewable at Our option. If We choose to renew Your Agreement, You will be offered the terms, conditions and rates that are currently in effect in Your state and as indicated on your Declaration Page.

We reserve the right to update or modify the Terms and Conditions of this Agreement upon thirty (30) days written notice.

IX. STATE AMENDMENTS:

In Alabama:

For purposes of calculating a refund of the **Agreement** price owed to You upon cancellation, the **Agreement** price will include any application fee You paid.

In Arizona:

- Section VIII Cancellation of This **Agreement**, # 4 is replaced with the following: We reserve the right to cancel this **Agreement** upon thirty (30) days written notice, in the event of customer fraud, material misrepresentation, or failure to pay. You will receive a refund of the unearned pro-rata **Agreement** price, minus any paid claims and administrative expenses not to exceed ten percent (10%) of the gross amount You paid for this **Agreement**. The notice of cancellation will include the reason and the effective date of cancellation.
- The first paragraph of Section VI Appliance and System Components is deleted and replaced with the following: All brands of equipment will be covered under the Agreement subject to availability of repair parts. Only those items specifically named as Covered are eligible for coverage.
- Section VII Limit of Liability and Conditions, # 11.H is replaced with the following: Lack of capacity, adequacy, efficiency, design or improper installation of any system, component or appliance as determined by the manufacture or building codes.

In Arkansas:

The following statement has been added to Section VII Limit of Liability and Conditions, # 16: A claim against the provider may include a claim for return of the unearned provider fee.

The following statement has been added:

- We may use Non-Manufacturer parts to repair or replace a covered item.

In Colorado:

Section VII Limit of Liability and Conditions, # 15 is amended to include: Action under this **Agreement** may be covered by the provisions of the "Colorado Consumer Protection Act" or the "Unfair Practices Act" articles 1 and 2 of title 6, C.S.R., and a party to such an **Agreement** may have the right of civil action under such laws, including obtaining the recourse or penalties specified in such laws.

In Connecticut:

The follow statements have been added:

- This **Agreement** is automatically extended while a covered product is being repaired.
- Resolution of Disputes: If we are unable to resolve any disputes with you regarding this **Agreement**, you may file a written complaint to the: State of Connecticut, Insurance Department, P.O. Box 816, Hartford, CT 06142-0816, Attn: Consumer Affairs. The written complaint must describe the dispute, identify the price of the product and cost of repair, and include a copy of this **Agreement**.

In Florida:

- The rate charged for this **Agreement** is not subject to regulation by the Florida Office of Insurance Regulation
- Section VIII Cancellation of This Agreement, # 2 and 3 is replaced with the following: If You cancel this Agreement within thirty (30) days of the receipt of this **Agreement**, You shall be entitled to one hundred percent (100%) of the unearned pro-rata **Agreement** charge less claims paid. If You cancel this Agreement after thirty (30) days of the receipt of this **Agreement**, You shall be entitled to ninety percent (90%) of the unearned pro-rata **Agreement** charge less claims paid.
- Section VIII Cancellation of This Agreement, # 4 is amended to include the following: If the Agreement is cancelled by Us for any reason other than for fraud or misrepresentation, a refund will be based on one hundred percent (100%) of the unearned pro-rata premium.

In Georgia:

- Section VIII Cancellation of This Agreement, # 2 is replaced with the following: In the event of cancellation You will receive a pro-rata refund of the **Agreement** price, regardless of the reason for cancellation. Claims paid shall not be deducted from any refund owed.
- Section VIII Cancellation of This Agreement, # 3 is replaced with the following: In the event of cancellation within the first thirty (30) days of the receipt of this **Agreement**, You will be refunded the full **Agreement** price. Claims paid shall not be deducted from any refund owed.
- Section VII Limit of Liability and Conditions, # 4 is amended to include, pre-existing conditions, defects or deficiencies known by You before the Effective Date.
- Section VIII Cancellation of This Agreement, # 4 is replaced with the following: **We reserve the right to cancel this Agreement upon thirty (30) days written notice**, in the event of customer fraud, material misrepresentation, or failure to pay. You will receive a refund of the unearned pro-rata **Agreement** price. The notice of cancellation will include the reason and the effective date of cancellation.
- Section VII Limit of Liability and Conditions is amended to include the following statement: If a claim covered by this **Agreement** is also covered by another agreement, then the claim will be paid on a pro-rata basis with such other agreement. If a claim covered by this **Agreement** is covered by an insurance policy, manufacturer's warranty or recall, or is the subject of any legal

action, We shall pay only for the amount of the cost to repair or replace such covered product in excess of the amount due from that other insurance policy, manufacturer's warranty or recall, or subject of any legal action. In no event, however, shall we pay more than the applicable Limit of Liability.

- Section VIII Cancellation of This Agreement, the following statements have been added:
 - Any refund owed and not paid as required is subject to a penalty equal to 25% of the refund owed and interest of 18% per year until paid; however, such penalty shall not exceed 50% of the amount of the refund.
 - Cancellations will comply with Section 33-24-44 of the Code of Georgia.

In Louisiana:

Section VIII Cancellation of This Agreement, # 4 is replaced with the following: **We reserve the right to cancel this Agreement upon thirty (30) days written notice**, at Your last known address. However, in the event of customer fraud, material misrepresentation, failure to pay, or termination as a customer, cancellation may be immediate. The notice of cancellation will include the reason and the effective date of cancellation.

In Michigan:

If performance of the **Agreement** is interrupted because of a strike or work stoppage at Our place of business, the effective period of the **Agreement** shall be extended for the period of the strike or work stoppage.

In Nevada:

- Section V To Obtain Service # 1, is amended by addition of the following: We will initiate repairs within 24 hours after you report the claim or as soon thereafter as reasonably practical. If We determine that repairs cannot be completed within 3 calendar days after the report of the claim, We will provide You and the Commissioner at pcinsinfo@doi.nv.gov with a status report. The status report will provide: a list of the required repairs or services; and the reason causing the delay; the status or any parts required; the current estimated time to complete the repairs or services; and contact information for You to make additional inquiries concerning any aspect of the claim. We will respond to such inquiries not later than 1 business day after such an inquiry is made. If You are not satisfied with the manner in which We are handling Your claim, You may contact the Commissioner of the Division of Insurance at 1-888-872-3234.
- Section VII Limit of Liability and Conditions #14, is replaced with the following: **TRANSFERABILITY:** This Agreement is transferable to a new owner of the existing address for a one-time \$25 transfer fee. This Agreement is non-transferable to a new address and is only valid for the original residence.
- Section VIII Cancellation of This Agreement, # 2 is replaced with the following: In the event of cancellation, You will receive a pro-rata refund of the **Agreement** price.
- Section VIII Cancellation of This Agreement, # 3 is replaced with the following: In the event of cancellation within the first thirty (30) days of the receipt of this **Agreement**, You will be refunded the full **Agreement** price. A ten percent (10%) penalty per month shall be added to a refund that is not paid within thirty (30) days after the provider receives a written request to cancel from the **Agreement** holder. The refund shall be paid to the purchaser, or to the person authorized by the purchaser.
- Section VIII Cancellation of This Agreement, # 4 is replaced with the following: **We reserve the right to cancel this Agreement upon thirty (30) days written notice**, in the event of customer fraud, material misrepresentation, or Your failure to pay. You will receive a refund of the unearned pro-rata **Agreement** price. We may also cancel this **Agreement** due to unauthorized repairs which result in a material change in the nature or extent of the risk, occurring after the first effective date of the current **Agreement**, which causes the risk of loss to be substantially and materially increased beyond that contemplated at the time the **Agreement** was issued or last renewed. If the **Agreement** has been in effect for seventy (70) days or more, We can only cancel this **Agreement** due to (1) unauthorized repairs which result in a material change in the nature or extent of the risk, occurring after the first effective date of the current **Agreement**, which causes the risk of loss to be substantially and materially increased beyond that contemplated at the time the **Agreement** was issued or last renewed; (2) Discovery of fraud or material misrepresentation by the holder in obtaining the **Agreement**, or in presenting a claim for service; (3) An act or omission by You or a violation by You of any condition of the **Agreement**, which occurred after the effective date of the **Agreement** and which substantially and materially increases the service required under the **Agreement**. If we cancel this **Agreement**, no cancellation fee will be imposed and no deduction for claims paid will be applied. If You are paying for your **Agreement** on a monthly basis, We may not deny service to You for non-payment of the monthly fee; however, upon fifteen (15) days' notice of such non-payment by You, Your **Agreement** will be cancelled. The notice of cancellation will include the reason and the effective date of cancellation.

In New Hampshire:

The following statement has been added: In the event You do not receive satisfaction under this contract, You may contact the New Hampshire Insurance Department at New Hampshire Insurance Department, 21 South Fruit Street, Concord, New Hampshire 03301, telephone number 603-271-2261.

In New Jersey:

The following is added to this Agreement: The use of refurbished, reconditioned, or non-original manufacturer's parts is permitted. The following statement has been added to Section VIII Cancellation of This Agreement: If You cancel Your Agreement within thirty (30) days of receipt of Your Agreement and do not receive a refund or credit within forty five (45) days of receipt of the returned service contract, a ten percent (10%) penalty per month shall be applied to the refund.

In New Mexico:

Section VIII Cancellation of This Agreement, is amended to include the following: No service **Agreement** that has been in effect for at least (70) days may be cancelled by the provider before the expiration of the agreed terms or one year after the effective date of the service **Agreement**, whichever occurs first, except for the following reasons:

- 1) **Agreement** holder's failure to make full payment by the due date.
- 2) Conviction of a crime that results in an increase in the service required under the service **Agreement**.
- 3) Discovery of fraud or material misrepresentation by the **Agreement** holder in obtaining the service **Agreement** or in presenting a claim for service thereunder.
- 4) Discovery of either of the following if it occurred after the effective date of the service **Agreement** and substantially and materially increased the service required under the service **Agreement**:
 - a) An act or omission by the **Agreement** holder; or
 - b) A violation by the **Agreement** holder of any conditions of the service **Agreement**.

In Oklahoma:

- Section VIII Cancellation and Nonrenewal of the Agreement, #1 through #4, are deleted and replaced with the following: You may cancel this Agreement for any reason at any time. To cancel, contact American Residential Warranty in writing at 901 Yamato Road, Suite 100E, Boca Raton, FL 33431, Attn. Customer Service Department. If You cancel within the first thirty (30) days of receipt of You Agreement, You will receive a full refund. If You cancel after thirty (30) days, You will receive a refund based on one hundred percent (100%) of the unearned pro rata premium, less a cancellation fee of ten percent (10%) of the unearned pro rata premium. No claim incurred or paid nor any repair made, will be deducted from the amount to be returned in the event of cancellation. We may not cancel this Agreement except for fraud, material misrepresentation or nonpayment by You. Notice of such cancellation will be mailed to You at least thirty (30) days prior to cancellation. If We cancel, the return premium is based upon one-hundred percent (100%) of the unearned pro-rata premium.
- The following statements have been added:
 - Coverage afforded under this contract is not guaranteed by the Oklahoma Insurance Guaranty Association.
 - Oklahoma service warranty statutes do not apply to commercial use references in service warranty contract.
 - AIG WarrantyGuard, Inc.'s Oklahoma license number is 44201456.

NOTICE: This service warranty is not issued by the manufacturer or wholesale company marketing the product. This warranty will not be honored by such manufacturer or wholesale company.

In Oregon:

The following statement has been added: In Oregon: The license number for AWG WarrantyGuard, Inc. is 208059.

In South Carolina:

The following statement has been added: Complaints or questions about this **Agreement** may be directed to the South Carolina Department of Insurance, PO BOX 100105, Columbia, SC 29202-3105, Telephone # 1-803-737-6180.

In Texas:

- Section V To Obtain Service, is amended as follows: For any non-emergency, service will be initiated within 48 hours and completed as soon as reasonably possible
- The following statements have been added:
 - This contract is issued pursuant to a license granted by the Texas Real Estate Commission, and complaints in connection with this contract may be directed to the Commission at PO Box 12188, Austin, TX 78711, phone # 512-936-3049. The purchase of a home warranty contract is optional and similar coverage may be purchased through other residential companies or insurance companies authorized to transact business in Texas.
 - Throughout this **Agreement**, the term **Agreement** is replaced with the term Contract.

NOTICE:

YOU THE BUYER HAVE OTHER RIGHTS AND REMEDIES UNDER THE TEXAS DECEPTIVE TRADE PRACTICES-CONSUMER PROTECTION ACT WHICH ARE IN ADDITION TO ANY REMEDY WHICH MAY BE AVAILABLE UNDER THIS CONTRACT.

FOR MORE INFORMATION CONCERNING YOUR RIGHTS, CONTACT THE CONSUMER PROTECTION DIVISION OF THE ATTORNEY GENERAL'S OFFICE, YOUR LOCAL DISTRICT OR COUNTY ATTORNEY, OR THE ATTORNEY OF YOUR CHOICE.

SIGNATURE _____

In Utah:

- Section V To Obtain Service, # 1 is amended as follows: Emergency repairs: If Your covered failure results in a loss of heating, cooling, or electrical power to Your air conditioner or refrigerator/freezer, repairs on Your covered product will commence within 24 hours after You report Your claim by calling the number above. In the event an emergency repair is required outside of the normal business hours of the Administrator, You may engage Your own licensed repair provider without prior authorization. Emergency repair is defined as a failure that creates a risk to health or property and that such failure requires an immediate repair be made.
- Section VII Limit of Liability and Conditions, # 11.H is replaced with the following: Repairs or replacements caused by pre-existing conditions, defects or deficiencies that occurred prior to the effective date of the **Agreement**.
- Section VII Limit of Liability and Conditions, # 11, the following has been added: Proof of loss should be furnished by You to Us as soon as reasonably possible. Failure to furnish such notice or proof within the time required by this **Agreement** does not invalidate or reduce a claim.
- Section VIII Cancellation of This Agreement, #4, is replaced with the following: We can cancel the **Agreement** during the first sixty (60) days of the initial annual term by mailing to You a notice of cancellation at least thirty (30) days prior to the effective date of cancellation except that We can also cancel the **Agreement** during such time period for nonpayment of premium by mailing You a notice of cancellation at least ten (10) days prior to the effective date of cancellation. After sixty (60) days have elapsed, We may cancel the **Agreement** by mailing a cancellation notice to You at least ten (10) days prior to the cancellation date for cancellations due to nonpayment of premium, and thirty (30) days prior to cancellation date for any of the following reasons: (a) material misrepresentation, (b) substantial change in the risk assumed, unless We should reasonably have foreseen the change or contemplated the risk when entering into the **Agreement**, (c) substantial breaches of contractual duties, conditions, or warranties.
- The following statements have been added:
 - This **Agreement** is subject to limited regulation by the Utah Insurance Department. To file a complaint, contact the Utah Insurance Department.
 - Coverage afforded under this **Agreement** is not guaranteed by the Property and Casualty Guarantee Association.

In Washington:

- Section VIII Cancellation of This Agreement, # 3 is replaced with the following: In the event of cancellation within the first thirty (30) days of the receipt of this **Agreement**, You will be refunded the full **Agreement** price, minus any paid claims. A ten percent (10%) penalty per month shall be added to a refund that is not paid within thirty (30) days after the provider receives a written request to cancel from the **Agreement** holder. This right to cancel the **Agreement** is not transferable and applies only to the original **Agreement** purchaser.
- Section VIII Cancellation of This Agreement, # 4 is replaced with the following: We reserve the right to cancel this **Agreement** for any reason. If we cancel this **Agreement**, we will mail you written notice of such cancellation thirty (30) days prior to the effective date of such cancellation and state the true and actual reason for the cancellation.
- Section VII Limit of Liability and Conditions, #16 is replaced with the following: **This Agreement is not a contract of insurance**, but the obligations of the Obligor are secured by an insurance policy issued by Illinois National Insurance Co., 500 W. Madison St., 30th Floor, Chicago, IL 60661, Ph: (800) 250-3819. You may make a claim directly to the Insurer by contacting the Insurer at the address or phone number listed above. Please enclose a copy of your **Agreement** when sending correspondence to the Insurer.

In Wisconsin:

- Section VII Limit of Liability and Conditions, # 11, the following has been added: Proof of loss should be furnished by You to the Administrator as soon as reasonably possible and within one (1) year after the time required by this **Agreement**. Failure to furnish such notice or proof within the time required by this **Agreement** or to obtain preauthorization does not invalidate or reduce a claim, and We will not deny a claim unless We are prejudiced by such failure.
- Section VIII Cancellation of This Agreement, # 1 is replaced with the following: You may cancel the **Agreement** by calling Us at 1-877-637-7890. Cancellation becomes effective at the end of the current month of coverage.
- Section VIII Cancellation of This Agreement, # 3 is replaced with the following: In the event of cancellation within the first thirty (30) days of the receipt of this **Agreement**, You will be refunded the full **Agreement** price.
- Section VIII Cancellation of This Agreement, # 4 is replaced with the following: We reserve the right to cancel this Agreement upon thirty (30) days written notice mailed to Your last known address. This **Agreement** may be cancelled by Us for nonpayment of the **Agreement** price, material misrepresentation by You to Us, or substantial breach of duties by You relating to the covered products or their use. The notice of cancellation will include the reason and the effective date of cancellation. If this **Agreement**

is cancelled by Us for a reason other than nonpayment of the **Agreement** price or if You should cancel this **Agreement** anytime during the applicable term of this **Agreement** or after a claim has been made, We shall refund to You one hundred percent (100%) of the unearned pro-rata **Agreement** price, less any claims paid. In the event of a total loss of property, You can cancel this **Agreement** and receive a pro-rata refund, less any claims paid. If We fail to credit a refund within forty-five (45) days after return of the **Agreement**, a ten percent (10%) penalty per month applies to any refund not paid or credited.

- Section VIII Cancellation of This Agreement, is amended to include:
- If We choose to non-renew, We will give sixty (60) days' notice to You. We can only change the rate upon renewal. We will give sixty (60) days' notice for any rate increase of 25% or more.
- The following statements have been added:
 - **THIS CONTRACT IS SUBJECT TO LIMITED REGULATION BY THE OFFICE OF THE COMMISSIONER OF INSURANCE.**
 - The Insured will be made whole before the insurer may retain amounts it has recovered.
 - The Service Contract Provider is AIG WarrantyGuard, Inc., located at 500 West Madison, Suite 3000, Chicago, IL 60606-6613. Obligations of the provider under this **Agreement** are insured under a service contract reimbursement insurance policy.

In Alabama, Arkansas, Hawaii, Illinois, Maryland, Minnesota, New Mexico, New York, South Carolina, Utah, Wisconsin, & Wyoming:

- Section VIII Cancellation of This Agreement, # 2 is replaced with the following: In the event of cancellation You will receive a pro-rata refund of the **Agreement** price, minus any paid claims.

In Arizona, Florida, Illinois, Utah, & Vermont:

- Section VIII Cancellation of This Agreement, # 3 is replaced with the following: In the event of cancellation within the first thirty (30) days of the receipt of this **Agreement**, You will be refunded the full **Agreement** price, minus any paid claims.

In Alabama, Arkansas, Hawaii, Louisiana, Massachusetts, Maine, Maryland, Minnesota, Missouri, New Mexico, New York, South Carolina, Wisconsin & Wyoming:

- Section VIII Cancellation of This Agreement, # 3 is replaced with the following: In the event of cancellation within the first thirty (30) days of the receipt of this **Agreement**, You will be refunded the full **Agreement** price, minus any paid claims. A ten percent (10%) penalty per month shall be added to a refund that is not paid within thirty (30) days after the provider receives a written request to cancel from the **Agreement** holder. The refund shall be paid to the purchaser, or to the person authorized by the purchaser.