

COVERAGE SUMMARY

THIS DOCUMENT IS A SAMPLE OF COVERAGE TERMS AND CONDITIONS. PLEASE REFER TO YOUR CONTRACT COVERAGE SUMMARY FOR FULL DETAILS.

When repair or replacement services are required, you must contact our Customer Service Representatives at 1-866-99-ASSURANCE. Customer Service Representatives are available 24 hrs. a day 365 days a year. You must notify us upon the discovery of mechanical failure and while the contract is in effect. All repair and / or replacement work covered by this Agreement must be performed by an authorized contractor and approved by ASSURANCE HOME WARRANTY CORPORATION in advance. Should the contract holder contact any person, company or entity or do the work themselves, we will not be responsible for that cost or any reimbursement.

I. AGREEMENT

Your Agreement (warranty) type, effective date and expiration date are shown on your Coverage Summary Page. Items listed under "optional" will be covered only if the item is chosen and the designated additional funds have been received and acknowledged on the Coverage Summary Page. Types of warranties and their respective effective dates are:

1. **A Seller Home Warranty**, which is placed on the home by a prospective home seller at the time of listing, is effective immediately upon receipt and processing of the Seller Home Warranty application by us and continues for the remainder of the listing term, not to exceed one hundred eighty (180) days from the date of listing, unless terminated sooner due to the sale of the dwelling (See Buyers Conversion Warranty below) or cancellation of the listing agreement. We may extend the Sellers Home Warranty at our sole discretion. The Seller Home Warranty converts to a Buyers Conversion Warranty on the date of closing (title transfer), provided required payment has been received by us within seven (7) business days of closing.
2. **A Buyers Conversion Warranty**, which is a Seller Home Warranty that has converted to benefit a home buyer after closing is, effective on the date of closing, provided required payment has been received by us within seven (7) business days of closing. Optional coverage may be added provided required payment has been received by us within thirty (30) days of closing.
3. **A Buyers Direct Warranty**, which is purchased by or on behalf of a home buyer at the time of closing, is effective on the date of closing, provided required payment has been received by us within seven (7) business days of closing.
4. **A Homeowners Direct Warranty**, which is available to homeowners not immediately purchasing or selling their homes (i.e., when a home is not listed for sale and / or it is more than seven (7) business days after closing), is effective thirty (30) days after required payment has been received by us.
5. **A Renewal Contract** is a renewal of a previously issued contract and will have no lapse in coverage provided required payment has been received by us prior to expiration date of the previous contract. If payment is received after the expiration date of the previous contract, an inspection may be requested by an approved ASSURANCE HOME WARRANTY CORPORATION inspector and will become effective ten (10) days after written report, approval and issuance of warranty contract. Optional coverage is available if purchased and items are inspected and approved as long as required payment is received within thirty (30) days of renewal.

II. COVERED ITEMS

This Agreement provides coverage only for those items specifically listed as being covered on your Coverage Summary Page. We agree to repair or replace those specific items if they become inoperative during the term of this Agreement due to mechanical failure caused by NORMAL WEAR AND TEAR, subject to the terms and conditions of this Agreement.

This Agreement covers only mechanical failures relating to the mechanical parts and components of those domestic-grade items that were in the home and in proper and safe operating condition and permanently installed and located within the perimeter of the main foundation of the home and/ or detached garage on the Agreement effective date. "Mechanical failure" occurs when a covered item becomes inoperable and unable to perform its designed function, subject to the limitations and conditions set forth herein. Mechanical failure is not covered if it is due to: conditions that existed prior to Agreement effective date; lack of routine care and maintenance; misuse; and rust and/or corrosion. "Domestic-grade" items are those that are manufactured and marketed solely for installation and use in a residential single-family dwelling. The covered item will be deemed to have been in "proper operating condition" on the Agreement effective date if it was correctly located within the home, was fully connected, was capable of successfully performing all operations commensurate with the manufacturer's original design intention, and did not pose any hazard to life or property. Determination of the operating condition as of Agreement effective date, and the nature of any failure, will be made first by the home inspector, then based on our professional opinion, reflecting but not limited to, our authorized service provider's diagnosis and trained employees.

An additional fee may be required for certain coverage. Coverage of some items are not available under all plans or in every state. The items listed in this section as "Examples of items/ conditions Not covered" are not meant to be all inclusive and are provided for illustration purposes only they do not limit our right to decline coverage for items not specifically mentioned and should not in any way be deemed an expansion of items covered.

III. SYSTEMS / APPLIANCES / COMPONENTS (BASIC COVERAGE) please, refer to your Warranty Coverage Page for items covered.

1. PRIMARY CENTRAL HEATING SYSTEM

Description of Covered Items: Mechanical parts and components of one system, either hot water and steam heating system or centrally ducted forced air/gas/electric heating system or electric baseboard units, if providing the primary source of heat in dwelling, as follows: accessible ductwork from covered heating unit to point of attachment to register/grill; blower fan motors; burners; controls; fan blades; roof jacks or stands; heat/cool thermostats (electronic set back units will be replaced only with standard units); heat exchangers; heating elements; igniter and pilot assemblies; internal system controls, wiring and relays; motors (excludes dampers); and switches. Electric baseboard units are covered if they are the primary source of heating for the home. In no event shall we be liable for claims in excess of \$1000 in the aggregate per covered property for systems that have been converted from coal-to-oil, coal-togas, or oil-togas; or for hot water or steam heating systems, or oil-fired forced air or furnace systems or Glycol systems

Examples of Items/Conditions Not Covered: Chimneys, flues, and liners; cleaning and re-lighting of burners; concrete encased or inaccessible ductwork; asbestos insulated ductwork or piping; concrete encased steam or radiant heating coils or lines; electric baseboard heat unless primary heating system in home; filters (including electronic/electric and de-ionizing filter systems); built in heat lamps; fireplaces; free standing or portable heating units; fuel storage tanks, lines, and filters; gas logs systems, including gas feed lined; humidifiers; individual space heaters; maintenance and cleaning; panels and/or cabinetry; radiant heating systems built into walls, floors or ceilings; pressure regulators/grills; secondary units; solar heating devices and components; and structural components.

2. PRIMARY CENTRAL AIR CONDITIONING / COOLING SYSTEM

Description of Covered Items: Mechanical parts and components of a centrally ducted air conditioning system and/or evaporative (swamp) cooler unit, as follows: accessible ductwork from air conditioning unit to point of attachment to register/grill; air handler; blower fan motors; capacitors; compressors; condenser fan motors; condenser coils; condensers; evaporator coils; fan blades; freon gas lines interior to the unit; internal system controls; internal wiring; motors (excluding dampers); refrigerant (excludes reclamation); refrigerant filter dryer; refrigerant piping (excluding inter-connecting line sets and geo-thermal piping); relays; reverse valves; switches and controls; and thermostats (electronic set back units will be replaced only with standard units). Coverage is available on cooling systems with a cooling capacity not to exceed five (5) tons per unit, two (2) units maximum, and designed for residential application. If the primary cooling system in the home is comprised of wall units, three (3) wall units will be covered. In no event shall we be liable for claims in excess of \$1000 in the aggregate per covered property for Glycol systems.

Examples of Items/Conditions Not Covered: Primary/Secondary condensate drip pans, pumps, and lines; filters (including electronic/electrostatic and de-ionizing filter systems); heat recovery unit; interconnecting Freon lines (external of the equipment); panels and/or cabinetry; roof jacks or stands; concrete encased or inaccessible ductwork; asbestos insulated ductwork or piping; recapture/reclaim of refrigerant; structural components; geothermal piping; humidifiers; zone control systems; flues and vents; water pumps and lines (external of the condenser unit); wall units (except as noted above); crane charges; window units; mismatched systems; and water cooling towers. Gas systems, including ammonia systems, and chilled water systems, are not covered.

3. ELECTRICAL SYSTEM

Description of Covered Items: Mechanical parts or components as follows: general line voltage wiring (repair only), components and parts within the perimeter of the exterior walls consisting of main breaker fuse panel/box; standard light switches and receptacles; ceiling fan motors and their controls.

Examples of Items/Conditions Not Covered: Attic, bathroom, and/or whole house exhaust fans; alarm systems batteries; burglar, fire and smoke alarms; direct (DC) wiring and systems; door bells and chimes; exterior wiring and components (except main panels mounted to exterior walls); exhaust fans; intercom or speaker systems; lighting fixtures; load control devices; low voltage systems

including wiring relays; intercoms; electrical generation systems; telephone systems; timers; touch pad assemblies; remote controls; utility meter base pans; and wall fans. Failures and conditions caused by inadequate wiring capacity, circuit overload, power failure/shortage or surge, corrosion caused by moisture are not covered.

4. **ROOF COVERAGE**

Description of Covered Items: Leaks that occur in the roof structure of the primary residence only, provided the leaks result in rain water penetrating the roof due to normal wear and deterioration of the building materials covering the roof. Roof repairs will be limited to \$500 in aggregate during the term of the seller home warranty and \$1000 in aggregate during the term of the Buyer Conversion, Buyer Direct and Homeowner Direct contract. Under no circumstance are we liable for consequential damages caused by the leaks.

Examples of Items/Conditions Not Covered: Leaks that occur in a deck or balcony when that deck or balcony serves as a roof of the structure below; leaks in patio, porches, or detached garages; leaks that result from or that are caused by roof mounted installations; un-workmanlike construction or repairs; missing or broken shingles or tiles; structural collapse due to earthquake, rot, or improper design; persons walking or standing on the roof; failure to perform normal maintenance to roof or gutters; acts of GOD; leaks manifested to the effective date of this Agreement.

5. **WATER HEATER**

Description of Covered Items: Mechanical parts and components, including circulatory pumps and domestic hot-water coils attached to boilers, but excluding solar and heat recovery units. One unit, (eighty) 80 gallon maximum capacity for both gas and electric water heaters.

Examples of Items/Conditions Not Covered: Color or purity of water; noise; heat recovery units; stands; permits; code upgrades; flue repairs; piping; gas stop; dip tube; T&P discharge line; insulation; secondary holding/storage tanks; sediment build up; and solar heaters, including all parts and components. Water heaters exceeding 80 gallon maximum capacity. Tank less and/or direct vent water heater repairs and replacements are limited to \$500

6. **PLUMBING**

Description of Covered Items: Mechanical parts and components of the following: garbage disposals; interior hose bibs; shower and tub valves; faucets (replaced with chrome builder's standard), toilet tanks, bowls, wax rings, toilet mechanisms within the toilet tank (replaced with two piece white builder's standard), and plumbing stoppages that can be cleared through an accessible existing ground level cleanouts are covered up to 125ft. from the access point, except if caused by roots. (Stoppages are only covered when there is an accessible ground level clean out.) Leaks and breaks of water, drain, waste and vent lines within the perimeter of the main foundation are also covered. We cover up to three (3) toilets.

Examples of Items/Conditions Not Covered: All plumbing in or under the ground, foundation or slab; all piping and plumbing outside of the perimeter of the foundation; bath tubs; bidets; caulking or grouting color or purity of the water in the system; toilet flanges; angle stops; risers; concrete encased plumbing; conditions or insufficient or excessive water pressure; conditions of water flow restriction due to scale, rust, minerals and other deposits; exterior hose bibs; plumbing stoppages caused by roots; holding and pressure tanks; jet pumps; laundry tubs; lawn sprinkler systems; pressure regulating devices; repair and finish of any walls, floors, or ceilings where it is necessary to break through to effect repairs; septic tanks and systems in or outside of the home; sewage ejector pumps; sewer and water laterals; wells and well pumps; solar systems; water conditioning equipment; shower heads, arms, enclosures and base pans; sinks; sump pumps; main shut off valves; toilet tank lids and toilet seats; water damage; water filters; water purification systems; water softeners; whirlpools, spas and their respective plumbing and mechanical components.

7. **SUMP PUMP**

Description of Covered Items: Mechanical parts and components of the pump assembly located within the home.

Examples of Items/Conditions Not Covered: Back-up power assemblies; any unit located outside the covered property and/or within a crawl space.

8. **APPLIANCES** (Refer to plan chosen and Coverage Summary to determine individual appliance coverage.)

Description of Covered Items: Mechanical parts and components affecting the proper operation of one (1) of each of the following appliances located in the kitchen: refrigerator or combination refrigerator/freezer; built in microwave oven; range/oven/cook top; self contained range exhaust unit located above the range; if chosen one (1) unit of built in dish washer; clothes washer; clothes dryer; trash compactor. Appliance coverage is only for primary units. Mechanical parts and components include only the following: automatic soap dispenser; belts; compressor; condensers; control timers/oven/range clock timers are excluded unless failure prohibits normal cooking function); defrost heaters; latch assemblies; clothes dryer heating elements; clothes dryer drum rollers; electronic components; evaporators; fan motors; range/cook top/heating elements/burners (sensi-temp elements/burners will be replaced only with standard elements/burners); gas valves; hinges; hoses; igniter and pilot assemblies; internal wiring; motors; power cords; pumps; pulleys; ram assembly; switches and relays; solid state control boards; electronic induction cook tops (will be replaced only with builder's standards); thermostats; touch pads; tracks; transmissions; wash arm assemblies (dishwasher only); and water valves (dishwasher and clothes washer only). In no event shall we be liable in excess of \$1000 in the aggregate per appliance for: top or downdraft cook tops, convection ovens; combination convection/microwave or convection/standard ovens; double wall ovens; and premium/specialty appliances.

Examples of Items/Conditions Not Covered: Automatic deodorizers; ice and beverage dispensers; buckets; commercial units; damage to clothing; drawers; door seals; drip pans; drums; exhaust fan not solely for venting range/cook top furnes; filters and screens; food spoilage; stand alone freezers; ice maker; interior lining; internal shelves; knobs and handles; light bulbs and fixtures; lock and key assemblies; panels and/or cabinetry; racks; removable minitubs or buckets; rollers other than clothes dryer drum rollers; rooftop exhaust units; rotisseries and probes; secondary units; sensi-temp/sensi-heat burners; shelves; springs; structural components; cosmetic problems, such as chipping, dents, or scratches; timers and clocks; trays; tubs; venting; washing machine agitators; microwave ovens that are not built in, and water restrictions due to mineral deposits, i.e. lime and calcium.

9. **JETTED BATHTUB**

Description of Covered Items: Mechanical parts and components as follows: accessible electrical controls; accessible plumbing lines; air pumps; drains; gaskets; and primary circulation pump and motor.

Examples of Items/Conditions Not Covered: Bathtub shell; caulking and grout; failures due to dry operation of equipment; gaining access to piping, electrical and component parts; tiles and marble; and tub enclosures.

10. **WATER SOFTENER**

Description of Covered Items: Mechanical parts and components of basic single and twin water softener units, including central head assembly; piping to and from unit(s) and system tanks.

Examples of Items/Conditions Not Covered: Any and all treatment, purification, odor control, iron filtration components and systems; discharge drywells; failure due to excessive water pressure or freeze damage; failures due to mineral and/or sediment; resin bed replacement; and salt.

11. **CENTRAL VACUUM**

Description of Covered Items: Mechanical parts and components of a single primary unit as follows: motor and drive train

Examples of Items/Conditions Not Covered: Accessories or hoses; removable attachments; maintenance related breakdowns.

12. **GARAGE DOOR OPENER**

Description of Covered Items: Mechanical parts and components of a single primary mechanical screw or chain driven unit as follows: motor; receiver board; relays; switches and sensors; and drive trains.

Examples of Items/Conditions Not Covered: Garage Doors; Batteries; damage caused by door malfunctions; all door assemblies including door panels, tracks, rollers, hinges, cables and springs; frequency interference; lights; sending units; and transmitters.

IV. ELIGIBILITY

1. This Agreement covers a single family residence (under 5000 square feet), including a condominium, townhouse or villa, or a multi-family property of two (2) to four (4) units (duplex, triplex, or quadplex), used solely for residential purposes. Any dwelling used in whole or in part for commercial purposes such as, but not limited to, a day care facility, group home (5 or more unrelated individuals cohabitating in the same household), rest home, church or school will not be covered. Homes listed in any historical register are not covered. Whether or not this contract covers a condominium unit, mobile home, manufactured home, or any multi-family dwelling (i.e., duplex, tri-plex, quadplex,) any repairs and / or replacements will be limited to the items solely used by and located and serviceable within such single unit (unless specified otherwise). No common area items shared by non-warranted units will be covered by this Agreement. Single family residences over 5000 square feet require additional footage option. Please call ASSURANCE HOME WARRANTY CORPORATION for appropriate fee.
2. Multi-family properties are eligible for the Seller Home Warranty; however, coverage is restricted to the owner occupied unit only. All other tenant occupied units are not covered under the Seller Home Warranty. If coverage is provided on tenant occupied units under the Buyer Conversion Warranty, Buyer Direct Warranty, and / or Homeowner Direct Warranty, the contract holder is responsible to report the claim and pay the deductible charge.
3. Mobile homes are eligible for coverage, provided they are permanently secured to the ground and that the land they are located on is owned by the contract holder. Mobile / Manufactured homes that are located in a division operated similar to a condominium, where maintenance is provided, are also eligible for coverage.