THE STRUCTURAL WARRANTY
FOR NEW AND EXISTING HOMES

WELCOME TO YOUR

NXT

STRUCTURAL WARRANTY CONTRACT

BROUGHT TO YOU BY RESIDENTIAL WARRANTY SERVICES

Certain items and events are not covered by this contract.
Please refer to the exclusions listed on pages 4-8 of this document.

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Contract Notice

RESIDENTIAL WARRANTY SERVICES, INC.

THIS FORM MUST BE SIGNED AND RETURNED TO RWS WITHIN 2 WEEKS OF RECEIPT OR BEFORE ANY CLAIMS MAY BE MADE ON THIS CONTRACT, WHICHEVER DATE COMES SOONER.

Return Instructions:
Mail: PO Box 797 Carmel, IN 46082
Fax: 877-307-7056

Contract Holder(s):
Contract Number:

Purchase Price:
Per Claim Deductible:

Start Date:
Expiration Date:

Property Address:

I have read and understand the Residential Warranty Services NXT Structural Service Contract contract. I understand that I am obligated to pay a deductible for any repair call I initiate.

NOTICE: YOU THE BUYER HAVE OTHER RIGHTS AND REMEDIES UNDER THE TEXAS DECEPTIVE TRADE PRACTICES AND 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.

Sign *Date*

Welcome

The NXT Structural Service Contract is exclusively offered by Residential Warranty Services, Inc. ("RWS") on homes inspected by a qualifying Certified Inspection Expert ("CIE"). The Contract covers only those items that were noted in the CIE Inspection Report as being free of defects or which had any listed defects repaired by a licensed contractor, so long as documentation of the same is provided to RWS with your claim submission, and so long as the repairs were properly completed and fully repaired. The contract holder is responsible for regular maintenance of the property, including not planting trees and/or shrubs close enough to the home's foundation to cause damage and establishing and maintaining negative grading away from the home, and must follow the claims procedure listed below in order to be eligible for coverage. This contract covers only those items and/or occurrences expressly specified herein and excludes all others – while some commonly excluded items are included for transparency purposes, these lists are not inclusive and only those items specified as covered herein are within the scope of the Contract. Please read this entire contract for coverage terms as this contract is one of adhesion; payment indicates your acceptance of coverage and of its terms and conditions, and limitations.

Terms and Definitions

Here are some important terms to know, and the definitions you see here are how they are used throughout the contract;

Terms

Aggregate Limit of Liability

Unless otherwise specified, the maximum aggregates are as follows:

- NXT 1 - **$3,000** per claim and **$10,000** for the duration of the contract.
- NXT 2 - **$5,000** per claim and **$25,000** for the duration of the contract.

The maximum aggregate per claim is the maximum amount the contract holder is eligible to receive for any single, covered claim, noting that the contract holder is not entitled to the maximum aggregate limit for any single claim, even if the claim submitted is for an amount higher than the aggregate maximum. The maximum aggregate for the duration of the contract consists of all claims made in a single contract term. Any payment will be deducted from the aggregate maximum limits of coverage for the duration of the Contract's term.

Certified Inspection Expert

A certification available to all home inspectors, requiring they met certain qualifications and were granted the official certification of 'Certified Inspection Expert' or 'CIE'. If your home inspector does NOT have this certification, you will NOT have coverage under the Contract. Please call 1-800-544-8156 for a list of eligible home inspectors or information to see if you qualify.

Claim

Any time a current, covered single structural component failure is reported to RWS by the contract holder. Each and every distinct covered failure of any part or component as determined by an authorized contractor, constitutes a distinct claim for which the contract holder will be responsible for a deductible or the actual cost, whichever is lower.

Contract Holder

The person or persons to whom the benefit of this contract from RWS is owed.

Contract / Contract

Used to describe your limited structural component warranty for new and pre-existing homes and should not be given any additional meaning or interpretation beyond that given here. This is a home protection contract, not a contract of insurance.

Deductible

A deductible is incurred by the contract holder each time a claim is made and applies to each structural component failure repaired under the contract terms. At times, multiple structural component failures may be discovered within a single claim and a deductible would apply for each repair or the actual cost to repair, whichever is less. RWS is responsible for the cost of approved repairs beyond the deductible, subject to the limitations of liability. Please see the Notice Form to confirm your specific deductible. Deductibles are payable to the contractor at time of service.

Immediate Repairs

If it is outside of normal business hours and a reasonable person would determine that there is a substantial and immediate risk of bodily injury or property damage if the structural component failure is left alone, it is the contract holder's responsibility to mitigate the damages by implementing temporary fixes to allow licensed contractors to repair issues on a regular time frame. The Contract will apply up to **$500** worth of temporary repairs towards the applicable deductible on any claim where substantial and immediate risk existed so long as all receipts for the temporary work are delivered with your claims procedure documents.

Non-Claim

Any time an incident outside of coverage is reported to RWS by the contract holder. In the event of a "non-claim," whereby a contractor is requested and the structural component failure is not covered by the Contract, the trip charge from the contractor will be payable by the contract holder. RWS claims representatives are well-trained and will do everything within their power to ensure the right contractor is dispatched the first time. However, the ultimate determination of whether to request service and by what type of contractor is up to the contract holder. Should the trade of the contractor requested not be the trade necessary to fix a covered issue, it will be treated as a "non-claim."

Notice Form

The Notice Form, found on the first page, will verify the details of your contract, including, but not limited to: the start and expiration date, the address, the contract holder, price. This notice must be signed, dated, and returned to RWS prior to your contract start date as any delay to do so by the contract holder may cause delays on RWS's ability to process future claims. Note that your signature thereon is indicative of your acceptance of the terms, conditions, and limitations of this contract and your express acknowledgment that you have read the contract in its entirety and understand all of the terms clearly.

RWS

Acronym used to describe Residential Warranty Services, Inc., your contract provider.

COVERAGE. UNMATCHED.

WWW.NXTWARRANTY.COM

Coverage

Coverage Details.
The coverage in this Contract applies only to items falling within the perimeter of the foundation of the home and attached garages. This Contract only applies to homes on permanent foundations and covers structural component malfunctions and failures as follows: footings and foundation systems, beams, girders, lintels, masonry arches, columns, load-bearing walls, partitions, roof framing systems, and floor systems, subject to the following limitations and exclusions: the Contract does not cover any item within, attached to, or affected by any modifications to the property made by the contract holder after the date of Inspection by the Certified Inspection Expert and it covers only those items and elements required to ensure the home's structural stability.

Any repair of a covered failure is limited to the repair of the damage to load-bearing structural components solely to restore any load-bearing function as existed prior to the malfunction. Where a non-load bearing structural component was damaged and repair is necessary to restore safety, sanitation, or livability – these repairs would also be covered. Any repairs involving cosmetic correction consequential to the malfunction or otherwise, are not covered under the Contract.

Examples of Covered Occurrences.
The following is a sample list of covered occurrences in a home's structural systems under this contract. Included in each sample is the covered repair procedure: footings and foundation systems, beams, girders, lintels, masonry arches, columns, load-bearing walls, partitions, roof framing systems, and floor systems.

Examples of Non-Covered Occurrences.
Examples of items that are not covered include, but are not limited to: flooring and sub-flooring materials, stucco, stone veneers, siding of any kind, drywall, plaster, wall tile, floor tile, wall paper/coverings, shower enclosures, roof shingles, roof coverings, roof tiles, sheathing, tar paper, mechanical systems, heating and/or cooling systems, ventilation, plumbing, electrical systems, appliances, plumbing fixtures, electrical fixtures, doors, cabinets, trim, hardware, insulation, paint, stains (cosmetic or otherwise), mold, and/or basement or other interior floating, ground-supported concrete slabs.

Exclusions.
The Contract does not provide coverage for any of the following, specifically excluded, items:

1. Insurance claims or any issues caused by a peril, defined as any cause for damage other than normal wear and tear.

2. Damage or defects outside the perimeter of the home or in swimming pools, tennis courts, driveways, retaining walls, landscaping, sprinkler systems, patios, decks, stoops, steps, porches, outbuildings, detached carports, or any other appurtenance;

3. Loss or damage when/if the property was utilized for non-residential purposes;

4. Changes in the level of the underground water table;

5. Failure of any repairs or further evaluation from an inspection report to be followed through on (including any consequential damages therefrom).

6. Any cause including physical damage from an outside source (whether covered by insurance or not) as only normal wear and tear is covered.

7. Any damage that is caused (or made worse by) the following: negligence, improper maintenance, failure to comply with notices of any kind, failure by the contract holder to report a structural component failure promptly, change of the grading or lack of draining maintenance that results in foundation water issues, riot, civil commotion, war, vandalism, hurricane, tornado, explosion, blasting, smoke, water, fire, tidal wave, flood, hail, snow, ice storm, lightning strike or surge, falling trees or other objects, aircraft, vehicles, mudslide, landslide, avalanche, earthquake, volcanic eruption, sinkhole, or geographical phenomena, abuse of any part of the home beyond the capacity of such part, microorganisms, fungus, decay, wet rot, dry rot, soft rot, rotting of any kind, mold mildew, vermin, termites, insects, rodents, birds, wild or domestic animals, plants, corrosion, rust, radon, radiation, formaldehyde, asbestos or any other environmental issue, pollutants, contaminants/toxins, irritants, carcinogens, electromagnetic field, any other claimed health risk of uninhabitability, failure to minimize or mitigate any failure or condition as soon as practical.

8. Any loss or damage caused by anything underground.

9. Any damage known before the contract start date.

10. Any loss covered by a third party outside the Contract (all alternative coverage must be exhausted before this contract).

11. Consequential costs to repairs (including hotels and transportation).

12. Diminishment in market value of property.

13. Personal property, pain and suffering, emotional distress.

14. Any defect or malfunction reported after the Contract's expiration date.

15. Any structural component failure or settlement where the indicated deflection is under 1" from condition at time of inspection.

16. For new home construction, where the builder is required to cover construction defects, RWS does not provide coverage for structural component defects covered by another source. Defects not covered by another source are eligible to be covered by the Contract, subject to the terms and conditions contained herein.

Claim Procedure

Making a Claim.
All claim types can be made by calling 1-800-544-8156 and must be made between the date of contract commencement at noon and the date of expiration at midnight. The contract holder is entitled to service beyond the date of the Contract's expiration so long as the claim has been filed within the warranty period.

A claims processor will field your call and ask you to provide contact numbers, an email address, and a description of the problem. If the claim appears to not be covered under the warranty contract, we will do our best to inform you so that you do not have to pay a deductible for a non-claim. If the claim appears to fall under the warranty coverage provided, then the claims processor will forward your claim to a contractor, who will then call you to schedule an appointment time. RWS will make every reasonable effort to get a contractor dispatched within 24 business hours of contacting RWS.

Do Not Call a Contractor Before You Call RWS.

RWS will not be liable for any costs associated with a contractor selected by the contract holder without prior authorization. contract holder's contractors contacted prior to making a claim with RWS and without prior authorization will not be eligible for service, or reimbursement, hereunder. RWS does not cover components damaged by outside contractors. Before you have work done, call RWS to find out if it is covered

Contractor Availability.
RWS is not a contractor. However, all third party contractors in RWS's network are screened for mandatory qualifications, insurance, and references. RWS does not guarantee the work of our network contractors, nor do we insure them for liabilities they may incur in the course of offering service. Should a contract holder or their property sustain any sort of damage resultant from the work of a contractor, the contractor should be notified immediately. RWS will make every reasonable effort to get a contractor dispatched within 24 business hours. During certain exceptional high volume claim periods, these times may be exceeded. RWS is not responsible for damage caused by delays in service.

Deductible.
The contract holder must pay their applicable deductible to the service contractor at the time of repair noting that more than one deductible may ultimately apply to a single claim.

Return Service Calls.
RWS has a single deductible per structuralcomponent failure contract. If the contractor does not adequately rectify the issue reported by the contract holder on the first visit, and a similar problem persists shortly after a service call, please call RWS to inform them of the unsatisfactory repair. If the problem is related to inadequate repair, the contractor will come back out to commence further repairs at no additional cost to the contract holder when that contractor is in the RWS network. The circumstances under which the component failed must be covered by the contract and RWS reserves the right to send the same contractor to the home if the problem persists during the same contract term. Furthermore, it is our contract that our contractors leave a copy of the invoice for work performed at the warranted property for any repair. Each contractor has their own contract on how long they guarantee their workmanship and parts, which may extend beyond the term of your contract with RWS. Call the contractor for further details or inquire about their guarantees at the time service is performed.

Overtime fees.
If you choose to have a claim addressed outside of normal business hours, additional fees may apply as assessed by the contractor and will be the responsibility of the contract holder. Any claim, regardless of classification, may be handled after normal business hours based on the availability of RWS authorized contractors. RWS shall only be liable for the standard costs of repairing the failure; the contract holder would be responsible for any overtime charges imposed by the contractor.

Right of the Contract Holder.
The contractor selected by RWS does not have to be the contractor to perform the repair. After diagnosis and before any repair actions have commenced, the contract holder may request cash in lieu of repair for that claim. RWS is not responsible for the work of contractors outside of our network under our "single deductible" contract (see next section). The Contract covers only items as described and excludes all others. All repairs will be made/offered in a manner determined by RWS. RWS shall have the sole option of determining in what manner the structuralcomponent failure will be corrected. Contract holder has the option of taking a cash payment in lieu of repair on any claim, a decision that must be made after diagnosis and approval of the claim by RWS and before any repairs have commenced and/or costs incurred on their behalf.

Second Opinions.
RWS reserves the right to a second opinion after the diagnosis of a covered issue by an approved RWS contractor, at the cost of RWS and at no further cost to the contract holder. In the case of a contract holder opting to utilize their own contractor, RWS reserves the right to a second opinion after diagnosis and estimates, at the cost of RWS less the deductible that applies to that claim.

Cancellation.
RWS may cancel this contract without refund to the contract holder under any of the following circumstances: (1) In the event of fraud or misrepresentation by the contract holder or any related parties, (2) If the contract holder fails to pay any fee associated with this contract including, but not limited to; deductible and payments for the service contract itself, or (3) If the home is vacated or has been left vacant in the past.

Limits of Liability

1. On any claim, at any time prior to work commencing, either RWS or the contract holder may elect to pay/receive cash in lieu of repair, keeping in mind the cash payment will be for the reasonable cost of repairing the failed part at RWS's cost, and may be less than retail. The cash payment will reflect RWS negotiated cost for service and may be less than retail.

2. Wherever an Engineer's opinion is required for a repair (i.e. Manufactured Truss Systems) the Contract will cover up to **$500** worth of Engineering Expenses.

3. RWS does not cover items where environmental issues arise such as lead, mold, or asbestos. RWS is not responsible for the presence of lead, mold, asbestos or any other environmental hazard nor the removal of the same.

4. RWS does not cover consequential or secondary damage caused by failures of covered items except where specified. RWS is not an insurer.

5. RWS does not pay for the costs of permits except where expressly specified as covered, herein.

6. RWS, at its sole discretion, may provide a repair, replacement, or buy-out payment for the reasonable cost of repair for the covered failure, noting that the design, method, and manner in which any repair is made is at the sole discretion of RWS. The buy-out will reflect RWS negotiated cost for services and may be less than retail.

7. Repairs necessary as a result of any act of nature, misuse, abuse, lack of maintenance, improper installation, wind, rain, tornado, fire, hurricane, riots, civil commotion, or any other outside influence, natural or unnatural, including a previous contractor's work, are not covered under this contract.

8. RWS will make commercially reasonable efforts to fulfill its obligations under the Contract. Certain causes and events out of RWS's control may result in RWS' inability to perform, in whole or in party. If this occurs, RWS's obligations shall be suspended to the extent necessary by such event and, in no way, shall RWS be liable to the contract holder or any party for its failure to fulfill its obligations or for damages caused. Events include, but are not limited to, acts of god, fire, war, flood, earthquake, hurricanes, tornadoes, other natural disasters, acts of terrorism, acts of any governmental agency, accidents, strikes, labor troubles, shortages in supply, changes in law, rules, or regulations of any governmental authority, and any other cause beyond RWS's reasonable control.

9. RWS is not the servicing contractor; all RWS network contractors are independent, third parties to RWS, though all are screened for mandatory qualifications, insurance, and references. As as a risk management company, RWS cannot guarantee the work of RWS contractors, or take responsibility for liabilities they may incur through the course of work. Any statement made by a contractor, whether or not they are an RWS network contractor, is their personal opinion and not binding on RWS, including any statements regarding coverage or extent of coverage under the contract.

10. If a repair is not available without additional improvements to the property, the cost of those improvements (whether cosmetic or simply additional costs associated with bringing an older property up to code or repairing the covered failure) are the sole expense of the contract holder.

11. RWS is only responsible for standard repair costs of the covered failure, even if the best option for the contract holder is more extensive. Should the contract holder, wish to authorize a more extensive repair, they may choose to receive a cash payment in lieu of repair. In such cases, the cash payment shall be made in accordance with RWS's negotiated service and repair rates and may be less than retail.

12. Coverage may be voided if the correct square footage, including finished and non-finished spaces, was not reported to RWS and was not appropriately ordered.

13. This contract is a home protection contract; a service contract and not a reimbursement contract. You must call for service at 1-800-544-8156.

14. Only pre-existing conditions that were not known to any party involved in the transaction are covered. As a part of the verification process, the contract holder will be required to provide RWS with a copy of any home inspection reports and seller's disclosure statements. No other pre-existing conditions are covered under this contract, unless specified.

15. Reimbursement rates for Contractors NOT in RWS's network: up to **$75** per hour for labor charges, up to 10% over distributor cost for material costs, shipping costs up to **$50**, where applicable, and up to **$30** for trip charges.

Additional Terms and Conditions

All Claims and disputes arising from or related to this home warranty contract shall be governed, construed, and enforced in accordance with, and shall have sole jurisdiction and venue in, the state and federal courts of Hamilton County in the State of Indiana, with the contract holder expressing their consent to the same and expressly waiving personal jurisdiction for any alternate court or venue, regardless to conflict of law provisions. Contract holders may have other legal rights that vary from state to state and so are responsible for informing themselves to the laws of their jurisdictions and compliance therewith. Disputes must be made, in writing, within 30 days of the dispute arising and sent via registered mail with proof of delivery to: NXT Structural Service Contract, Attn: Legal, PO Box 797, Carmel, IN 46082.

If the above provision is found to be unenforceable in the contract holder's jurisdiction for any reason, the following clause applies: ARBITRATION AGREEMENT – PLEASE READ CAREFULLY: Any controversy of claim arising out of or relating to this contract or the breach thereof, shall be settled by final and binding arbitration filed by the aggrieved party with and administered by the American Arbitration Association (hereafter referred to as "AAA") in accordance with its Commercial Arbitration Rules in effect at the time the claim is filed. The Rules, information and forms of the AAA may be obtained and all claims shall be filed at any office of the AAA or at Corporate Headquarters, 335 Madison Avenue, Floor 10, New York. New York 10017-4605. Telephone: (212)·716-5800, Fax: (212)-716-5905, Website: www.adr.org. The arbitration of all disputes shall be decided by a neutral arbitrator, and judgement on the award rendered by the arbitrator may be entered in any court having competent jurisdiction thereof. Any such arbitration will be conducted in the city nearest to the property covered by this contract having on AAA regional office. Each party shall bear its own costs and expenses and equal share of the administrative and arbitrator's fees of arbitration. This arbitration Agreement is made pursuant to a transaction involving interstate commerce, and shall be governed by the Federal Arbitration Act, 9 U.S.C. Sections 1-16. THE PARTIES UNDERSTAND THAT THEY WOULD HAVE HAD A RIGHT OR OPPORTUNITY TO LITIGATE THROUGH A COURT AND TO HAVE A JUDGE OR JURY DECIDE THEIR CASE, BUT THEY CHOOSE TO HAVE ANY AND ALL DISPUTES DECIDED THROUGH ARBITRATION. BY AGREEING TO THIS PROVISION, THE PARTIES ARE GIVING UP ANY RIGHT THEY MIGHT HAVE TO SUE EACH OTHER.

The administrator name and name of the provider and servicer of this contract is: Residential Warranty Services, Inc. located at 698, Pro Med Lane, Carmel, IN 46032 ("RWS"). Toll-Free 1-800-544-8156. Obligations of the obligor under this service contract are backed by the full faith and credit of the obligor.

The terms expressly listed herein constitute the entire agreement between Residential Warranty Services and the contract holder. Any claim, dispute, or controversy regarding this contract or the relationship among the parties, by or on behalf of a contract holder, will take place on an individual basis. Class actions, collective actions, and other similar representative proceedings of any kind or nature are not permitted. By entering into this contract, you agree that you may bring claims against RWS or its affiliates only in your individual capacity. Any failure by RWS to assert a right or enforce a requirement under the Contract shall not be deemed a waiver of that or any other right or requirement and shall not preclude RWS from asserting any right or enforcing any requirement at any time. If any provision of the Contract is held to be illegal, invalid, or unenforceable, for any reason, that provision shall be limited or eliminated to the minimum extent necessary so that this contract shall otherwise remain in full force and effect and enforceable.

The Contract is fully transferable so long as the property address remains the same. To transfer the Contract, you must notify RWS at the above mailing address with the name of the new contract holder, their signed consent, and the date on which the property transfers to the new contract holder. Successive owners may benefit from the Contract but, upon their consent of the transfer, are also consenting to their being bound by the Contract's listed terms and conditions.

Please find on the cover sheet of the Contract the name(s) of the home protection contract seller and holder, as well as the price of the Contract. The total purchase price of this service contract can be found on your invoice. All pricing for RWS home protection plans are clearly enumerated on the RWS order forms. For a copy of your invoice, or copies of any RWS printed materials, please call the RWS offices at 1-800-544-8156, keeping in mind that any Policy not paid in full is invalid.
This contract is transferable. A transfer fee of **$35** may apply.

State Specific Terms and Conditions

1. Obligations of the provider under this service contract are backed by the full faith credit of the provider in applicable states. If the provider fails to pay or provide service on a claim within sixty days after proof of loss has been filed, the contract holder is entitled to make a claim directly against the service provider. The providers of warranty coverage under this service contract (and the direct obligor for any and all claims made) is as follows: AL, AR, FL, GA, HI, IA, IN, LA, MA, MO, NC, NH, NJ, NV, NY, OK, UT, VA, VT, WA, WI, and WY RESIDENTS: Residential Warranty Services, INC. 698 Pro-Med Lane Carmel, IN 46082.

2. This service contract is not mandatory as a part of any real estate transaction or otherwise and may be waived prior to its acceptance.

3. All claims shall be made by calling 1-800-544-8156 PRIOR to any service or diagnosis being performed. All initiation of covered services will transpire within 72 hours of request for service and immediately for heating services during winter months.

4. For contract holder-initiated refunds, if applicable: if not specifically mentioned below, RWS will process refunds as follows: the total policy price, prorated based on a twelve-month term, with the unearned amount being refund-ed less both an administrative fee equivalent to 10% of the total contract price and claims costs incurred on the policy.

5. AL, AR, HI, IL, KY, LA, MA, MD, MN, MO, NC, NJ, NM, NV, NY, SC, VT WA, WI, and WY RESIDENTS: If no claim has been filed the original contract holder may return this service contract within thirty days of the date of mailing unless coverage was provided at the time of sale in which case the original contract holder may return this service contract within ten days, for a full refund subject to the following restrictions: AL, KY, LA, MD, MO, NV, SC, WI, WY RESIDENTS. a 10% penalty per month will be added if the refund is not paid or credited within forty-five days after the return of the service contract to the provider; IL, NY RESIDENTS. a cancellation fee that does not exceed the lesser of 10% of the contract price or $50 will be applied. A cancellation equaling the actual costs and charges needed to issue and service the warranty will be applied; AL, MD, LA, SC, WY RESIDENTS. The right to void service contract is not transferable and only applies to the original contract holder.

AL RESIDENTS: The right to void the service contract is not transferable and only applies to the original service contract purchaser (Sec. 8-32-3(g) Code of Alabama, 1975). In the event the original service contract holder makes a written demand for cancellation of a service contract pursuant to the terms of the service contract, the provider shall refund to the service contract holder the unearned portion of the full purchase price of the service contract including the unearned portion of any premiums paid for any applicable reimbursement insurance contract after subtracting a twenty-five dollar administrative fee for the issuance of the service contract if such fee is provided for in the service contract. Any refund due a service contract holder may be credited to any outstanding balance of the account of the service contract holder and the excess, if any, shall be refunded to the service contract holder. Furthermore, any cancellation by the provider, for reasons other than those enumerated within the service contract brochure shall require written notice stating the effective date of cancellation and the reason for the cancellation, at least five days prior to the cancellation date, sent to the last known address of the service contract holder. Service contracts purchased in Alabama are governed by the laws of Alabama. Arbitration, if applicable, will be held in the county in which the contract holder resides.

AR, MA, and NJ RESIDENTS: Written advance notice will be provided if the policy is cancelled for any reason not stated under the cancellation clause herein. Obligations of the provider under this service contract are backed only by the full faith and credit of the provider (issuer) and are not guaranteed under a service contract reimbursement insurance policy.

CO RESIDENTS: Actions under a preowned home warranty service contract 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.R.S. and any party to such a contract may have a right of civil action under those laws, including obtaining the recourse or penalties allowed there-in.

GA RESIDENTS: Upon return of the service contract to the provider in writing, if no claim has been made under this service contract, the excess of the consideration paid shall be refunded to the contract holder in accordance with O.C.G.A. 33-7-6(c)(3). Any cancellation by the provider may only be for fraud, material misrepresentation, or nonpayment and notice of such will be remitted to the contract holder, in writing, not less than thirty days from the cancellation date and any unearned premium shall be refunded on a pro rata basis, in accordance with OCGA 33-24-44. If the contract has been in effect for less than sixty days or is canceled, at any time, for non-payment, cancellation by the provider will be remitted to the contract holder, in writing, not less than ten days from the cancellation date, in accordance with OCGA 33-24-44(d). This is not a contract of insurance.

FL RESIDENTS: The provider, is backed by the full faith and credit of the provider and the terms "You", "Your", "Contract Holder", and "Owner" refer to the purchaser of this home warranty. The rate charged to you for this home warranty is not subject to regulation by the FLOIR. You may cancel this home warranty at any time if you cancel within ten days of the date of purchase, we will refund one hundred percent of the home warranty price paid, less any claims paid. If you cancel after ten days from the date of purchase, we shall refund ninety percent of the unearned pro-rate premium less any claims that have been paid. If we cancel this home warranty for any reason other than for fraud or misrepresentation, we shall refund one hundred percent of the pro-rate premium paid, less any claims paid. Florida law prohibits the lender from requiring the purchase of a home warranty as a condition to the making of the loan. This home warranty may not provide listing period coverage free of charge.

IA RESIDENTS: The issuer of this contract is subject to regulation by the insurance division of the department of commerce of the State of Iowa. Complaints which are not settled by the issuer may be sent to the insurance division.

KY RESIDENTS: This service contract or warranty is backed by Residential Warranty Services, INC. though a surety bond held by Great American Insurance Company. Located at 304 East 4th St. Cincinnati, OH 45202. If the provider fails to pay or provide service on a claim within sixty days after proof of loss has been filed, the contract holder is entitled to make a claim directly against the bond holder.

LA RESIDENTS: If no claim has been filed the original contract holder may return this service contract within 20 twenty days of the date of mailing unless coverage was provided at the time of sale in which case the original contract holder may return this service contract within ten days, for a full refund, or credit to the contract holder's account, subject to the following restrictions: a 10% penalty per month will be added if the refund is not paid or credited within forty-five days after the return of the service contract to the provider. The right to void the service contract is not transferable. Furthermore, any cancellation by the provider, for reasons other than those enumerated within the service contract, or a substantial breach of duties by the service contract holder relating to the covered product or its use, shall require written notice stating the effective date of cancellation and the reason for the cancellation, at least fifteen days prior to cancellation date, mailed to the last known address of the service contract holder.

State Specific Terms and Conditions

MI RESIDENTS: If performance of the service contract is interrupted because of a strike of work, stoppage at the company's place of business, the effective period shall be extended for the period of the strike or the work stoppage.

MD RESIDENTS: If no claim has been filed the original contract holder may return this service contract within thirty days of the date of mailing unless coverage was provided at the time of sale in which case the original contract holder may return this service contract within ten days, for a full refund.

NC RESIDENTS: The contract holder may cancel this contract at any time and receive a pro rata refund, less any claims paid on the contract and less an administration fee that will not exceed ten (10%) percent of the pro rata refund rate.

NH RESIDENTS: In the event you do not receive satisfaction under this contract, you may contact the New Hampshire insurance department at 21 S Fruit St, #14, Concord, NH 03301 or at (800) 852-3416.

NV RESIDENTS: Obligations of the provider under this service contract are backed by the full faith and credit of the provider. This service contract is not mandatory as a part of any real estate transaction or otherwise and may be waived prior to its acceptance. All claims shall be made by calling 1-800-544-8156 prior to any service or diagnosis being performed. Pursuant to NRS 690C.250(1), Contract Holders may return the contract, as long as no claims have been made, within at least twenty days of the mailing date or within ten days if the service contract is delivered at the time of sale ('Free Look Period') for a full refund of the purchase price, as determined by the corresponding invoice (considered part of the contract) provided to the contract holder by the provider. Any refund owed under this statute will be issued within forty-five days after cancellation or else a ten percent penalty will be accrued for each thirty-day period the refund remains unpaid. If the contract holder cancels outside of the Free Look Period, the purchase price will be refunded pro rata in accordance with NAC 690C.120(2)(4). If the Provider cancels the contract for any of the reasons stated herein, no cancellation fee is assessed, and no cancellation is effective until at least fifteen days after cancellation notice is mailed to the Contract Holder and a pro rata refund will be issued pursuant to NAC 690C.120(1). Not reporting or ordering the correct square footage, including finished and non-finished spaces, is considered fraud or material misrepresentation; Not reporting that the house was vacated (i.e. having no furniture, fixtures, or inhabitants) prior to the contract terms is considered a material misrepresentation; if your home is vacated during the contract terms, it is a material change in the nature of required services; refusal to pay the provider an amount when due – all are grounds for cancellation of your contract. Refusal to pay a fee associated with your policy outside of what is mentioned above is grounds for a cessation of future coverage of your contract, by the provider, and the owed amount will be deducted if the policy is cancelled. Pursuant to Bulletin 08-010 and Regulation R067- 07, if your covered emergency claim renders your dwelling unfit for habitation according to the aforementioned regulations, and repairs cannot practicably be completed within three calendar days, the Provider will provide a status report to the Contract Holder – in Nevada only, an air conditioning system not cooling is considered an emergency claim. For suits upon causes of action regarding the substantive provisions of this contract, Nevada law governs.

SC RESIDENTS: In the event of a dispute with the provider of this contract, you may contact the South Carolina Department of Insurance, Capitol Center, 1201 Main Street, Ste. 1000. Columbia, South Carolina 29201 or (800)768-3467. This agreement is not an insurance contract. If no claim has been filed, the original contract holder may return this service contract within twenty days of the date of mailing unless coverage was provided at the time of sale in which case the original contract holder may return this service contract within ten days, for a full refund, or credit to the contract holder's account, subject to the following restrictions: a 10% penalty per month will be added if the refund is not paid or credited within forty-five days after the return of the service contract to the provider. The right to void the service contract is not transferable. Furthermore, any cancellation by the provider, for reasons other than those enumerated within the service contract, or a substantial breach of duties by the contract holder relating to the covered product or its use, shall require written notice stating the effective date of cancellation and the reason for the cancellation, at least fifteen days prior to cancellation date, mailed to the last known address of the contract holder. Obligations of the provider under this service contract are backed by the full faith and credit of the provider.

TX RESIDENTS: This contract is issued by a Residential Service Company licensed by the Texas Real Estate Commission. Complaints about this contract or company may be directed to the Texas Real Estate Commission at P.O. Box 12188, Austin, TX 89822-2188 (512) 936-3049. The purchase of a residential service contract or home warranty contract is optional and similar coverage may be purchased from other residential service companies or insurance companies authorized to conduct business in Texas. NOTICE: THIS COMPANY PAYS PERSONS NOT EMPLOYED BY THE COMPANY FOR THE SALE, ADVERTISING, INSPECTION, OR PROCESSING OF A RESIDENTIAL SERVICE CONTRACT UNDER TEXAS OCCUPATIONS CODE 1303.304.

UT RESIDENTS: This service contract or warranty is subject to limited regulation by the Utah Insurance Department. To file a complaint, contact the Utah Insurance Department. Coverage afforded under this contract is not guaranteed by the Property and Casualty Guaranty Association.

WA RESIDENTS: A ten percent (10%) penalty per month shall be applied to refunds not paid or credited within thirty (30) days of receipt of returned service contract. We may not cancel this service contract without providing You with written notice at least twenty-one (21) days prior to the effective date of cancellation. Such notice shall include the effective date of cancellation and the reason for cancellation. You are not required to wait sixty (60) days before filing a claim directly with the Service Contract Provider.

WI RESIDENTS: If a claim has been filed within 20 days of delivery, the purchaser may cancel the service contract and the provider will refund the purchase price, less any claims paid and a ten (10%) percent administrative fee. The right to void the service contract provided is not transferable. The provider of the service contract shall mail a written notice to the service contract holder at the last known address of the service contract holder contained in the records of the provider at least five (5) days prior to cancellation by the Provider. If the cancellation is for a reason other than non-payment of the provider fee a refund will be issued, less any claims paid and an administrative fee not to exceed ten percent. Refusal to pay a fee associated with your policy outside of what is mentioned above is grounds for a cessation of future coverage of your contract, by the provider, and the owed amount will be deducted if the policy is cancelled. Suit upon causes of action arising within this state against the provider shall be brought in the county where the cause of action arose or in the county where the policyholder instituting the action arises lives. The contract holder may cancel this contract at any time and receive the unearned pro rata refund, less any claims paid on the contract and less an administration fee that will not exceed ten (10%) percent of the pro rata refund rate. THIS CONTRACT IS SUBJECT TO LIMITED REGULATION BY THE OFFICE OF THE COMMISSIONER OF INSURANCE

WY RESIDENTS: The right to void the service contract provided is not transferable. The provider of the service contract shall mail a written notice to the service contract holder at the last known address of the service

contract holder contained in the records of the provider at least ten (10) days prior to cancellation by the Provider – prior notice is not required if the reason for cancellation is nonpayment of the provider fee, a material misrepresentation by the service contract holder to the provider or a substantial breach of duties by the service contract holder relating to the covered product or its use. The class action waiver listed under the Additional Terms and Conditions does not apply to Wyoming residents and suit upon causes of action arising within this state against the provider shall be brought in the county where the cause of action arose or in the county where the policyholder instituting the action arises.