

52 Smith Road
Private and Confidential



3885 ** T21 P3 ** 7154934 ** 163226572 ***002

Daryl & Elizabeth Carson



THANK YOU FOR BEING OUR CUSTOMER.

Dear Daryl & Elizabeth Carson,

Thank you for renewing your American Home Shield® Home Warranty. We consider it a privilege to have you as a customer. We strive to make your life easier, and we are here for you to request service 24/7.

Please take a moment to review the materials in this package. You'll find a summary of your selected coverage as well as the full details of your AHS® Home Warranty.

If you have any questions about your home warranty, or if you'd like to add additional coverage, please call us at 866 765 1691 or visit **ahs.com**.

We look forward to serving you.

Sincerely,

T. Seymour
Vice President of Renewals

To Request Service
24 hours a day -
7 days a week

Visit **www.ahs.com** or
call 877 489 3659

CONTRACT AGREEMENT

AGREEMENT NUMBER: 163226572
AGREEMENT TERM: 05/04/2015 - 05/03/2016
PROPERTY COVERED: 52 Smith Rd
Leicester, NC 28748

PAYMENT TYPE: 12 Monthly Payments
MONTHLY PAYMENT: \$92.28
SUBTOTAL: \$1,086.00
TAX: \$21.35
AGREEMENT PRICE: \$1,107.35

PROPERTY TYPE: Fourplex Residence under 5,000 sq.ft.

PLEASE VERIFY THAT YOUR INFORMATION IS CORRECT

CUSTOMER CONTACT: Daryl & Elizabeth Carson

MAILING ADDRESS: 28 Sweetbriar Ct
Asheville, NC 28803-8604

PHONE NUMBER: [REDACTED]
EMAIL ADDRESS: [REDACTED]

IMPORTANT ACCOUNT INFORMATION

By selecting the monthly payment option, you have authorized American Home Shield to continue to automatically charge the monthly payment of your current contract to the payment method you have on file. If you would like to change your payment preference, please call us at 1 855 569 9586. Your contract will be renewed for another 12 month period unless terminated in accordance with the contract; however, you may cancel at any time by calling 1 855 569 9586.

Your Trade Service Call Fee and/or Annual Total have changed for contract term 05/04/2015 - 05/03/2016.

SPECIAL OFFERS

We already help you protect your budget. Now, we can help you save even more around the house. With our exclusive deal, you can purchase **DuPont™ or Arm & Hammer™ air filters for up to 50% off retail price.** It's one of the ways we say thanks for being a customer. Shop now at ahs.com/filters.

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YOU HAVE SELECTED THE COVERAGE SHOWN BELOW:

PRODUCT NAME: HomeShield

TRADE SERVICE CALL FEE:

\$75.00*

ESSENTIAL PLAN

- Plumbing
- Plumbing Stoppages
- Water Heater
- Heating System
- Ductwork
- Electrical System
- Ceiling Fans
- Dishwasher
- Garbage Disposal
- Built-in Microwave
- Range/Oven/Cooktop

ENHANCED PLAN

- Air Conditioning
- Refrigerator
- Garage Door Opener
- Clothes Washer
- Clothes Dryer

* Plus sales tax where applicable.

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FF_DECK



American Home Shield Corporation
In Washington, American Home Shield of Washington, Inc.
P.O. Box 849
Carroll, IA 51401

Certain items and events are not covered by this contract. Please refer to the exclusions, restrictions, and limitations in boldfaced type in this document.

A. COVERAGE OVERVIEW

1. During the coverage period, AHS will arrange for an AHS authorized service contractor (Service Contractor) to repair or replace the systems and appliances stated as covered in accordance with the terms and conditions of this contract so long as the systems and appliances:

A. Are located within the confines of the main foundation of the home or attached or detached garage with the exception of (if selected): air conditioning, heating, electrical panel, water heater, exterior well pump, or pool and/or spa equipment. These exceptions must be installed for diagnosis and must be manufactured for outside use or be located in a structure which fully protects items from the elements;

B. Become inoperative due to normal wear and tear;

C. Are in good working order on the Effective Date of this contract (as defined below); and

D. Are properly maintained and installed throughout the term of this contract for proper diagnosis.

2. This contract only covers single family homes and condominiums/townhomes/mobile homes (including manufactured housing) under 5,000 square feet, unless an alternative dwelling type (i.e. 5,000 square feet up to 10,000 square feet, or multiple units) is applied for by calling the Sales phone number on the Contract Agreement page, and the appropriate fee is paid. Coverage is for owned or rented residential property, not commercial property or residences used as businesses, including, but not limited to, day care centers, fraternity/sorority houses, and nursing/care homes.

3. This contract describes the basic coverage and options available for domestic grade appliances and systems. Domestic grade items are those that were manufactured and marketed solely for installation and use in a residential family dwelling. For the specific coverage selection on your home, see the Contract Agreement page. Coverage includes only the items stated as covered and excludes all others. Coverage is subject to limitations and conditions specified in this contract. **Please read your contract carefully.**

B. CONTRACT TERM

NOTE: Contract Terms and Plan Fees vary for each customer classification listed below. See your Contract Agreement pages for your specific Contract Term and Plan Fee.

1. FIRST YEAR CUSTOMER

First Year Customer contract term begins upon the date stated on your Contract Agreement pages and continues for one year from that date (unless AHS approves an alternative contract term in writing) and provided Plan Fees are received by AHS.

2. RENEWAL CUSTOMER

Renewal Customer is an existing AHS customer whose contract AHS has offered to renew. Renewal Customer contract term begins upon expiration of previous contract term and continues for one year (unless AHS approves an alternative contract term in writing) provided plan fee is received by AHS within 45 days after expiration. (See Section K. RENEWAL)

3. TRANSFER OF OWNERSHIP

If the covered property changes ownership during the contract term, you are required to call the Sales phone number on the Contract Agreement pages to transfer coverage to the new owner.

C. REQUESTING SERVICE

1. AHS must be notified as soon as the malfunction is discovered and prior to expiration of the contract term. (Refer to your Contract Agreement pages for details on how to request service.)

a. AHS will accept service requests 24 hours a day, 7 days a week.

b. AHS will not provide service until all past due Trade Service Call Fees and Plan Fees are paid in full.

c. AHS will not reimburse for services performed without its prior approval.

2. AHS has the right to select an AHS authorized service contractor (Service Contractor) to perform the service.

a. The services will be initiated under normal circumstances within 48 hours after your service request is made to AHS.

b. The Service Contractor will contact you to schedule your service appointment. The appointment will be scheduled for service to be performed during normal business hours.

c. AHS will determine what services constitute an emergency and will make reasonable efforts to expedite emergency service.

d. AHS will accept your request to expedite scheduling of non-emergency service only when a Service Contractor is available. If the Service Contractor agrees to expedite scheduling of a non-emergency service request, you may be required to pay an additional fee.

e. AHS reserves the right to obtain a second opinion at its expense. In the event that AHS informs you the malfunction is not covered under this contract, you have the right to request a second opinion of the cause of the malfunction. You must ask AHS for a second opinion from another Service Contractor within 7 days from AHS informing you the malfunction is not covered. In the event that the outcome of the second opinion is different than the first opinion, then AHS may, in its discretion, decide whether to accept coverage under this contract. If you request a second opinion, you will be responsible for the payment of an additional Trade Service Call Fee only if the outcome of the second opinion is the same as the initial opinion.

3. In the event AHS authorizes or requests you to contact an independent service contractor to perform a covered service, AHS will provide reimbursement for an authorized amount of the cost you incur for the repair or replacement services. Acceptable proof of the repair and your actual itemized costs must be provided to and approved by AHS before any reimbursement will be paid.

D. TRADE SERVICE CALL FEE

NOTE: The amount of your Trade Service Call Fee is listed on your Contract Agreement pages.

1. You are required to pay a Trade Service Call Fee for each trade service request.

2. If a particular repair or replacement fails within 90 days on parts and 30 days on labor, AHS will send a Service Contractor to repair the failure and you will not be charged an additional Trade Service Call Fee.

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E. ESSENTIAL PLAN COVERAGES

The following systems and appliances are covered for the homeowner under the Essential Plan.

APPLIANCE NOTE: AHS will pay up to \$3,000 for any required replacement of any covered Appliance. Customer is responsible for payment of any costs in excess of \$3,000 for any required replacement of an Appliance.

1. PLUMBING SYSTEM

COVERED: Leaks and breaks of water, drain, gas, waste or vent lines, except if caused by freezing or roots - Toilet tanks, bowls and related mechanisms (builder's standard is used when replacement is necessary), toilet wax ring seals - Valves for shower, tub, and diverter, angle stops, risers and gate valves - Permanently installed sump pumps (ground water only) - Built-in bathtub whirlpool motor and pump assemblies.

NOT COVERED: Collapse or damage to water, drain, gas, waste or vent lines caused by freezing or roots - Faucets and fixtures - Bathtubs and showers - Shower enclosures and base pans - Sinks - Toilet lids and seats - Caulking or grouting - Septic tanks - Water softeners - Pressure regulators - Inadequate or excessive water pressure - Flow restrictions in fresh water lines caused by rust, corrosion or chemical deposits - Sewage ejector pumps - Holding or storage tanks - Saunas or steam rooms - Hose bibs - Whirlpool jets.

NOTE: Where covered repairs require access to plumbing systems, AHS will only provide access to plumbing systems through unobstructed walls, ceilings or floors, and will return access openings to a rough finish. Obstructions include, without limitation, built-in appliances, systems, cabinets, and floor coverings. AHS will cover up to \$500 for access, diagnosis, repair or replacement (including returning access openings to a rough finish) to any portion of a plumbing system that is inaccessible because of concrete.

2. STOPPAGE COVERAGE (accessible ground level clean out required)

COVERED: Clearing of mainline drain and sewer stoppages up to 100 feet from access point, except if caused by roots. Mainline stoppages are only cleared when an accessible cleanout is either available or can be installed (installation not covered). Clearing of lateral drain line stoppages up to 100 feet from access point including, but not limited to, accessible cleanout, p-trap, drain or overflow access points, and removing a toilet for a toilet stoppage only.

NOT COVERED: Costs to locate or access cleanouts not reasonably found or accessible, or to install cleanouts. Access through roof vents or toilets (except where noted). Stoppages caused by collapsed, damaged or broken drain, vent or sewer lines outside of the home's main foundation - Stoppages due to roots or foreign objects - Lines broken or infiltrated by roots, or otherwise stopped by roots, even if within the home's main foundation - Septic tanks.

3. WATER HEATER (Gas, Electric, or Oil)

COVERED: All components and parts, including circulating pumps, except:

NOT COVERED: Solar water heaters - Solar components - Ancillary holding or storage tanks - Noise - Fuel storage tank and energy conservation unit - Flues and vents - Thermal expansion tanks - Instant hot water dispenser.

4. HEATING SYSTEM OR BUILT-IN WALL UNIT (Gas, Electric, or Oil if main source of heat to the home)

NOTE: Coverage available on heating and/or cooling systems not exceeding a five (5) ton capacity and designed for residential application.

COVERED: Heating systems including: heat pump; metering devices (i.e. thermal expansion valves); furnace; furnace transition; evaporator coils and drain lines; air handling unit; air handling transition; secondary drain pan and lines; and refrigerant lines are covered. Any of the foregoing covered components as well as plenum, indoor electrical, and duct connections are also covered when AHS determines that upgrading a heating system is required to maintain compatibility with equipment manufactured to be 13 SEER (Seasonal Energy Efficiency Ratio) and 7.7 HSPF (Heating Seasonal Performance Factor) compliant, or compliant with higher SEER or HSPF requirements.

NOT COVERED: All components and parts relating to geothermal, water source heat pumps including: outside or underground piping, components for geothermal and/or water source heat pumps, redrilling of wells for geothermal and/or water source heat pumps, and well pump and well pump components for geothermal and/or water source heat pumps - Baseboard casings - Fuel storage tanks - Portable units - Solar heating systems - Fireplaces and key valves - Filters - Registers - Grills - Clocks - Timers - Heat lamps - Humidifiers - Flues and vents - Improperly sized heating systems - Chimneys - Pellet stoves - Cable heat (in ceiling) - Wood stoves (even if only source of heating) - Systems with improperly matched condensing unit and evaporative coil per manufacturer's specifications - Improper use of metering devices (i.e. thermal expansion valves).

NOTE: AHS will pay no more than \$1,500 per covered item per contract term for access, diagnosis and repair or replacement of any glycol, hot water or steam circulating heating system.

NOTE: AHS will pay up to \$10 per pound per occurrence for refrigerant. Customer is responsible for payment of any costs in excess of \$10 per pound.

5. DUCTWORK

COVERED: Ducts from heating and/or cooling unit to point of attachment at registers or grills and flex ductwork.

NOT COVERED: Registers or grills - Insulation - Asbestos-insulated ductwork - Dampers - Improperly sized ductwork - Diagnostic testing of, or locating leaks to ductwork, including, without limitation, as required by any federal, state or local law, regulation, or ordinance, or when required due to the installation or replacement of system equipment.

NOTE: Where covered repairs require access to ductwork, AHS will only provide access to, and sealing of ductwork through unobstructed walls, ceilings or floors, and will return access openings to a rough finish. Obstructions include, without limitation, built-in appliances, systems, cabinets, and floor coverings. If the ductwork is accessible only through a concrete floor, wall or ceiling, AHS will cover up to \$500 for access to, sealing of other repair to, or replacement of such ductwork, including returning access

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openings to a rough finish. If any ductwork that is inaccessible due to concrete or other obstructions requires repair or replacement as a result of diagnostic testing, AHS will not cover such repair or replacement.

6. ELECTRICAL SYSTEM

COVERED: All components and parts, including built-in exhaust fans, except:

NOT COVERED: Fixtures – Door bells – Alarms – Intercom or speaker systems – Central vacuum systems – Audio/video/computer wiring or cable – Telephone wiring – Inadequate wiring capacity - Power failure or surge – Garage door openers – Direct current (D.C.) wiring or components and/or low voltage systems including wiring and relays – Circuit overload.

7. CEILING FANS

COVERED: All components and parts

8. DISHWASHER

COVERED: All components and parts, except:

NOT COVERED: Racks - Baskets – Rollers.

See APPLIANCE NOTE

9. GARBAGE DISPOSAL

COVERED: All components and parts, including entire unit.

10. BUILT-IN MICROWAVE OVEN

COVERED: All components and parts, except:

NOT COVERED: Interior linings - Door glass - Shelves - Portable or counter top units - Meat probe assemblies – Rotisseries – Clocks.

See APPLIANCE NOTE

11. RANGE/OVEN/COOKTOP (Gas or Electric)

COVERED: All components and parts, except:

NOT COVERED: Clocks (unless they affect the function of the oven) - Meat probe assemblies - Rotisseries - Racks - Handles - Knobs - Sensi-heat burners will only be replaced with standard burners.

See APPLIANCE NOTE

F. ENHANCED PLAN COVERAGES – INCLUDES ITEMS E.1. – E.11. and F.1. – F.5. (AVAILABLE UPON PAYMENT OF ADDITIONAL CONTRACT FEE.)

APPLIANCE NOTE: AHS will pay up to \$3,000 for any required replacement of any covered Appliance. Customer is responsible for payment of any costs in excess of \$3,000 for any required replacement of an Appliance.

1. AIR CONDITIONING/COOLER

NOTE: Coverage available on heating and/or cooling systems not exceeding a five (5) ton capacity and designed for residential application.

COVERED: Ducted electric wall air conditioning systems – Water evaporative cooler systems – Costs related to freon recapture – Ducted electric central air conditioning systems including: condenser; metering devices (i.e. thermal expansion valves); furnace transition; evaporator coils and drain lines; air handling unit; air handling transition; secondary drain pan and lines; and refrigerant lines are covered. Any of the foregoing covered components as well as plenum, indoor electrical, and duct connections are also covered when AHS determines that upgrading a ducted electric central air conditioning system is required to maintain compatibility with equipment manufactured to be 13 SEER (Seasonal Energy Efficiency Ratio) and 7.7 HSPF (Heating Seasonal Performance Factor) compliant, or compliant with higher SEER or HSPF requirements.

NOT COVERED: Gas air conditioning systems - Condenser casings - Registers and grills - Filters - Electronic air cleaners - Window units - Non-ducted wall units - Water towers - Humidifiers - Roof jacks or stands - Evaporative cooler pads - Flues - Vents - Improperly sized air conditioning unit – Chillers and chiller components – Systems with improperly matched condensing unit and evaporative coil per manufacturer's specifications – Improper use of metering devices (i.e. thermal expansion valves).

NOTE: AHS will pay up to \$10 per pound per occurrence for refrigerant. Customer is responsible for payment of any costs in excess of \$10 per pound.

2. ONE KITCHEN REFRIGERATOR (must be located in the Kitchen)

COVERED: All components and parts, except:

NOT COVERED: Racks - Shelves – Drawers – Ice makers, ice crushers, beverage/water dispensers and their respective equipment - Interior thermal shells - Food spoilage - Freezers which are not an integral part of the refrigerator – Multi-media center.

See APPLIANCE NOTE

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3. GARAGE DOOR OPENER

COVERED: Wiring – Motor – Switches – Receiver unit – Rail/Trolley assembly.

NOT COVERED: Doors - Hinges - Springs - Remote transmitters – Track assembly.

See APPLIANCE NOTE

4. CLOTHES WASHER

COVERED: All components and parts, except:

NOT COVERED: Plastic mini-tubs - Soap dispensers - Filter screens - Knobs and dials - Damage to clothing – Drawers.

See APPLIANCE NOTE

5. CLOTHES DRYER (Gas or Electric)

COVERED: All components and parts, except:

NOT COVERED: Venting - Lint screens - Knobs and dials – Dryer cabinet fragrance/humidity center, hangers, shelves, rods, hooks, and cabinet liner – Damage to clothing – Racks – Drawers.

See APPLIANCE NOTE

G. OPTIONAL COVERAGE

(AVAILABLE UPON PAYMENT OF ADDITIONAL CONTRACT FEE.)

NOTE: Optional Coverage may be purchased up to 60 days after the beginning of the contract without an inspection. After the 60th day, optional coverage may be purchased provided an inspection is performed (at customer's expense) and the inspection results are approved by AHS.

1. POOL AND/OR SPA EQUIPMENT (excludes portable or above ground spas)

COVERED: Both pool and built-in spa equipment (exterior hot tub and whirlpool) are covered if they utilize common equipment. If they do not utilize common equipment, then only one or the other is covered unless an additional fee is paid. Coverage applies to above ground, accessible, working components and parts of the heating, pumping, and filtration system as follows: Heater – Pump – Motor – Filter – Filter timer – Gaskets – Blower – Timer – Valves, limited to back flush, actuator, check, 2-way and 3-way valves – Relays and switches – Pool sweep motor and pump – Above ground plumbing pipes and wiring.

NOT COVERED: Lights - Liners - Structural defects - Solar equipment - Jets – Ornamental fountains, waterfalls and their pumping systems – Pool cover and related equipment – Fill line and fill valves - Built-in or detachable cleaning equipment such as, but not limited to, pool sweeps, pop-up heads, turbo valves, skimmers, chlorinators, and ionizers - Fuel storage tanks – Disposable filtration mediums – Heat pump – Portable or above ground spas – Multi-media centers.

2. WELL PUMP

COVERED: All components and parts of well pump utilized as the main source of water to the home, except:

NOT COVERED: Above or underground piping, cable or electrical lines leading to or from the well pump, including those that are located within the well casing – Well casings – Pressure switches not located on the pump – Holding, storage or pressure tanks – Booster pumps – Redrilling of wells – Well pump and well pump components for geothermal and/or water source heat pumps – Above or underground piping, cable or electrical lines for geothermal and/or water source heat pumps, including those that are located within the well casing.

NOTE: AHS will pay no more than \$1,500 per contract term for access, diagnosis and repair or replacement.

H. LIMITATIONS AND EXCLUSIONS

1. AHS is not responsible for providing or closing access to covered items except as noted in Sections E.1. and E.5.

2. You may be charged an additional fee by the Service Contractor to dispose of an old appliance, system or component, including, but not limited to the following items: condensing units, evaporator coils, compressors, capacitors, refrigerators, freezers, water heaters, and any system or appliance which contains dangerous or hazardous materials.

3. AHS is not liable for restoration of any wall coverings, floor coverings, cabinets, counter tops, tiling, paint, or the like, nor the repair of any cosmetic defects.

4. AHS is not responsible for electronic or computerized home management systems including, but not limited to, energy, lighting, security, appliances, entertainment, comfort or audio systems.

5. AHS is not responsible or liable for secondary, incidental and/or consequential loss or damage resulting from the malfunction of any covered item including, but not limited to, food spoilage, loss of income, utility bills, additional living expenses, personal and/or property damage, or authorized contractor's service or delay in service.

6. AHS is not responsible or liable for any delay in service or failure to provide service caused by conditions beyond its control, including, but not limited to, delays in obtaining, or shortages of, parts and/or equipment, or labor difficulties.

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7. AHS is not responsible or liable for repair of conditions or replacement caused by chemical or sedimentary build up, misuse or abuse, failure to clean or maintain, missing parts, structural changes, fire, freezing, electrical failure or surge, water damage, lightning, mud, earthquake, soil movement, storms, accidents, pet damage, pest damage, acts of God, or failure due to excessive or inadequate water pressure.

8. AHS has the sole right to determine whether a covered system or appliance will be repaired or replaced. AHS is responsible for installing replacement equipment of similar features, capacity, and efficiency, but not for matching dimensions, brand or color. Except when repairing or upgrading covered systems to maintain compatibility with equipment manufactured to be 13 SEER or 7.7 HSPF compliant, or compliant with any higher SEER or HSPF requirements, AHS is not responsible or liable for upgrades, components, parts or equipment required due to: (a) the incompatibility of the existing equipment with the replacement system or appliance or component or any part thereof; or (b) any new type of chemical or material utilized to run the replacement equipment including, but not limited to, differences in technology, refrigerant requirements, or efficiency as mandated by federal, state, or local governments. AHS is not responsible or liable for the cost of construction, carpentry, or other modifications made necessary by the existing equipment or installing different equipment.

9. AHS is not responsible or liable for repairs related to inadequacy, lack of capacity, misuse, improper installation, previous repair or design, manufacturer's defect, and any modification to the system or appliance. AHS does not perform routine maintenance. You are responsible for providing maintenance and cleaning on covered items as specified by the manufacturer to ensure continued coverage on such items. For example: heating and air conditioning systems require periodic cleaning and/or replacement of filters and cleaning of evaporator and condenser coils. Water heaters require periodic flushing.

10. AHS reserves the right to obtain a second opinion at its expense.

11. This contract does not cover appliances or systems deemed or classified by the manufacturer as commercial.

12. AHS is not responsible for any repair, replacement, installation, or modification of any covered system, appliance, or component or part thereof: (a) that has been, or is, determined to be defective by the Consumer Product Safety Commission or the manufacturer; (b) that a manufacturer has issued, or issues, a warning or recall; (c) that has a malfunction caused by the manufacturer's improper design, use of improper materials, formula, manufacturing process or other manufacturing defect; or (d) while still under an existing manufacturer's, distributor's, or in-home warranty.

13. AHS reserves the right to provide pre-approved reimbursement of itemized costs or cash back in lieu of repair or replacement. Both pre-approved reimbursement of itemized costs and cash back in lieu of repair or replacement will be based on what AHS would ordinarily expect to pay for the same parts and labor, which may be less than retail or your actual cost. Acceptable proof of your actual itemized costs must be provided to AHS before any reimbursement amount may be paid.

14. AHS reserves the right to rebuild a part or component, or replace with a rebuilt part or component.

15. AHS is not under any circumstances liable for 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 when caused by or related to the malfunction, repair or replacement of a covered system or appliance.

16. AHS will not contract to perform service nor pay costs involving hazardous or toxic materials including, but not limited to, asbestos, mold, lead paint, and sanitation of sewage spills, nor will it pay costs related to recapture or disposal of refrigerants, contaminants, hazardous, or toxic materials. AHS will only pay costs related to freon recapture if it is part of your coverage plan.

17. This contract does not cover fees associated with use of cranes needed to install or remove any equipment located on the roof top.

18. AHS is 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, TVs or radios in refrigerators.

19. In the event you threaten to harm or actually harm the safety or well-being of: (i) AHS; (ii) any employee of AHS; (iii) a Service Contractor; or (iv) any property of AHS or the Service Contractor, you will be in breach of this contract. In the event you breach this or any other obligation under this contract, AHS may refuse to provide service to you and may cancel this contract.

I. LAWS, REGULATIONS AND CODE REQUIREMENTS

Except when repairing or upgrading covered systems to maintain compatibility with equipment manufactured to be 13 SEER or 7.7 HSPF compliant, or compliant with any higher SEER or HSPF requirements, AHS is not responsible for any upgrades, work, testing or costs required to comply with any federal, state, or local laws, regulations or ordinances or utility regulations, or to meet current building or zoning code requirements, or to correct for code violations. AHS is not responsible for service when permits cannot be obtained, nor will it pay any costs relating to permits. AHS' policy is to abide by all current federal, state, and local laws, regulations and guidelines. AHS will not be responsible for any liability arising from repairs or replacements that violate any such laws, regulations, or guidelines.

J. SHARED SYSTEMS AND APPLIANCES

1. If this contract is for a duplex, triplex, or fourplex dwelling, then all units within the dwelling must be covered by one AHS contract for coverage to apply to shared systems and appliances.
2. If this contract is for a multi-unit dwelling other than those specified in Section J.1, then only items contained within the confines of each individual unit are covered. Shared systems and appliances are not covered.
3. Except as otherwise provided in this Section, shared systems and appliances are not covered.

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K. RENEWAL

AHS may, in its sole discretion, elect to renew this contract for a one year contract term, unless otherwise approved by AHS. In the event we elect to renew your contract, you will be notified of the terms within 60 days prior to expiration of your contract. Unless you notify AHS prior to expiration of your contract, your contract will be automatically renewed and you will be charged applicable Plan Fees.

L. CANCELLATION

1. This contract may be cancelled by AHS for the following reasons: (a) nonpayment of contract fees or other breach of this contract by the customer; (b) fraud or misrepresentation by the customer and/or customer representative of facts material to AHS's issuance of this contract; or (c) a change in laws or regulations that has a material effect on the business of AHS or AHS's ability to fulfill its obligations under this contract.
2. The customer may cancel this contract at any time and for any reason.
3. If the customer or AHS cancels the contract within the first 30 days following the beginning of the contract term:
 - (a) if AHS has not provided any services, the customer will receive a full refund of all contract fees paid;
 - (b) if AHS has provided services and the amount of the service costs incurred by AHS is less than the contract fees paid, the customer will receive a refund of the contract fees paid, less the service costs incurred by AHS;
 - (c) If AHS has provided services and the amount of the service costs incurred by AHS is greater than the contract fees paid, the customer shall pay AHS the lesser of (i) the amount by which the service costs incurred by AHS exceeds the contract fees paid; or (ii) the amount by which the annual rate listed on the Contract Agreement pages exceeds the contract fees paid.
4. If the customer or AHS cancels the contract after the 30th day following the beginning of the contract term:
 - (a) if AHS has not provided any services, the customer will receive a pro rata refund of the contract fees paid for the unexpired term;
 - (b) if AHS has provided services and the amount of the service costs incurred by AHS is less than the contract fees paid, the customer will receive a pro rata refund of the contract fees paid for the unexpired term, less the service costs incurred by AHS;
 - (c) If AHS has provided services and the amount of the service costs incurred by AHS is greater than the contract fees paid, the customer shall pay AHS the lesser of (i) the amount by which the service costs incurred by AHS exceeds the contract fees paid; or (ii) the amount by which the annual rate listed on the Contract Agreement pages exceeds the contract fees paid; and
 - (d) Additionally, customer shall be responsible for an administrative fee of the lesser of (i) your Plan Fee for one month of coverage under this contract or (ii) such amount as is permitted by law.
5. If the contract fees are billed through a mortgage loan that is later sold or paid in full, then uninterrupted coverage can be arranged by immediately calling (800) 247-4749 to establish an alternate payment method. This contract will be deemed cancelled if the contract holder fails to initiate such payment arrangements within 30 days.

LOUISIANA residents only:

- A. The standard cancellation rules shall apply, except that in Louisiana the contract holder may return this contract within 20 days of the time this contract is mailed or within 10 days of delivery if this contract is delivered to the contract holder at the time of sale (escrow). If no claim has been made, this contract is deemed void and AHS shall refund to the contract holder, or credit the account of the contract holder, the full purchase price of this contract. The right to void this contract is not transferable and shall only apply to the original contract holder and only if no claim has been made prior to its return to AHS. A ten percent penalty shall be added to a refund that is not paid or credited within 45 days after return of this contract to AHS.
- B. If the contract fees are billed through a mortgage loan that is later sold or paid in full, then uninterrupted coverage can be arranged by immediately calling (800) 247-4749 to establish an alternate payment method. This contract will be deemed cancelled if the contract holder fails to initiate such payment arrangements within 30 days.
- C. In the event the contract is cancelled by AHS, AHS shall provide the contract holder written notice of the cancellation at the last known address of the service contract holder at least 15 days prior to cancellation by AHS, unless the reason for cancellation is nonpayment of contract fees, fraud or misrepresentation of facts material to the issuance of this contract or a substantial breach of duties of the contract holder relating to a covered item or its use. The notice shall state the date of cancellation and the reason for the cancellation.

M. MISCELLANEOUS

Obligations of the provider under this service contract are backed by the full faith and credit of the provider.

MANDATORY ARBITRATION. Any claim, dispute or controversy, regarding any contract, tort, statute, or otherwise ("Claim"), arising out of or relating to this agreement or the relationships among the parties hereto shall be resolved by one arbitrator through binding arbitration administered by the American Arbitration Association ("AAA"), under the AAA Commercial or Consumer, as applicable, Rules in effect at the time the Claim is filed ("AAA Rules"). Copies of the AAA Rules and forms can be located at www.adr.org, or by calling 1-800-778-7879. The arbitrator's decision shall be final, binding, and non-appealable. Judgment upon the award may be entered and enforced in any court having jurisdiction. This clause is made pursuant to a transaction involving interstate commerce and shall be governed by the Federal Arbitration Act. Neither party shall sue the other party other than as provided herein or for enforcement of this clause or of the arbitrator's award; any such suit may be brought only in Federal District Court for the District or, if any such court lacks jurisdiction, in any state court that has jurisdiction. The arbitrator, and not any federal, state, or local court, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, unconscionability, arbitrability, enforceability or formation of this Agreement including any claim that all or any part of the Agreement is void or voidable. However, the preceding sentence shall not apply to the clause entitled "Class Action Waiver."

CLASS ACTION WAIVER. Any Claim must be brought in the parties' individual capacity, and not as a plaintiff or class member in any purported class, collective, representative, multiple plaintiff, or similar proceeding ("Class Action"). The parties expressly waive any ability to maintain any Class Action in any forum. The arbitrator shall not have authority to combine or aggregate similar claims or conduct any Class Action nor make an award to any person or entity not a party to the arbitration. Any claim that all or part of this Class Action Waiver is unenforceable, unconscionable, void, or voidable may be determined only by a court of competent jurisdiction and not by an arbitrator. **THE PARTIES UNDERSTAND THAT THEY WOULD HAVE HAD A RIGHT TO LITIGATE THROUGH A COURT, TO HAVE A JUDGE OR JURY DECIDE THEIR CASE AND TO BE PARTY TO A CLASS OR REPRESENTATIVE ACTION, HOWEVER, THEY UNDERSTAND AND CHOOSE TO HAVE ANY CLAIMS DECIDED INDIVIDUALLY, THROUGH ARBITRATION.**

COLORADO residents only: This contract is governed 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 homeowner may have a right of civil action under such laws, including obtaining the recourse or penalties specified in such laws.

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To Request Service 24 hours a day - 7 days a week
Visit ahs.com or call 877 489 3659



Georgia residents only: THIS IS NOT A CONTRACT OF INSURANCE; however, the performance of this Contract is guaranteed by a surety bond written by Liberty Mutual Insurance Company. If sixty (60) days have passed since a claim has been filed for which AHS has not paid or refunded the consideration paid for the Contract, the Contract holder is entitled to make a direct claim against Liberty Mutual Insurance Company at 3 Valley Square, 512 Township Line Road, Suite 350, Blue Bell, PA 19422.

SOUTH CAROLINA residents only: Questions or complaints may be registered with the South Carolina Department of Insurance, P.O. Box 100105, Columbia, South Carolina 29202, (800) 768-3467.

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