

Agreement
TWG Home Warranty Services, Inc.
[P.O. Box 1539, Golden, CO. 80402]
[insert phone number]

Please read this Agreement carefully.

KEY TERMS:

Throughout this document, “You” and “Your” refers to the **Agreement** Holder listed on the Declaration Page. “We”, “Us”, and “Our” refers to TWG Home Warranty Services, Inc., [P.O. Box 1539, Golden, CO. 80402] Phone # - [insert phone number]. In addition, when in bold certain words and phrases are defined as follows:

Agreement means this document. It describes the terms, conditions, and exclusions (losses We do not cover) that apply.

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

A. COVERAGE

During the term of coverage, subject to the terms and conditions of this **Agreement**, We agree, in the event of a covered **Breakdown**, to arrange for a service provider to repair or replace the appliances and systems indicated as covered and located at the address listed on the Declaration Page.

Coverage is subject to a service call deductible (indicated on the Declaration Page), the limitations as specified on the Declaration Page and conditions as specified in this Agreement. In the event You fail or refuse to pay the repairer or Us such deductible or other amounts due, no additional claims will be honored until such amounts are paid.

Certain items, events, and losses are not covered by this Agreement. Please refer to the exclusions listed in SECTION E of this Agreement.
Homes greater than 12,000 sq. ft. are not eligible for coverage.

B. COVERAGE PERIOD

Coverage under this **Agreement** is only valid after Our acceptance and receipt of full payment. For the existing home owner, coverage begins thirty (30) days after Your request for coverage and continues for the **Agreement** Term indicated on the Declaration Page.

For renewals, coverage is effective on the day following the expiration date of the previous **Agreement** and continues for the **Agreement** Term indicated on the Declaration Page..

C. YOUR RESPONSIBILITIES REGARDING SERVICE

We will not pay for any services performed without Our prior approval. Notice of any Breakdown must be given to Us immediately upon discovery and during the coverage period.

off. In the event We determine that a **Breakdown** has created an emergency, service will be requested immediately. Once service is initiated, it will be completed as soon as reasonably possible.

1. When repair is required, You are to telephone Us at [insert phone number]. We will accept calls 24-hours a day, 7 days a week. You or the service provider will receive an authorization number for each **Breakdown**.
 - a) **NON-EMERGENCIES:** Meaningful service will be initiated within 72 hours and completed as soon as reasonably possible. Service will be scheduled during normal business hours. You may be responsible for additional costs for any non-emergency service performed outside of normal business hours, i.e. overtime charges.
 - b) **EMERGENCIES:** We will consider a request for service to be an emergency only if, in Our opinion, the **Breakdown** renders Your home uninhabitable such as failure of air conditioning in extreme heat (over 90° Fahrenheit) or failure of heating system in periods of extreme cold (40° Fahrenheit or less) or electrical arcing or running water that cannot be shut

2. **The claim will be approved or disapproved only after We consult with the service provider and receive an estimate of costs.** **At Our discretion, a Breakdown may be remedied by repair or replacement.** Repair or replacement shall be performed by a service provider who provides a written parts and labor guarantee of not less than sixty (60) days for covered repairs.
3. You are obligated to provide information relating to the cause and nature of any **Breakdown**. This information may include estimates, copies of inspection reports, or other supporting information. If asked, You must sign forms needed for Us to provide service under this **Agreement**. In all cases, You must take every precaution to protect the covered property until the necessary repair or replacement is authorized by Us and the work is completed.
4. Misrepresentation or any attempt to defraud Us, including collusion between You and the service provider, shall

- result in a denial of coverage, and We shall seek reimbursement and may pursue remedies under the law.
5. You are responsible for the payment of the deductible (or actual cost of service, whichever is less) for the covered **Breakdown**. This payment must be made to the service provider prior to completion of any work performed.
 6. If the service work performed under this **Agreement** fails within a sixty (60) day period, and it was performed by a service provider chosen by Us, We will arrange for the necessary repairs without an additional deductible requirement even after **Agreement** expiration.

7. We reserve the right to obtain a second opinion or have an inspection performed by a service provider of Our choosing on any repair or replacement.
8. Claim documentation and any correspondence can be sent to Us.
9. In the event You need to contact someone about this **Agreement** for any reason, please contact Us to make a claim or inquire about coverage.

D. PAYMENT OF CLAIMS

When possible, payment arrangements will be made with the service provider prior to completion of the work. In some cases, You may be required to pay for the repair or replacement of the covered item, in which case, We will reimburse You, less applicable deductibles, when We receive Your paid invoice(s).

You must report all Breakdowns to Us. Unauthorized charges will not be reimbursed.

E. EXCLUSIONS

Performance of a Home Inspection does not preclude application of any of the following **EXCLUSIONS**.

We are not responsible for:

1. **Repair or replacement if the Breakdown is caused by any of the following:**
 - a) The alteration, modification, addition to, or deletion from the covered property.
 - b) Negligence, misuse, abuse or use not intended by the manufacturer; improper service or maintenance by a service provider.
 - c) The addition to existing systems or loads in greater quantities or capacities than the original design, or gradual reduction in performance due to wear and tear where no failure has occurred.
 - d) Freezing, fire, wind, water, flood, lightning, ice, hail, snow, explosion, chemical, sedimentary or mineral build up, mold, mud, earthquake, soil movement, storm, pet damage, pest damage, vandalism, accident, or condition other than normal use of the system.
 - e) Lack of capacity, adequacy, efficiency, design or improper installation of any system, component, or appliance.
 - f) Failure to provide customary maintenance as specified by the equipment manufacturer, missing parts, structural changes, or electrical failure, or power surge.
2. Any and all costs associated with a repair visit, if it is determined that coverage under this Agreement does not apply, or no covered Breakdown is discovered. You are responsible for the cost of the entire repair visit (including any and all costs associated with gaining access to equipment).
3. Failure to provide service due to conditions beyond Our control, including but not limited to, delays in obtaining parts or equipment or labor difficulties.
4. Obstructed access to covered equipment. Obstructed access includes but is not limited to expenses to open or close walls, floors and ceilings, including removal and replacing tile, linoleum, wood, carpeting, paneling, stucco, cabinets, other systems or appliances, wall mountings, decorations, trim, wall paper or anything else blocking the access point of the covered equipment.

We will provide access through unobstructed walls, ceilings, and floors only, and will return the access point to a rough finish. Rough finish is defined as covering the access point with wallboard, plaster, or plywood. This does not include paint, tile, linoleum, wood (excluding plywood), carpet, panel, or stucco.

5. Expenses related to hauling away equipment or other disposal costs.
6. Repair or replacement of any cosmetic defects, or performance of routine maintenance.
7. Secondary or consequential damages resulting from the Breakdown of any covered or non-covered item.
8. Any decorating, or secondary or consequential repairs or replacements made necessary by the provision of Our services.
9. Repairs or replacements caused by pre-existing defects or deficiencies, including but not limited to covered items with latent manufacturer's defects.
10. Repairs or replacements performed without Our prior authorization.
11. Repairs or replacements arising from manufacturer's recalls, defects, or class action suits.
12. Repairs or replacements of covered items otherwise covered under any other type of manufacturer warranty, service contract, or insurance Agreement.
13. Repairs or replacements of system(s) and appliance(s) classified by the manufacturer as commercial.
14. Electronic, computerized or energy management systems or devices, including programmable thermostats, low-voltage wiring and relays, lighting, and appliance management systems.
15. Any costs associated with treatment, removal, recovery, disposal, transport or storage of any known or suspected toxic or hazardous substance/material. Repairs where there is environmental contamination or if such repairs would cause contamination. Any costs associated with freon recovery or the disposal of refrigerants or contaminants.
16. Unless specified otherwise in this Agreement, correcting or upgrading any parts, equipment and/or system in order to comply with any federal, state or local laws, code violation, regulations, efficiency requirements, or ordinances or utility regulations. We are not responsible for service when permits cannot be obtained, nor will We pay any costs relating to permits.

17. System or appliance recessed in the foundation or exterior walls that are exposed to the outside conditions.
18. Access to a covered appliance or system through an exterior wall. This Agreement covers interior access only.
19. Repairs or replacements when the condition of cabinetry prohibits necessary repairs to components of any covered item, Our obligation is limited to the cost of repair to covered components only. We are not responsible for any cabinetwork relating to appliance repair or replacement
20. Repairs to systems or appliances in Mobile Homes not installed on a permanent foundation.
21. Shared systems and appliances; (e.g. HVAC systems shared by tenants within a multiple-unit dwelling), unless each unit is simultaneously covered by one of Our service Agreements.
21. Residential property that is used for commercial, business, or care purposes, including but not limited to: day care centers, fraternity/sorority houses, nursing, or special care homes or facilities.
22. System and appliance not located within the perimeter of the main foundation or the attached garage at the covered address, unless otherwise specified in Section I - "Equipment Eligible for Coverage."
23. System and appliance not properly installed and maintained and fully operational at the start of this Agreement.
24. Repairs or replacements of an appliance not purchased as part of the home purchase.
25. Repairs or replacements to systems or appliances within a vacant property (including vacation property) if all utilities were not in service throughout the coverage period and for the ninety (90) days preceding the coverage period.
26. Repairs or replacement of swimming pool and spa equipment that do not utilize common equipment, unless separate coverage is purchased for both items.
27. Any Breakdown caused by (a) rust or corrosion and/or (b) collapsed ductwork during the first thirty (30) days of coverage.
28. Upgrades or the cost of construction, carpentry, or other modifications made necessary by removing existing equipment or installing different equipment.
29. You are responsible for corrections that are necessary as a condition for service, and coverage under this Agreement will not be provided until such corrections are made.

F. LIMITS OF LIABILITY

1. Coverage for access, diagnosis and repair or replacement for each system and appliance as listed on the Declaration Page.
2. When repairing or replacing an Air Conditioner/Cooler or Heat Pump system to maintain compatibility with equipment manufactured to be 13 SEER or 7.7 HSPF compliant, or compliant with any higher SEER of HSPF requirements, We are not responsible or liable for upgrades, components, parts, or equipment required due to:
 - a) Incompatibility of the existing equipment with the required system, appliance, component, or any part thereof, except for as noted in Section G "Coverage Description," Air Conditioner and Combined Cooler.
 - 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 government.
 - c) Cost of construction, carpentry, or other modifications made necessary by the existing equipment or installing different equipment.

G. COVERAGE DESCRIPTION

Only systems and appliances that are indicated as base coverage and Optional Coverage marked with an "X" on the Declaration Page are covered.

1. AIR CONDITIONER

CONDITION: Coverage is available on the home's primary Air Conditioner system and capacities not exceeding five (5) tons.

COVERED: All components and parts (except as noted as NOT COVERED) relating to: ducted electric central air conditioning • ducted electric wall air conditioning • water evaporative coolers. If We determine non-compatibility of specific components due to an efficiency upgrade requirement to 13 SEER (Seasonal Energy Efficiency Ratio) or 7.7 HSPF (Heating Seasonal Performance Factor) of a covered ducted electric central air conditioning system, We will upgrade the following components to be compatible with the new ducted electric central air conditioning system: plenum • indoor electrical connection • condenser • evaporator coils and drain pans • refrigerant lines • duct connections • secondary drain pans and lines • air handling transition • air handling unit.

NOT COVERED: Natural gas air conditioning systems • condenser casings • registers • grills • filters • evaporated cooling pads • electronic air cleaners • window units • non-ducted wall units • water towers • roof jacks or stands • flues and vents • improperly sized air conditioning unit • chillers • humidifiers • dehumidifiers • electronic or programmable thermostats • outside or underground piping and components for geothermal and/or water source heat pumps.

2. BUILT-IN MICROWAVE OVEN

COVERED: All components and parts, except as noted as NOT COVERED.

NOT COVERED: Interior linings • door glass • light bulbs • clocks • shelves • portable or counter-top units • meat probe assemblies • rotisseries.

3. CLOTHES WASHER AND DRYER

a) CLOTHES WASHER

COVERED: All components and parts, except as noted as NOT COVERED.

NOT COVERED: Plastic mini-tubs • soap dispensers • filter screens • knobs and dials • damage to clothing.

- b) **CLOTHES DRYER**
COVERED: All components and parts, except as noted as NOT COVERED.
NOT COVERED: Venting • lint screens • knobs and dials • damage to clothing.
4. **DISHWASHER (Built-in or Portable)**
COVERED: All components and parts, except as noted as NOT COVERED.
NOT COVERED: Racks • basket(s) • rollers.
5. **DUCTWORK**
COVERED: All components and parts of exposed ductwork except as noted as NOT COVERED.
NOT COVERED: Registers • grills • dampers • insulation • asbestos-insulated ductwork.
6. **HEAT PUMP (Including Gas Pack)**
CONDITION: Coverage is available on the home's primary combined cooling and heating (e.g. heat pump or gas pack) systems and capacities not exceeding five (5) tons.
COVERED: All components and parts (except as noted as NOT COVERED) relating to heat pumps or gas packs that heat or cool the home. If We determine non-compatibility of specific components due to an efficiency upgrade requirement to 13 SEER (Seasonal Energy Efficiency Ratio) or 7.7 HSPF (Heating Seasonal Performance Factor) of a covered or heat pump or gas pack, We will upgrade the following components to be compatible with the new ducted electric central air conditioning system or heat pump: plenum • indoor electrical connection • condenser • evaporator coils and drain pans • refrigerant lines • duct connections • secondary drain pans and lines • air handling transition • air handling unit.
NOT COVERED: Natural gas air conditioning systems • condenser casings • registers • grills • filters • evaporated cooling pads • electronic air cleaners • window units • non-ducted wall units • water towers • roof jacks or stands • flues and vents • improperly sized air conditioning unit • chillers • humidifiers • dehumidifiers • electronic or programmable thermostats • outside or underground piping and components for geothermal and/or water source heat pumps.
7. **HEATING SYSTEM**
CONDITION: Coverage is available on the home's primary heating system.
COVERED: All components and parts (except as noted as NOT COVERED) located within the primary dwelling relating to: forced air systems • geothermal (ground source) and/or water source heat pump components • heat exchanger and/or combustion chamber.
NOT COVERED: Baseboard casings • portable units • solar heating systems • fireplaces and key valves • fireplace inserts • chimneys • filters • registers • humidifiers • dehumidifiers • grills • clocks • timers • heat lamps • fuel storage tanks • flues and vents • electronic or programmable thermostats • GFX or heat recovery systems • radiant floor tubing • outside or underground piping and components for geothermal and/or water source heat pumps • heat pumps (forced air) • gas packs.
8. **INTERNAL ELECTRICAL SYSTEM**
COVERED: General wiring • inside fuse box • inside circuit breaker panels • switches and receptacles located within the interior of the home.

- NOT COVERED:** Meter boxes • fixtures • alarms • intercoms • direct current (DC) wiring or components • power failure or surge • telephone wiring • any wiring or other electrical items located outside the perimeter of the principal dwelling and attached garage • any loss due to water seepage along service cable • conditions of inadequate wiring capacity or overload • low voltage wiring or relays • control panels • outside mounted circuit breaker panel • obstructed access to cover equipment • components not listed in the covered section.
9. **INTERNAL PLUMBING SYSTEM**
COVERED: Leaks and breaks of water, drain, gas, waste or vent lines • toilet tanks, bowls and mechanisms (replaced with builder's standard as necessary) • toilet wax ring seals • valves for shower, tub, and diverter • angle stops • risers and gate valves • permanently installed sump pumps • built-in bathtub whirlpool motor and pump assemblies • instant hot water dispenser.
NOT COVERED: Leaks, breaks, collapse or damage to water, drain, gas, waste or vent lines caused by freezing, roots, rocks, or earth movement • faucets and fixtures • bathtubs, shower enclosures and base pans • sinks • toilet lids and seats • caulking or grouting • septic tanks • water softeners • pressure regulators • inadequate or excessive water pressure • sewage ejector pumps • holding or storage tanks • saunas or steam rooms • stoppages • leach beds • fire sprinkler systems • lawn sprinklers • battery back-up sump pumps • frost free line • plumbing, piping, fixtures or any other item listed as covered that is located outside the foundation of the home • components not listed in the covered section.
10. **KITCHEN REFRIGERATOR (OR ADDITIONAL REFRIGERATOR) AND ICE MAKER**
COVERED: All components and parts of the refrigerator including integral freezer or ice maker except as noted as NOT COVERED.
NOT COVERED: Racks • shelves • beverage dispensers and their respective equipment • interior thermal shells • freezers which are not an integral part of the refrigerator • food spoilage • light bulbs.
11. **RANGE/OVEN/COOKTOP (Gas or Electric; Built-in, Portable or Free Standing)**
COVERED: All components and parts, except as noted as NOT COVERED.
NOT COVERED: Clocks or light bulbs (unless they effect the function of the oven) • meat probe assemblies • rotisseries • racks • handles • knobs • sensi-heat burners will only be replaced with standard burners.
12. **WATER HEATER (Gas, Electric or Propane)**
COVERED: All components and parts, except as noted as NOT COVERED.
NOT COVERED: Solar or solar assisted water heaters • solar components • holding or storage tanks • noise • fuel storage tank and energy conservation unit • flues and vents • oil fired water heaters • failure caused by sediment or mineral build-up • earthquake straps • mounting stands • pool and/or spa water heaters.

H. GENERAL PROVISIONS

1. Cancellation

This **Agreement**:

- a.) Can be cancelled by You within thirty (30) days of the effective date, and a full refund will be made less claims paid. To cancel, You must send written notice to Us.
- b.) Can not be cancelled by You more than thirty (30) days after the effective date.

This **Agreement** can not be cancelled by Us, except for:

- a.) Nonpayment of **Agreement** charges;
- b.) Fraud or material misrepresentation; or
- c.) When the home seller terminates listing coverage and therefore is no longer going to sell their home.

If the **Agreement** is cancelled by Us, the purchaser may be entitled to a pro-rata refund of the paid **Agreement** charge for the remaining term.

Notice of such cancellation will be in writing and given at least thirty (30) days prior to cancellation with the reason and effective date of cancellation.

2. Non-Renewal:

This **Agreement** is renewable at Our option. If We choose to renew Your **Agreement**, You will be offered the terms, conditions and rates that are currently in effect in Your state.

3. Transfers:

If the covered property is sold during the coverage period of the buyer, coverage may be transferred for a \$25 transfer fee by contacting Us at [\[insert phone number\]](#).

4. Where You Are Covered:

This **Agreement** applies only to **Breakdowns** occurring within the continental United States, including Alaska and Hawaii.

5. Non-Original Manufacturer Parts:

We reserve the right to select and use parts other than original manufacturer parts. Parts used will be of like kind and quality.

6. Repair or Replacement:

At Our option, a covered **Breakdown** may be remedied by repair or replacement. If We decide to replace equipment, the replacement equipment will be of similar features, capacity and efficiency, but not for matching dimensions, brand, or color.

7. Equipment Eligibility:

We reserve the right to restrict certain makes of equipment from coverage eligibility based on commercial design.

8. Rights of Recovery:

If We pay for a **Breakdown**, We may require You to assign Us Your rights of recovery against others. We will not pay for a **Breakdown** if You impair these rights to recover. Your right to recover may not be waived.

9. Dispute Resolution - Arbitration:

This **Agreement** requires binding arbitration if there is an unresolved dispute between You and Us concerning this **Agreement** (including the cost of, lack of or actual repair or replacement arising from a **Breakdown**). Under this Arbitration provision, You give up your right to resolve any dispute arising from this **Agreement** by a judge and/or a jury. You also agree not to participate as a class representative or class member in any class action litigation, any class arbitration or any consolidation of individual arbitrations. In arbitration, a group of three arbitrators (each of whom is an independent, neutral third party) will give a decision after hearing You and Our positions. The decision of a majority of the arbitrators will determine the outcome of the arbitration and the decision of the arbitrators shall be final and binding and cannot be reviewed or changed by, or appealed to, a court of law.

To start arbitration, either You or We must make a written demand to the other party for arbitration. This demand must be made within one (1) year of the earlier of the date the **Breakdown** occurred or the dispute arose. You and We will each separately select an arbitrator. The two arbitrators will select a third arbitrator called an "umpire." Each party will each pay the expense of the arbitrator selected by that party. The expense of the umpire will be shared equally by You and Us. Unless otherwise agreed to by You and Us, the arbitration will take place in the county and state in which You live. The arbitration shall be governed by the Federal Arbitration Act (9 U.S.C.A. § 1 et. seq.) and not by any state law concerning arbitration. The rules of the American Arbitration Association (www.adr.org) will apply to any arbitration under this **Agreement**. The laws of the state of Illinois (without giving effect to its conflict of law principles) govern all matters arising out of or relating to this **Agreement** and all transactions contemplated by this **Agreement**, including, without limitation, the validity, interpretation, construction, performance and enforcement of this **Agreement**.

I. STATE AMENDMENTS

In Alabama:

Section (H.) General Conditions #1., the first paragraph is replaced with the following:

This **Agreement**:

- a.) Can be canceled by You within thirty (30) days of the receipt of this **Agreement** and the purchaser shall be entitled to a full refund. A ten percent (10%) penalty per month shall be added to a refund that is not paid within thirty (30) days after the provider receives a written request to cancel from the **Agreement** holder. The refund shall be paid to the purchaser, or to the person authorized by the purchaser.
- b.) Can be canceled after thirty (30) days of the receipt of this **Agreement**, and a pro-rata refund of the **Agreement** charge will be made.

To cancel, You must send written notice to Us.

In Arizona:

Section (H.) General Conditions #1., the first paragraph is replaced with the following:

This **Agreement**:

- a.) Can be canceled by You within thirty (30) days of the receipt of this **Agreement** and the purchaser shall be entitled to a full refund.
- b.) Can be canceled by You after thirty (30) days of the receipt of this **Agreement**, and a pro-rata refund of the **Agreement** charge will be made. No claims incurred or paid will be deducted from the amount to be returned in an event of cancellation.

To cancel, You must send written notice to Us.

Under Section (E.) Exclusion # 9. does not apply in the state of Arizona.

Under (H.) General Conditions #7. does not apply in the state of Arizona.

Section (H.) General Conditions #9. is amended to include: Arbitration may not conflict with the provisions of A.R.S. §§ 20-1095.04 and 20-1095.09

Under Section (E.) Exclusion # 1.a) only applies after the effective date.

Section (E.) Exclusion #1.c) is replaced with the following: Lack of capacity, adequacy, efficiency, design or improper installation of any system, component or appliance as determined by the manufacture or building codes.

In Arkansas:

The following statement has been added: This is not a contract of insurance. Obligations of the provider under this service Agreement are guaranteed under a service contract reimbursement insurance policy issued by Virginia Surety Company, Inc. with home offices located at [175 West Jackson Blvd. 11th Floor, Chicago, IL 60604, 1-800-209-6206]. If we fail to pay any valid claims within sixty (60) days after proof of loss has been filed, You are entitled under state law to make a claim directly against Virginia Surety Company, Inc. at the address shown above. A claim against the provider may include a claim for return of the unearned provider fee.

In Colorado:

Section (H.) General Conditions #10. is amended to include: Action under this **Agreement** may be covered by the provisions of the "Colorado Consumer Protection Act" or the "Unfair Practices Act" articles 1 and 2 of title 6, C.S.R., and that a party to such a **Agreement** may have the right of civil action under such laws, including obtaining the recourse or penalties specified in such laws.

In Georgia:

Section (H.) General Conditions #1., is amended as follows:

This Agreement:

- a.) Can be canceled by You within thirty (30) days of the receipt of this **Agreement**; and the purchaser shall be entitled to a full refund.
- b.) Can be canceled by You after thirty (30) days of the receipt of this **Agreement**, and a pro-rata refund of the **Agreement** charge will be made. Claims paid and cancellation fees shall not be deducted from any refunds owed as a result of cancellation.

This **Agreement** cannot be cancelled by Us, except for:

- a.) Nonpayment of **Agreement** charges;
- b.) Fraud or material misrepresentation

Any refund owed and not paid as required is subject to a penalty equal to 25% of the refund owed and interest of 18% per year until paid; however, such penalty shall not exceed 50% of the amount of the refund.

If the **Agreement** is cancelled by Us, the purchaser may be entitled to a pro-rata refund of the paid **Agreement** charge for the remaining term.

Notice of such cancellation will be in writing and given at least thirty (30) days prior to cancellation with the reason and effective date of cancellation.

Cancellations will comply with Section 33-24-44 of the Code of Georgia.

Under Section (E.) Exclusion # 9. is amended as follows:

Repairs or replacements caused by pre-existing conditions, defects or deficiencies known by You.

Section (H.) General Conditions #9. "Arbitration" is deleted in its entirety.

In Hawaii:

Section (H.) General Conditions #1., the first paragraph is replaced with the following:

This Agreement:

- a.) Can be canceled by You within thirty (30) days of the receipt of this **Agreement** and the purchaser shall be entitled to a full refund. A ten percent (10%) penalty per month shall be added to a refund that is not paid within thirty (30) days after the provider receives a written request to cancel from the **Agreement** holder. The refund shall be paid to the purchaser, or to the person authorized by the purchaser.
- b.) Can be canceled after thirty (30) days of the receipt of this **Agreement**, and a pro-rata refund of the **Agreement** charge will be made less any claims paid. To cancel, You must send written notice to Us.

In Iowa:

The following statement has been added: The issuer of this contract is subject to regulation by the Insurance Division of the Department of Commerce of the State of Iowa. Complaints that are not settled by the issuer may be sent to the Insurance Division.

Section (C.) Your Responsibilities Regarding Service is amended as follows: Meaningful service for non-emergency and emergency service must be initiated within 48 hours. If meaningful service is not initiated within 48 hours, You may engage Your own licensed repair provider at Our expense.

In New Hampshire:

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

In New Mexico:

Section (H.) General Conditions #1., is amended to include the following: No service **Agreement** that has been in effect for at least (70) days may be cancelled by the provider before the expiration of the agreed terms or one year after the effective date of the service **Agreement**, whichever occurs first, except for the following reasons: 1.) **Agreement** holder's failure to make full payment by the due date. 2.) Conviction of a crime that results in an increase in the service required under the service **Agreement**. 3.) Discovery of fraud or material misrepresentation by the **Agreement** holder in obtaining the service **Agreement** or in presenting a claim for service thereunder. 4.) Discovery of either of the following if it occurred after the effective date of the service **Agreement** and substantially and materially increased the service required under the service **Agreement**: a.) An act or omission by the **Agreement** holder; or b.) A violation by the **Agreement** holder of any conditions of the service **Agreement**.

In Oklahoma:

Section (H.) General Conditions #1., is deleted and replaced with the following: You may cancel this **Agreement** for any reason at any time. To cancel, contact the **Representative** in writing. If You cancel within the first thirty (30) days of receipt of You **Agreement**, You will receive a full refund. If You cancel after thirty (30) days, You will receive a pro-rata refund based on the time expired less a cancellation fee of 10% of the purchase price. No claim incurred or paid nor any repair made, will be deducted from the amount to be returned in the event of cancellation. We may not cancel this **Agreement** except for fraud, material misrepresentation or nonpayment by You. Notice of such

cancellation will be mailed to You at least thirty (30) days prior to cancellation. If We cancel, the return premium is based upon one-hundred percent (100%) of the unearned pro-rata premium.

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

The following statement has been added: Obligations of the obligor under this service **Agreement** are insured by a contract liability policy with Virginia Surety Company, Inc. [175 West Jackson Blvd. 11th Floor, Chicago, IL 60604].

The following statement has been added: Oklahoma does not review commercial service contract language (only personal).

In South Carolina:

The following statement has been added: For customer services, contact South Carolina Department of Insurance, PO BOX 100105, Columbia, SC 29202-3105, Telephone # 1-803-737-6180.

In Texas:

Section (D.) Your Responsibilities Regarding Service is amended as follows: For any non-emergency, service will be initiated within 48 hours and completed as soon as reasonably possible

The following statements have been added:

This contract is issued pursuant to a license granted by the Texas Real Estate Commission, and complaints in connection with this contract may be directed to the Commission at PO Box 12188, Austin, TX 78711, phone # 512-465-3917. The purchase of a home warranty contract is optional and similar coverage may be purchased through other residential companies or insurance companies authorized to transact business in Texas.

Throughout this **Agreement**, **Agreement** will be replaced with Contract.

NOTICE:

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

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

SIGNATURE _____

In Utah:

Section (H.) General Conditions #1. is amended to include the following: We can cancel the **Agreement** during the first sixty (60) days of the initial annual term by mailing to You a notice of cancellation at least thirty (30) days prior to the effective date of cancellation except that We can also cancel the **Agreement** during such time period for nonpayment of premium by mailing You a notice of cancellation at least ten (10) days prior to the effective date of cancellation. After sixty (60) days have elapsed, We may cancel the **Agreement** by mailing a cancellation notice to You at least ten (10) days prior to the cancellation date for cancellations due to nonpayment of premium, and thirty (30) days prior to cancellation date for any of the following reasons: (a) material misrepresentation, (b) substantial change in the risk assumed, unless We should

reasonably have foreseen the change or contemplated the risk when entering into the **Agreement**, (c) substantial breaches of contractual duties, conditions, or warranties.

Section (E.) Exclusions #10 is amended as follows: Proof of loss should be furnished by You to Us as soon as reasonably possible. Failure to furnish such notice or proof within the time required by this **Agreement** does not invalidate or reduce a claim.

Under section (E.) Exclusion #9 is replaced with the following: Repairs or replacements caused by pre-existing conditions, defects or deficiencies that occurred prior to the effective date of the **Agreement**.

Section (D.) Your Responsibilities Regarding Service is amended as follows: Emergency repairs: In the event an emergency repair is required outside of the normal business hours of the Administrator. You may engage Your own licensed repair provider without prior authorization. Emergency repair is defined as a failure that creates a risk to health or property and that such failure requires an immediate repair be made.

Section (H.) General Conditions #9. is amended as follows:

Binding Arbitration: Any matter between You and the Company may be subject to arbitration as an alternative to court action pursuant to the rules of (the American Arbitration Association or other recognized arbitrator), a copy of which is available on request from the Company. Any decision reached by arbitration shall be binding upon both You and the Company. The arbitration award may include attorney's fees if allowed by state law and may be entered as a judgment in any court of proper jurisdiction. There is no time limit to request arbitration.

The following statement has been added: This **Agreement** is subject to limited regulation by the Utah Insurance Department. To file a complaint, contact the Utah Insurance Department.

The following statement has been added: Coverage afforded under this **Agreement** is not guaranteed by the Property and Casualty Guarantee Association.

In Wisconsin:

Section (H.) General Conditions #1., the first paragraph is replaced with the following:

This Agreement:

- a.) Can be canceled by You within thirty (30) days of the effective date, and a full refund will be made less claims paid. To cancel, You must send written notice to **Us**.
- b.) Can be canceled by You after thirty (30) days of the effective date, and a pro-rata refund of the **Agreement** charge will be made.

To cancel, You must send written notice to Us.

Section (H.) General Conditions #2. is amended to include: If We choose to non-renew, We will give sixty (60) days notice to You. We can only change the rate upon renewal. We will give sixty (60) days notice for any rate increase of 25% or more.

Section (H.) General Conditions #8. is amended to include: The Insured will be made whole before the insurer may retain amounts it has recovered.

Section (E.) Exclusions #10 and Section (C) the first paragraph is amended as follows: Proof of loss should be furnished by You to the Administrator as soon as reasonably possible and within one (1) year after the time required by this **Agreement**. Failure to furnish such notice or proof within the time required by this **Agreement** does not invalidate or reduce a claim.

The following statement has been added:

This **Agreement** is subject to limited regulation by the office of the Commissioner of Insurance.

Section (H.) General Conditions #9. is deleted in its entirety.

In Wyoming:

Section (H.) General Conditions #9. is amended to include the following: Arbitration can only be final and binding if agreed to by the parties involved and in a separate written **Agreement**.

In Washington: The following statement has been added: Obligations of the obligor are insured by a service **Agreement** reimbursement policy with Virginia Surety Company, Inc. [175 West Jackson Blvd. 11th Floor, Chicago, IL 60604]. You may make a claim directly with Virginia Surety Company, Inc. who insures the obligations of TWG Home Warranty Services, Inc. under this contract, at the following address: 175 West Jackson Blvd., Chicago, IL 60604.

Section (H.) General Conditions #9. is amended to include the following: Arbitration must be held at the closest location to the service **Agreement** holder's address (indicated on the Declaration Page).

In Arkansas, Maryland, Minnesota, New Mexico, New York, South Carolina, Washington & Wyoming:

Section (H.) General Conditions #1., the first paragraph is replaced with the following:

This Agreement:

- a.) Can be canceled by You within thirty (30) days of the receipt of this **Agreement** and the purchaser shall be entitled to a full refund. A ten percent (10%) penalty per month shall be added to a refund that is not paid within thirty (30) days after the provider receives a written request to cancel from the **Agreement** holder. The refund shall be paid to the purchaser, or to the person authorized by the purchaser.
- b.) Can not be cancelled by You more than thirty (30) days after the effective date.

To cancel, You must send written notice to Us.

In Illinois & Utah:

Section (H.) General Conditions #1., the first paragraph is replaced with the following:

This Agreement:

- a.) Can be canceled by You within thirty (30) days of the receipt of this **Agreement** and the purchaser shall be entitled to a full refund.
- b.) Can be canceled after thirty (30) days of the receipt of this **Agreement**, and a pro-rata refund of the **Agreement** charge will be made less any claims paid. To cancel, You must send written notice to Us.

In Hawaii, Minnesota, and South Carolina:

The following statement has been added: This is not a contract of insurance. Obligations of the obligor under this service Agreement are insured by a service **contract** reimbursement policy with Virginia Surety Company, Inc. [175 West Jackson Blvd. 11th Floor, Chicago, IL 60604].

In Alabama, Arizona, Georgia, Illinois, Kentucky, Montana, New Hampshire, New York, North Carolina, Utah Wisconsin, and Wyoming:

The following statement has been added: This is not a contract of insurance. Obligations of the provider under this service contract are guaranteed under a service contract reimbursement insurance policy issued by Virginia Surety Company, Inc. with home offices located at [175 West Jackson Blvd. 11th Floor, Chicago, IL 60604, 1-800-209-6206]. If we fail to pay any valid claims within sixty (60) days after proof of loss has been filed, You are entitled under state law to make a claim directly against Virginia Surety Company, Inc. at the address shown above.