

Agreement
TWG Home Warranty Services, Inc.
175 West Jackson Blvd, Chicago, Illinois 60604
800-341-3624

Please read this Agreement carefully.

KEY TERMS:

Throughout this document, "You" and "Your" refers to the **Dwelling Owner** listed on the Declaration Page. "We", "Us", and "Our" refers to TWG Home Warranty Services, Inc., 175 West Jackson Blvd, Chicago, Illinois 60604, except in Florida, where it is **Service Saver, Incorporated, 175 West Jackson Blvd, Chicago, Illinois, 60604** Phone # - 800-341-3624. In addition, when in bold certain words and phrases are defined as follows:

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

Renewal Agreement describes the terms of renewal.

Breakdown means the occurrence of a:

- a) break or blockage in the **External Sewer Line**;
- b) a leak or breakage in the **External Water Line**; or

- c) the mechanical failure of the **Well Pump**

External Sewer Line means the section of the private lateral sewer service line You own that collects and conveys household sewage from Your Dwelling. This **Agreement** covers the portion of Your **External Sewer Line** that is the most direct line between the main sewer line and Your Dwelling that You are responsible for, specified by Your city or municipality

External Water Line means the section of the water supply line You own that runs from Your water supply company to the water meter.

Well Pump means a pump that is located in a well that runs from the well to Your Dwelling and provides domestic water for Your Dwelling and is the primary source of water for Your Dwelling.

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 **External Water line** or **Well Pump** or repair, reline or replace the **External Sewer Line**, if indicated with an "X" as purchase on Declaration Page, and indicated as covered and located at the Dwelling listed on the Declaration Page.

Certain items, events, and losses are not covered by this Agreement. Please refer to the exclusions listed in SECTION E of this Agreement. Coverage for access, diagnosis and repair or replacement for the External Water line or Well Pump or repair, reline or replacement for the External Sewer Line is listed on the Declaration Page.

B. COVERAGE PERIOD

Coverage under this **Agreement** is only valid after Our acceptance and receipt of full payment.

For the existing **Dwelling 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 **Renewal Agreement** Term indicated on the Declaration Page.

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

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.

1. When repair is required, You are to telephone Us at 800-341-3624. 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**. Meaningful service will be initiated within twenty-four (24) hours and completed as soon as reasonably possible. **The claim will be approved or disapproved only after We consult with the service provider and receive an estimate of costs.**

2. **At Our discretion, a Breakdown may be remedied by repair, or replacement of the External Water line or Well Pump or repair, reline, or replacement of the External Sewer line.** Repair, reline, 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 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. If the repair, reline, or replacement of the covered system 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.

6. 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.
7. Claim documentation and any correspondence can be sent to Us.
8. 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 as soon as possible. Unauthorized charges will not be reimbursed.

E. EXCLUSIONS

We are not responsible for:

1. Repair or replacement if the Breakdown is caused by any of the following:
 - a) Negligence, misuse, abuse or use not intended by the manufacturer; improper service or maintenance by a service provider.
 - b) 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 or Breakdown has occurred.
 - c) 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.
2. External Water line or External Sewer Line that:
 - a) Runs under a body of water including but not limited to streams, ponds, brooks, lakes, or wetlands.
 - b) You do not have valid right of access to
3. 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).
4. Failure to provide service due to conditions beyond Our control, including but not limited to, delays in obtaining parts or equipment or labor difficulties.
5. Secondary or consequential damages resulting from the Breakdown of any covered or non-covered item. For example excavation performed on your property.
6. Breakdowns in the External Water line or External Sewer Line that are known by the Agreement Holder prior to the Effective Date.
7. Repairs or replacements performed without our prior authorization.
8. Repairs or replacements arising from manufacturer's recalls, defects, or class action suits.
9. 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.
10. 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 unless a Breakdown has occurred. We are not responsible for service when permits cannot be obtained, nor will We pay any costs relating to permits.
 11. 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.
 12. 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.
 13. Repairs or replacements to External Water line or External Sewer Line 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.
 14. Repair or replacement or unblocking of: sump pumps, vacuum drainage system, septic systems, swimming pools, spa, sprinkler systems, water tanks, water heaters, radiators, toilet bowls, water softener, waste disposal units, sinks, motors, decorative features (such as ponds and fountains and any associated equipment).
 15. Cost of obtaining permits.
 16. Coverage on mobile homes, recreational vehicles, or any residential home that has a External Water Line or External Sewer Line over 300 feet.
 17. External Water Line that has a diameter greater than 2" or the External Sewer Line that has a diameter greater than 6".
 18. Coverage on multiple-unit dwellings where the agreement holder does not have sole ownership and maintenance responsibility.
 19. Properties greater than 12,000 sq. ft. are not eligible for coverage.

F. COVERAGE DESCRIPTION

Only system(s) that are indicated with an "X" on the Declaration Page are covered.

EXTERNAL WATER LINE

Covered: All parts, material, and labor to repair or replace Your leaking or broken **External Water Line**. The determination of whether and with what to repair, reline, or replace Your **External Water Line** is at Our discretion. Coverage also includes excavation, paving, loaming, and seeding of the lawn as required in the area of the repair or replacement.

Not Covered: Main shut-off Dwelling valve • blockages • water taps • pressure reducing valve • booster pump • meter pit frame or cover • curb valve, curb box adapter and/or cover (unless owned by You) • lawn or fire sprinkler systems • any leaks inside the premises beyond the main shut-off valve in the house • sod, shrubbery, landscaping, flowerbeds, trees, or mulch that must be moved in order to repair a service leak or perform other work will be replaced with grass seed.

EXTERNAL SEWER LINE

Covered: All parts, material, and labor to repair, reline replace, or unblock Your **External Sewer Line**. The determination of whether and with what to repair, reline, or replace Your **External Sewer Line** is at Our discretion. Coverage also includes excavation, paving, loaming, and seeding of the lawn as required in the area of the repair or replacement.

Not Covered: Pressure reducing valve • sewer line that does not connect to a municipal or city owned sewer line • coverage of External Sewer Line before the main sewer clean out in Your home • booster pump • curb valve, curb box adapter and/or cover (unless owned by You) • lawn or fire sprinkler systems • any leaks inside the premises beyond the main sewer clean out in the house • sod, shrubbery, landscaping, flowerbeds, trees, or mulch that must be moved in order to repair a sewer leak or perform other work will be replaced with grass seed • any type of sewer odors emitting from the sewer main, system, or sewer line that seep into the drainage or venting system of a house.

WELL PUMP

Covered: All components and parts of a well pump utilized for Your primary Dwelling only.

Not Covered: Well casings • pressure tanks • piping or electrical lines leading to or connecting well pump and Your house • holding or storage tanks • re-drilling of wells.

G. 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 be cancelled thirty-one (31) days after the effective date, and a pro-rata refund will be made less claims paid. To cancel, You must send written notice to Us.

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

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

If the **Agreement** is cancelled by Us, You 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 and as indicated on your Declaration Page.

3. Transfers:

If the covered property is sold during the coverage period, coverage may be transferred by contacting Us at 888-508-8886.

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, reline, or replacement. If We decide to replace equipment, the replacement equipment will be of similar features, capacity and efficiency.

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, reline, 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 Your 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**.

H. STATE AMENDMENTS

In Alabama:

Section (G.) General Provisions #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 You 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 You, or to the person authorized by You.
- 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 (G.) General Provisions #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 You 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 the event of cancellation.
To cancel, You must send written notice to Us.

Section (G.) General Provisions #9 "Dispute Resolution – 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.

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, 1-800-341-3624. 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 Florida:

If the covered property is sold or transferred during the coverage period, coverage may be transferred within 30 days from the date the home is sold or transferred by contacting Us at 888-508-8886. The rate charged for this Service Contract is not subject to regulation by the Florida Office of Insurance Regulation.

In Colorado:

The following is added to this Agreement: The use of non-original manufacturer's parts is permitted. The following statement is added to Section (G.) General Provisions #1 "Cancellation": If You cancel Your Agreement within thirty (30) days of receipt of Your Agreement and do not receive a refund or credit within forty five (45) days of receipt of the returned service contract, a ten percent (10%) penalty per month shall be applied to the refund. Section (G.) General Provisions #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 Connecticut:

The following statement has been added: 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, 1-800-341-3624. 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.

In 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 (G.) General Provisions #1., is amended as follows:

This **Agreement**:

- a.) Can be canceled by You within thirty (30) days of the receipt of this **Agreement**; and You 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, You 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 § 33-24-44 of the Code of Georgia.

Section (G.) General Provisions #9., "Arbitration" is deleted in its entirety.

In Hawaii:

Section (G.) General Provisions #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 You 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 You, or to the person authorized by You.
- 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:

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.

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.

In Nevada:

Section (B.) Coverage Period, the second paragraph is amended as follows: **For the existing Dwelling Owner, coverage begins thirty (30) days after Your request for coverage and continues for the Agreement Term indicated on the Declaration Page.**

Section (C.) Your Responsibilities Regarding Service #1., is amended by addition of the following: We will initiate repairs within 24 hours after you report the claim or as soon thereafter as reasonably practical. If We determine that repairs cannot be completed within 3 calendar days after the report of the claim, We will provide You with a status report. The status report will provide: a list of the required repairs or services; and the reason causing the delay; the status or any parts required; the current estimated time to complete the repairs or services; and contact information for You to make additional inquiries concerning any

aspect of the claim. We will respond to such inquiries not later than 1 business day after such an inquiry is made.

Section (G.) General Provisions #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 You shall be entitled to a full refund. A ten percent (10%) penalty of the purchase price 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 You, or to the person authorized by You.
- 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. To cancel, You must send written notice to Us.

Section (G.) General Provisions # 9., "Dispute Resolution – Arbitration" deleted in its entirety.

In New Hampshire:

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

In New Jersey:

The following is added to this Agreement: The use of refurbished, reconditioned, or non-original manufacturer's parts is permitted. The following statement is added to Section (G.) General Provisions #1 "Cancellation": If You cancel Your Agreement within thirty (30) days of receipt of Your Agreement and do not receive a refund or credit within forty five (45) days of receipt of the returned service contract, a ten percent (10%) penalty per month shall be applied to the refund.

In New Mexico:

Section (G.) General Provisions #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 there under. 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 Oregon:

The following statement has been added: In Oregon, the license number for TWG Home Warranty Services, Inc. is 206177.

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 # 512-936-3049. The purchase of a home warranty contract is optional and similar coverage may be purchased through other residential companies or insurance companies authorized to transact business in Texas.

Throughout this **Agreement**, **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:

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 (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.

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 TWG Home Warranty Services, Inc. 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 (G.) General Provisions #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 (G.) General Provisions #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.

The following statement has been added: This **Agreement** does not have a deductible.

In Wisconsin:

Section (E.) Exclusions #10., is amended as follows: Proof of loss should be furnished by You to TWG Home Warranty Services, Inc 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.

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

This Agreement:

- a.) Can be cancelled by You within thirty (30) days of the effective date, and a full refund will be made. 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.
- c.) In the event of a total loss of the property covered by this **Agreement** that is not covered by a replacement of the property according to the terms of the **Agreement**. You may cancel this **Agreement** and a pro-rata refund of the **Agreement** charge will be made.

To cancel, You must send written notice to **Us**.

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

The following statement has been added:

"THIS WARRANTY IS SUBJECT TO LIMITED REGULATION BY THE OFFICE OF THE COMMISSIONER OF INSURANCE."

Section (G.) General Provisions #9., is amended to include: Arbitration must be agreed to by all parties involved.

Section (G.) General Provisions #9., is amended to remove the following: You give up your right to resolve any dispute arising from this **Agreement** by a judge and or jury. You also agree not to participate as a class representative or a class member in any class action litigation, any class arbitration or any consolidation of individual arbitrations.

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, 1-800-341-3624. 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.

In Wyoming:

Section (G.) General Provisions #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:

Section (G.) General Provisions #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).

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.

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

Section (G.) General Provisions #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 You 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 You, or to the person authorized by You.
- b.) Can be cancelled thirty-one (31) days after the effective date, and a pro-rata refund will be made less claims paid. To cancel, You must send written notice to Us.

In Illinois and Utah:

Section (G.) General Provisions #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 You 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 Massachusetts and Oklahoma:

The following statement has been added: Obligations of the provider 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.

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, Colorado, Georgia, Indiana, Illinois, Kentucky, Louisiana, Missouri, Montana, New Hampshire, New Jersey, New York, Nevada, North Carolina, Utah, Wisconsin, and Wyoming:

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