

Agreement

AIG WarrantyGuard, Inc.

Except in Florida where it is AIG Warranty Services of Florida, Inc.

500 West Madison, Suite 3000, Chicago, IL 60606-6613

1-877-637-7890

Please read this Agreement carefully.

This Agreement is not available in California, Iowa, and Virginia.

FLORIDA RESIDENTS ONLY:

This Agreement may not provide listing period coverage free of charge. Certain items and events are not covered by this Agreement. Please refer to the exclusions listed on pages 2 and 3 of this document.

KEY TERMS:

Throughout this document, "You" and "Your" refers to the **Dwelling Owner** listed on the Declaration Page. "We", "Us", and "Our" refers to the Obligor and Administrator, AIG WarrantyGuard, Inc., except in Florida where it is AIG Warranty Services of Florida, Inc., 500 West Madison, Suite 3000, Chicago, IL 60606-6613 Phone # -1-877-637-7890. In addition, when in bold certain words and phrases are defined as follows:

Agreement means this document and the Declaration of Coverage. It describes the terms, conditions, and exclusions (losses We do not cover) that apply. This is the entire agreement between You and Us and no other written or oral modifications are valid.

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.

Your initial payment, on the Purchase Date, includes a thirty (30) day wait period before You are eligible for coverage under this Agreement. **COVERAGE BEGINS ON THE EFFECTIVE DATE AS INDICATED ON THE DECLARATION OF COVERAGE WHICH IS THIRTY (30) DAYS AFTER THE PURCHASE DATE.** Your initial annual term provides eleven (11) months of coverage from the Effective date. All annual renewal terms thereafter will include twelve (12) months of coverage. Your initial quarterly term

provides two (2) months of coverage from the Effective Date. All quarterly renewal terms thereafter will include three (3) months of coverage. All monthly terms will begin upon payment of the monthly Agreement price on the Effective Date. After the Effective Date, coverage will continue as long as all payments are made as scheduled.

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 cancelled 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 1-877-637-7890 . 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. You are will be responsible to pay a trade service fee, if applicable, for each service request. The trade service fee must be paid in advance of service being scheduled and may be paid to the administrator through a valid debit or credit card. **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** 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

3. 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.
4. If the repair, reline, or replacement of the covered system performed under this **Agreement** fails within a thirty (30) 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 the **Agreement** expiration.
5. 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.
6. Claim documentation and any correspondence can be sent to Us.
7. 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
8. Prior to service being dispatched all required plan payment(s) must be collected and current.

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 trade service fees , 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.
20. Damage or failure caused by animals or insects, including infestation.

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. LIMIT OF LIABILITY AND CONDITIONS

1. Our obligation to pay for the repair or replacement of equipment will not exceed \$2,500 for an External Water

Line or External Sewer Line and \$1,000 for a Well Pump per 12-month period,

2. We reserve the right to offer cash settlement in limited circumstances, including but not limited to, unavailability of parts, obsolescence, or similar circumstances when a repair is not feasible. Cash settlements will be based on what We would ordinarily expect to pay for the same part or labor, which may be less than actual retail cost.
3. All equipment covered by this Agreement must be in good working condition as of the Effective Date of the plan and be reasonably clean and accessible at the time of service. This agreement does not cover pre-existing conditions, defects or deficiencies.
4. We reserve the right to obtain a second opinion at Our expense.
5. We reserve the right to use qualified contractors, select parts to be used, and to restrict certain makes of equipment used to fulfill all or any part of Our obligation under the terms of this Agreement.
6. We reserve the right to rebuild a part or component, or replace with a rebuilt part or component. The use of non-original manufacturer parts is permitted under this Agreement.
7. We are not a service contractor and are not ourselves undertaking to repair any equipment.
8. In the event that there is another collectable insurance, warranty or guaranty coverage available to You

- covering a loss also covered by this Agreement, this Agreement will pay in excess of and not contribute with any other insurance, warranty, or guaranty. We will not pay for parts covered under a manufacturer's warranty.
9. If service is required, You agree to make the product reasonably accessible to the repair person. If the product is not accessible, the repair person will have the option of declining to provide service or assessing You and additional charge for making the product accessible, commensurate with the difficulty in working on the product.
 10. Laws, Codes and Regulations: This Agreement does not cover correcting or upgrading any parts, system, appliance, or electronic equipment in order to comply with any federal, state or local laws, regulations, or ordinances or utility regulations, or to meet changes in efficiency requirements or to meet current building or zoning codes requirements, or to correct for code violations. This includes any corrections or upgrades at the time of repair, which are required by law, regulation or ordinance. We are not responsible for service when permits cannot be obtained, nor will We pay any costs relating to permits.

H. FEES AND CHARGES

1. **If plan payment is not collected on a scheduled payment date (i.e. every 30, 90 or 365 day(s) service under this Agreement may be denied until payment is received. Accounts delinquent more than ten (10) days may be cancelled as provided in the Cancellation section, G. 1.**
2. **The price of this Agreement and any included limit, fee, or charges may be adjusted from time to time. Notice of any price adjustments will be given to You in writing at least thirty (30) days prior to implementation. You may terminate the Agreement giving written notice prior to the effective date of the increase.**

I. GENERAL PROVISIONS

1. **Cancellation**
 - a.) You may cancel the Agreement only by contacting American Residential Warranty in writing at 901 Yamato Road, Suite 100E, Boca Raton, FL 33431, Attn. Customer Service Department. Cancellation becomes effective at the end of the current month of coverage.
 - b.) In the event of a cancellation of a Quarterly or Annual payment plan, a pro-rata refund, recalculated at the higher posted monthly rate, minus any paid claims, will be issued for the unexpired term.
 - c.) In the event of cancellation within the first thirty (30) days of the Purchase Date, You will be refunded the full Agreement price.
 - d.) We reserve the right to cancel this Agreement upon thirty (30) days' written notice. However, in the event of customer fraud, material misrepresentation, failure to pay, or termination as a customer, cancellation may be immediate. In the event of cancellation for customer fraud or material misrepresentation, We may demand immediate payment of the cost of all services provided to You, less any payments made, and no refund of any kind will be issued. The notice of cancellation will include the reason and the effective date of cancellation.
 - e.) Once this Agreement is cancelled, You will be subject to a thirty (30) day waiting period if You wish to purchase another Agreement.

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:

This Agreement is transferable to a new owner of the existing address for a one-time \$39 transfer fee. This Agreement is non-transferable to a new address and is only valid for the original residence.

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. This Agreement is not a contract of insurance, but the obligations of the Obligor are secured by an insurance policy issued by Illinois National Insurance Co., 500 W. Madison St., 30th Floor, Chicago, IL 60661, Ph: (800) 250-3819 in all covered states with the exception of AR, FL, MS, NC, NY, and OK, which are covered by New Hampshire Insurance Company, 500 W. Madison St., 30th Floor, Chicago, IL 60661, Ph: (800) 250-3819. If, within 60 days, We have not paid a claim, provided You with a refund, or if You are otherwise dissatisfied, or We are no longer a going concern, become insolvent or are otherwise financially impaired, You are entitled under state law to make a claim directly to the Insurer by contacting the Insurer at the address or phone number listed above. Please enclose a copy of your Agreement when sending correspondence to the Insurer.

J. STATE AMENDMENTS

In Alabama:

For purposes of calculating a refund of the **Agreement** price owed to You upon cancellation, the **Agreement** price will include any application fee You paid.

In Arizona:

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

Section (I.) General Provisions, # 1.d) is replaced with the following: We reserve the right to cancel this **Agreement** upon thirty (30) days written notice, in the event of customer fraud, material misrepresentation, or failure to pay. You will receive a refund of the unearned pro-rata **Agreement** price, minus any paid claims and administrative expenses not to exceed ten percent (10%) of the gross amount You paid for this **Agreement**. The notice of cancellation will include the reason and the effective date of cancellation.

In Arkansas:

The following statement has been added to Section (I.) General Provisions # 9: TA claim against the provider may include a claim for return of the unearned provider fee.

In Colorado:

Section (G.) Limit of Liability and 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 a party to such an Agreement may have the right of civil action under such laws, including obtaining the recourse or penalties specified in such laws.

In Connecticut:

The follow statements have been added:
This Agreement is automatically extended while a covered product is being repaired.

Resolution of Disputes: If we are unable to resolve any disputes with you regarding this Agreement, you may file a written complaint to the: State of Connecticut, Insurance Department, P.O. Box 816, Hartford, CT 06142-0816, Attn: Consumer Affairs. The written complaint must describe the dispute, identify the price of the product and cost of repair, and include a copy of this Agreement.

In Florida:

The rate charged for this **Agreement** is not subject to regulation by the Florida Office of Insurance Regulation.

Section (I.) General Provisions, # 1.b) and c) are replaced with the following: If You cancel this Agreement within thirty (30) days of the receipt of this Agreement, You shall be entitled to one hundred percent (100%) of the unearned pro-rata Agreement charge less claims paid. If You cancel this Agreement after thirty (30) days of the receipt of this **Agreement**, You shall be entitled to ninety percent (90%) of the unearned pro-rata **Agreement** charge less claims paid.

Section (I.) General Provisions, # 1.d) is amended to include the following: If the Agreement is cancelled by Us for any reason other than for fraud or misrepresentation, a refund will be based on one hundred percent (100%) of the unearned pro-rata premium.

In Georgia:

Section (I.) General Provisions, # 1.b) is replaced with the following: In the event of cancellation You will receive a pro-rata refund of the **Agreement** price, regardless of the reason for cancellation. Claims paid shall not be deducted from any refund owed.

Section (I.) General Provisions # 1.c), is replaced with the following: In the event of cancellation within the first thirty (30) days of the receipt of this **Agreement**, You will be refunded the full Agreement price.

Section (I.) General Provisions, # 1.d) is replaced with the following: We reserve the right to cancel this **Agreement** upon thirty (30) days written notice, in the event of customer fraud, material misrepresentation, or failure to pay. You will receive a refund of the unearned pro-rata **Agreement** price. The notice of cancellation will include the reason and the effective date of cancellation.

Section (I.) General Provisions, # 1 is amended to include the following statements:

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.

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

Section (G.) Limit of Liability and Conditions, # 3 is amended to include, pre-existing conditions, defects or deficiencies known by You before the Effective Date.

Section (G.) Limit of Liability and Conditions is amended to include the following statement: If a claim covered by this Agreement is also covered by another agreement, then the claim will be paid on a pro-rata basis with such other agreement. If a claim covered by this Agreement is covered by an insurance policy, manufacturer's warranty or recall, or is the subject of any legal action, We shall pay only for the amount of the cost to repair or replace such covered product in excess of the amount due from that other insurance policy, manufacturer's warranty or recall, or subject of any legal action. In no event, however, shall we pay more than the applicable Limit of Liability.

In Louisiana:

Section (I.) General Provisions, # 1.d) is replaced with the following: **We reserve the right to cancel this Agreement upon thirty (30) days written notice**, at Your last known address. However, in the event of customer fraud, material misrepresentation, failure to pay, or termination as a customer, cancellation may be immediate. The notice of cancellation will include the reason and the effective date of cancellation.

In Michigan:

If performance of the Agreement is interrupted because of a strike or work stoppage at Our place of business, the effective period of the Agreement shall be extended for the period of the strike or work stoppage.

In Nevada:

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 and the Commissioner at pcinsinfo@doi.nv.gov 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. If You are not satisfied with the manner in which We are handling Your claim, You may contact the Commissioner of the Division of Insurance at 1-888-872-3234.

Section (I.) General Provisions # 1.b), is replaced with the following: In the event of cancellation, You will receive a pro-rata refund of the **Agreement** price.

Section (I.) General Provisions # 1.c), is replaced with the following: In the event of cancellation within the first thirty (30) days of the receipt of this **Agreement**, You will be refunded the full **Agreement** price. 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.

Section (I.) General Provisions # 1.d) is replaced with the following: We reserve the right to cancel this **Agreement** upon thirty (30) days written notice, in the event of customer fraud, material misrepresentation, or Your failure to pay. You will receive a refund of the unearned pro-rata **Agreement** price. We may also cancel this **Agreement** due to unauthorized repairs which result in a material change in the nature or extent of the risk, occurring after the first effective date of the current **Agreement**, which causes the risk of loss to be substantially and materially increased beyond that contemplated at the time the **Agreement** was issued or last renewed. If the **Agreement** has been in effect for seventy (70) days or more, We can only cancel this **Agreement** due to (1) unauthorized repairs which result in a material change in the nature or extent of the risk, occurring after the first effective date of the current **Agreement**, which causes the risk of loss to be substantially and materially increased beyond that contemplated at the time the **Agreement** was issued or last renewed; (2) Discovery of fraud or material misrepresentation by the holder in obtaining the **Agreement**, or in presenting a claim for service; (3) An act or omission by You or a violation by You of any condition of the **Agreement**, which occurred after the effective date of the **Agreement** and which substantially and materially increases the service required under the **Agreement**. If we cancel this **Agreement**, no cancellation fee will be imposed and no deduction for claims paid will be applied. If You are paying for your **Agreement** on a monthly basis, We may not deny service to You for non-payment of the monthly fee; however, upon fifteen (15) days' notice of such non-payment by You, Your **Agreement** will be cancelled. The notice of cancellation will include the reason and the effective date of cancellation.

Section (I.) General Provisions # 3, is replaced with the following: **Transfers:** This Agreement is transferable to a new owner of the existing address for a one-time \$25 transfer fee. This Agreement is non-transferable to a new address and is only valid for the original residence.

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 (I.) 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 Oklahoma:

Section (I.) General Provisions, # 1., a. through d., is deleted and replaced with the following: You may cancel this **Agreement** for any reason at any time. To cancel, contact American Residential Warranty in writing at 901 Yamato Road, Suite 100E, Boca Raton, FL 33431, Attn. Customer Service Department. 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 refund based on one hundred percent (100%) of the unearned pro rata premium, less a cancellation fee of ten percent (10%) of the unearned pro rata premium. 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.

The following statements have been added:
Coverage afforded under this contract is not guaranteed by the Oklahoma Insurance Guaranty Association.
Oklahoma service warranty statutes do not apply to commercial use references in service warranty contract.
AIG WarrantyGuard, Inc.'s Oklahoma license number is 44201456.

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.

In Oregon:

The following statement has been added: In Oregon, the license number for AWG WarrantyGuard, Inc. is 208059.

In South Carolina:

The following statement has been added: Complaints or questions about this **Agreement** may be directed to the South Carolina Department of Insurance, PO BOX 100105, Columbia, SC 29202-3105, Telephone # 1-803-737-6180.

In Texas:

Section (C.) 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**, the term **Agreement** is replaced with the term 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 (G.) Limit of Liability and Conditions, # 3 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 is amended to include the following: 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 (C.) Your Responsibilities Regarding Service is amended as follows: Emergency repairs: If Your covered failure results in a loss of heating, cooling, or electrical power to Your air conditioner or refrigerator/freezer, repairs on Your covered product will commence within 24 hours after You report Your claim by calling the number above. 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 (I.) General Provisions # 1.d, is replaced with 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.

The following statements have been added:

This **Agreement** is subject to limited regulation by the Utah Insurance Department. To file a complaint, contact the Utah Insurance Department.

Coverage afforded under this **Agreement** is not guaranteed by the Property and Casualty Guarantee Association.

In Washington:

Section (I.) General Provisions # 1.c), is replaced with the following: In the event of cancellation within the first thirty (30) days of the receipt of this **Agreement**, You will be refunded the full **Agreement** price, minus any paid claims. 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. This right to cancel the **Agreement** is not transferable and applies only to the original **Agreement** purchaser.

Section (I.) General Provisions # 1.d), is replaced with the following: We reserve the right to cancel this **Agreement** for any reason. If we cancel this **Agreement**, we will mail you written notice of such cancellation thirty (30) days prior to the effective date of such cancellation and state the true and actual reason for the cancellation.

Section (I.) General Provisions # 9, is replaced with the following: **This Agreement is not a contract of insurance**, but the obligations of the Obligor are secured by an insurance policy issued by Illinois National Insurance Co., 500 W. Madison St., 30th Floor, Chicago, IL 60661, Ph: (800) 250-3819. You may make a claim directly to the Insurer by contacting the Insurer at the address or phone number listed above. Please enclose a copy of your **Agreement** when sending correspondence to the Insurer..

In Wisconsin:

Section (I.) General Provisions # 1.a), is replaced with the following: You may cancel the **Agreement** by calling Us at 1-877-637-7890. Cancellation becomes effective at the end of the current month of coverage.

Section (I.) General Provisions # 1.c), is replaced with the following: In the event of cancellation within the first thirty (30) days of the receipt of this **Agreement**, You will be refunded the full **Agreement** price.

Section (I.) General Provisions # 1.d), is replaced with the following: We reserve the right to cancel this **Agreement** upon thirty (30) days written notice mailed to Your last known address. This **Agreement** may be cancelled by Us for nonpayment of the **Agreement** price, material misrepresentation by You to Us, or substantial breach of duties by You relating to the covered products or their use. The notice of cancellation will include the reason and the effective date of cancellation. If this **Agreement** is cancelled by Us for a reason other than nonpayment of the **Agreement** price or if You should cancel this **Agreement** anytime during the applicable term of this **Agreement** or after a claim has been made, We shall refund to You one hundred percent (100%) of the unearned pro-rata **Agreement** price, less any claims paid. In the event of a total

loss of property, You can cancel this **Agreement** and receive a pro-rata refund, less any claims paid. If We fail to credit a refund within forty-five (45) days after return of the **Agreement**, a ten percent (10%) penalty per month applies to any refund not paid or credited.

Section (I.) General Provisions of this **Agreement**, 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.

The following statements have been added:

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

The Insured will be made whole before the insurer may retain amounts it has recovered.

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** or to obtain preauthorization does not invalidate or reduce a claim, and We will not deny a claim unless We are prejudiced by such failure.

The Service Contract Provider is AIG WarrantyGuard, Inc., located at 500 West Madison, Suite 3000, Chicago, IL 60606-6613. Obligations of the provider under this **Agreement** are insured under a service contract reimbursement insurance policy.

In Alabama, Arkansas, Hawaii, Illinois, Maryland, Minnesota, New Mexico, New York, South Carolina, Utah, Wisconsin, & Wyoming:

Section (I.) General Provisions # 1.b), is replaced with the following: In the event of cancellation You will receive a pro-rata refund of the **Agreement** price, minus any paid claims.

In Arizona, Florida, Illinois, Utah, & Vermont:

Section (I.) General Provisions # 1.c), is replaced with the following: In the event of cancellation within the first thirty (30) days of the receipt of this **Agreement**, You will be refunded the full **Agreement** price, minus any paid claims.

In Alabama, Arkansas, Hawaii, Louisiana, Massachusetts, Maine, Maryland, Minnesota, Missouri, New Mexico, New York, South Carolina, Wisconsin & Wyoming:

Section (I.) General Provisions # 1.c), is replaced with the following: In the event of cancellation within the first thirty (30) days of the receipt of this **Agreement**, minus any paid claims, You will be refunded the full **Agreement** price. 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.