A. COVERAGE
1. During the coverage period, AHS will arrange for an AHS authorized service contractor (Service Contractor) to repair or replace the systems and appliances stated as covered in accordance with the terms and conditions of this contract so long as the systems and appliances:
   A. Are located within the confines of the main foundation of the home or attached or detached garage (with the exception of the exterior well pump, air conditioner, and pool or spa equipment, if selected);
   B. Become inoperative due to normal wear and tear;
   C. Are in good working order on the Effective Date of this contract (as defined below); and
   D. Are properly maintained and installed throughout the term of this contract for proper diagnosis.

2. This contract only covers single family homes and condominiums/townhomes/mobile homes (including manufactured housing) under 5,000 square feet, unless an alternative dwelling type (i.e. 5,000 square feet up to 10,000 square feet, or multiple units) is applied for by calling Sales at 1-800-776-4663 or online at www.ahsservice.com. Coverage is for owned or rented residential property, not commercial property or residences used as businesses, including, but not limited to, day care centers, fraternity/sorority houses, and nursing/care homes.

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

B. CONTRACT TERM
Coverage starts upon acceptance of application by AHS and receipt of applicable contract fees (Effective Date) and continues for 365 days from that date.

C. CUSTOMER SERVICE – TO REQUEST SERVICE CALL:
1-800-776-4663 OR VISIT www.ahsservice.com
1. You must notify AHS for work to be performed under this contract as soon as the problem is discovered. AHS will accept service calls 24 hours a day, 7 days a week at 1-800-776-4663 or online at www.ahsservice.com. Notice of any service request must be given to AHS prior to expiration of this contract.
2. Upon request for service, AHS will contact a Service Contractor within four (4) hours during normal business hours and forty-eight (48) hours on weekends and holidays. The Service Contractor will promptly contact you to schedule a mutually convenient appointment during normal business hours. AHS will determine what repairs constitute an emergency and will make reasonable efforts to expedite emergency service. If you should request AHS to perform non-emergency service outside of normal business hours, you will be responsible for payment of additional fees, including overtime.
3. AHS has the right to select the Service Contractor, which may be a service company affiliated with AHS, to perform the service. AHS will not reimburse for services performed without its prior approval.
4. You will pay $55 for each trade service call, or the actual cost, whichever is less. Additional charges may apply to certain repairs and replacements. The trade service call fee is for each call dispatched and scheduled to be run (except as noted in Section C.6.) including, but not limited to, service calls, wherein coverage is (in whole or in part) granted, excluded, limited or denied. Please note: the trade service call fee applies in the event you fail to be present at the scheduled time of the trade service call or in the event you cancel a call at the time the Service Contractor is in route to your home or the Service Contractor has already arrived at your home. The trade service call fee will be due and payable to the Service Contractor (or to AHS) at the time of the scheduled trade service call. AHS will not respond to any new requests for service until any previous outstanding trade service call fees are paid in full.
5. At the time the work begins and at appropriate time (s) thereafter, certain repairs and replacements may require you to allow a state or local building inspector access to your home. Failure to pay any required permit fee or to allow access to your home by the building inspector, will result in suspension of coverage (for that specific repair or replacement) until such time as the permit fee is paid or access is granted (as applicable). At that time, coverage will be reinstated; however, the contract term will not be extended.
6. If service work performed under this contract should fail, AHS will make the necessary repairs without an additional trade service call fee for a period of 90 days on parts and 30 days on labor.

D. ESSENTIAL PLAN COVERAGE – INCLUDES ITEMS:
D.1. – D.11.

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

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

NOTE: Where covered repairs require access to plumbing systems, AHS will only provide access to plumbing systems through unobstructed walls, ceilings or floors, and will return access openings to a rough finish. Obstructions include, but not limited to, accessible open spaces, p-trap, drain or overflow access points, and removing a toilet for a toilet stoppage only.

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

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

3. WATER HEATER (Gas, Electric, or Oil)
COVERED: All components and parts, including circulating pumps, except:

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

4. HEATING SYSTEM OR BUILT-IN WALL UNIT (Gas, Electric, or Oil if main source of heat to the home)
NOTE: Coverage available on heating and/or cooling systems not exceeding a five (5) ton capacity and designed for residential application.

COVERED: Heating systems including: heat pump; metering devices (i.e. thermal expansion valves); furnace; furnace transition; evaporator coils and drain lines; air handling unit; air handling transition; secondary drain pan and lines; and refrigerant lines are covered. Any of the foregoing covered components as well as plenum, indoor electrical, and duct connections are also covered when AHS determines that upgrading a heating system is required to maintain compatibility with equipment manufactured to be 13 SEER (Seasonal Energy Efficiency Ratio) and 7.8 HPSE (Heating Seasonal Performance Factor) compliant, or compliant with higher SEER or HPSE requirements.

NOT COVERED: All components and parts relating to geothermal, water source heat pumps, and well pump and well pump components for geothermal and/or water source heat pumps, baseboard casings - Fuel storage tanks - Portable units - Solar heating systems - Fireplaces and key valves - Filters - Registers - Grills - Clocks - Timers - Heat lamps - Humidifiers - Flues and vents - Improperly sized heating systems – Chimneys – Pellet stoves – Cable heat (in ceiling) – Wood stoves (even if only source of heating) – Systems with improperly matched condensing unit and evaporative coil per
THIS DOCUMENT CONTAINS IMPORTANT LEGAL INFORMATION.

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4. AHS is not liable for restoration of any wall coverings, floor coverings, cabinets, counter tops, tiling, paint, or the like, nor the repair of any cosmetic defects.
5. AHS is not responsible for electronic or computerized home management systems including, but not limited to, energy, lighting, security, appliances, entertainment, comfort or audio systems.
6. AHS is not responsible or liable for secondary, incidental and/or consequential loss or damage resulting from the malfunction of any covered item including, but not limited to, food spoilage, loss of income, utility bills, additional living expenses, personal and/or property damage, or authorized contractor’s service or delay in service.
7. AHS is not responsible or liable for any delay in service or failure to provide service caused by conditions beyond its control, including, but not limited to, delays in obtaining, or shortages of, parts and/or equipment, or labor difficulties.
8. AHS is not responsible or liable for repair of conditions or replacement caused by chemical or sedimentary build up, misuse or abuse, failure to clean or maintain, missing parts, structural changes, fire, freezing, electrical failure or surge, water damage, lightning, mud, earthquake, soil movement, storms, accidents, pest damage, acts of God, or failure due to excessive or inadequate water pressure.
9. AHS has the sole right to determine whether a covered system or appliance will be repaired or replaced. AHS is responsible for installing replacement equipment of similar features, capacity, and efficiency, but not for matching dimensions, brand or color. Except when repairing or upgrading covered systems to maintain compatibility with equipment manufactured to be 13 SEER or 7.7 HSPF compliant, or compliant with any higher SEER or HSPF requirements, AHS is not responsible or liable for upgrades, components, parts or equipment required due to: (a) the incompatibility of the existing equipment with the replacement system or appliance or component or any part thereof; or (b) any new type of chemical or material utilized to run the replacement equipment, including, but not limited to, differences in technology, refrigerant requirements, or efficiency as mandated by federal, state, or local governments. AHS is not responsible or liable for the cost of construction, carpentry, or other modifications made necessary by the existing equipment or installing different equipment.
10. AHS is not responsible or liable for repairs related to inadequacy, lack of capacity, misuse, improper installation, previous repair or design, manufacturer’s defect, and any modification to the system or appliance. AHS does not perform routine maintenance. You are responsible for providing maintenance and cleaning on covered items as specified by the manufacturer to ensure continued coverage on such items. For example: heating and air conditioning systems require periodic cleaning and/or replacement of filters and cleaning of evaporator and condenser coils. Water heaters require periodic flushing.
11. AHS reserves the right to obtain a second opinion at its expense.
12. This contract does not cover appliances or systems deemed or classified by the manufacturer as commercial.
13. AHS is not responsible for any repair, replacement, installation, or modification of any covered system, appliance, or component or part thereof: (a) that has been, or is, determined to be defective by the Consumer Product Safety Commission or the manufacturer; (b) that a manufacturer has issued, or issues, a warning or recall; (c) that has a malfunction caused by the manufacturer’s improper design, use of improper materials, formula, manufacturing process or other manufacturing defect; or (d) while still under an existing manufacturer’s, distributor’s, or in-home warranty.
14. AHS reserves the right to provide pre-approved reimbursement of itemized costs and cash back in lieu of repair or replacement. Both pre-approved reimbursement of itemized costs and cash back in lieu of repair or replacement will be based on what AHS would ordinarily expect to pay for the same parts and labor, which may be less than retail or your actual cost. Acceptable proof of your actual itemized costs must be provided to AHS before any reimbursement amount may be paid.
15. AHS reserves the right to rebuild a part or component, or replace with a rebuilt part or component.
16. AHS is not under any circumstances liable for the diagnosis, repair, removal or remediation of mold, mildew, bio-organic growth, rot or fungus, or any damages resulting from or related to mold, mildew, rot or fungus, even when caused by or related to the malfunction, repair or replacement of a covered system or appliance.
17. AHS will not contract to perform service nor pay costs involving hazardous or toxic materials including, but not limited to, asbestos, mold, lead paint, and sanitation of sewage spills, nor will it pay costs related to recapture or disposal of refrigerants, contaminants, hazardous, or toxic materials. AHS will only pay costs related to freon recapture if it is part of your coverage plan.
18. This contract does not cover fees associated with use of cranes needed to install or remove any equipment located on the roof top.
19. AHS is not responsible for the like-for-like replacement of appliances if the appliance contains any features that do not contribute to the appliance’s primary function including, without limitation, TVs or radios in refrigerators.

H. LAWS, REGULATIONS AND CODE REQUIREMENTS

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

I. MULTIPLE UNITS AND INVESTMENT PROPERTY

1. If this contract is for a duplex, triplex, or fourplex dwelling, then all unit(s) within such dwelling must be covered by one AHS contract for protection to apply to common systems. Should any unit within such dwelling not be covered as part of the one AHS contract, then AHS is not liable for common systems or appliances.
2. If this contract is for a dwelling within a multiple unit of five (5) dwelling units or more, then only items contained within the confines of each individual unit are covered. Common systems and appliances are not covered. 3. Except as otherwise provided in this section, common systems and appliances are not covered.

J. TRANSFER OF CONTRACT AND RENEWALS

1. If the covered property changes ownership during the contract term, please call the Sales phone number on the Contract Agreement page for further information to transfer coverage to the new owner.
2. This contract may be renewed at the option of AHS. In that event, you will be notified of the prevailing rates and terms for renewal.
3. If you select the monthly payment option and AHS elects to renew your contract, AHS will notify you of applicable rate and terms of renewal during the tenth month of your contract and you will automatically be renewed for an annual coverage period unless you notify AHS in writing 30 days prior to the expiration of the contract. Your first payment for the next contract will be construed as authorization for another 12-month contract.

K. CANCELLATION

A. This contract may be cancelled by the contract holder within the first 30 days following the Effective Date, unless otherwise mutually agreed upon by AHS and contract holder. In such cases, this contract shall be deemed void and the provider of funds shall be entitled to a full refund of the paid contract fees less any service (and claims) costs incurred by AHS.

B. This contract shall be non-cancelable by AHS, except: (1) for nonpayment of contract fees; (2) for fraud or misrepresentation of facts material to the issuance of this contract; (3) when the contract is for listing coverage and close of sale (escrow) does not occur, if applicable; or (4) upon mutual agreement of AHS and the contract holder. If AHS cancels or agrees to allow the contract holder to cancel after the 30th day, the provider of funds shall be entitled to a pro rata refund of the paid contract fees for the unexpired term, less: (a) an administrative fee of up to $35; and (b) any service (and claims) costs incurred by AHS (collectively, the “Cancellation Fees”). A 10% monthly penalty shall be added to refunds not paid or credited within 45 days after the return of this contract to AHS.

C. If the contract fees are billed through a mortgage loan that is later sold or paid in full, then uninterrupted coverage can be arranged by immediately calling (800) 247-4749 to establish an alternate payment method. This contract will be deemed cancelled if the contract holder fails to initiate such payment arrangements within 30 days (or such other time period for notice to the contract holder as set forth below). The law in the contract holder’s state (i.e. where residence is located) may revise this cancellation section. Therefore, the following provisions expressly modify the specific cancellation language set forth above:

ILLINOIS residents only: This contract is issued and served by American Home Shield Corporation. THIS IS NOT A CONTRACT OF INSURANCE. This contract may only be cancelled pursuant to the terms as provided herein. If cancelled, AHS shall have no further obligation, except as specified under
Items 1 and 2 as follows: (1) this contract may be cancelled by the contract holder during the first 30 days of coverage for a full refund of the paid contract fees, if and only if, no service has been provided under this contract. If so cancelled after 30 days by the contract holder, contract holder shall be entitled to a pro rata refund of the paid contract fees for the unexpired term, less a cancellation fee (incurred by AHS) of $30 or 10% of the contract price, whichever is less. (2) This contract may be cancelled by AHS or contract holder at any other time, and contract holder shall be entitled to a pro rata refund of the paid contract fees for the unexpired term, less the value of any services received and less a cancellation fee (incurred by AHS) of $30 or 10% of the contract price, whichever is less.

If the contract fees are billed through a mortgage loan that is later sold or paid in full, then uninterrupted coverage can be arranged by immediately calling (800) 247-4749 to establish an alternate payment method. This contract will be deemed cancelled if the contract holder fails to initiate such payment arrangements within 30 days.

MARYLAND residents only: This contract may be cancelled by the contract holder up to the 30th day from the effective date of this contract. In such cases, the provider of funds shall be entitled to a full refund of the paid contract fee less any service costs incurred by AHS. After the 30th day, this contract shall be non-cancelable by the contract holder, unless otherwise agreed by AHS. This contract shall be non-cancelable by AHS, except for the following reasons:
1. Nonpayment of contract fees;
2. Fraud or misrepresentation of facts material to the issuance of this contract;
3. When contract is for listing coverage and close of sale does not occur; or
4. Upon mutual agreement of AHS and the contract holder.

If AHS cancels or agrees to allow the contract holder to cancel after the 30th day, the provider of funds will be entitled to a pro rata refund of the paid contract fee for the unexpired term, less an administrative fee and any service costs incurred by AHS.

If the contract fees are billed through a mortgage loan that is later sold or paid in full, then uninterrupted coverage can be arranged by immediately calling (800) 247-4749 to establish an alternate payment method. This contract will be deemed cancelled if the contract holder fails to initiate such payment arrangements within 30 days.

MINNESOTA residents only: A. This contract may be cancelled by the contract holder within the first 30 days following the Effective Date, unless otherwise mutually agreed upon by AHS and the contract holder. In such cases, this contract shall be deemed void and the provider of funds shall be entitled to a full refund of the paid contract fees less any service (and claims) costs incurred by AHS.

B. This contract shall be non-cancelable by AHS, except:
1. Nonpayment of contract fees;
2. Fraud or misrepresentation of facts material to the issuance of this contract;
3. When the contract is for listing coverage and close of sale does not occur; or
4. Upon mutual agreement of AHS and the contract holder.

C. If the contract fees are billed through a mortgage loan that is later sold or paid in full, then uninterrupted coverage can be arranged by immediately calling (800) 247-4749 to establish an alternate payment method. This contract will be deemed cancelled if the contract holder fails to initiate such payment arrangements within 30 days.

NEW YORK residents only: A. This contract may be cancelled by the contract holder within the first 30 days following the Effective Date, unless otherwise mutually agreed upon by AHS and the contract holder. In such cases, this contract shall be deemed void and the provider of funds shall be entitled to a full refund of the paid contract fees less any service (and claims) costs incurred by AHS.

B. This contract shall be non-cancelable by AHS, except:
1. Nonpayment of contract fees;
2. Fraud or misrepresentation of facts material to the issuance of this contract;
3. When the contract is for listing coverage and close of sale (escrow) does not occur, if applicable; or
4. Upon mutual agreement of AHS and the contract holder.

If AHS cancels or agrees to allow the contract holder to cancel after the 30th day, the provider of funds shall be entitled to a pro rata refund of the paid contract fees for the unexpired term, less:
- (a) the administrative fee of up to $35; and
- (b) any service (and claims) costs incurred by AHS (collectively, the “Cancellation Fees”). A 10% penalty per month shall be added to a refund that is not made within 30 days of the return of this contract to AHS.
C. If the contract fees are billed through a mortgage loan that is later sold or paid in full, then uninterrupted coverage can be arranged by immediately calling (800) 247-4749 to establish an alternate payment method. This contract will be deemed cancelled if the contract holder fails to initiate such payment arrangements within 30 days.

L. MISCELLANEOUS

ILLINOIS residents only: Obligor is American Home Shield Corporation.
MARYLAND residents only: Information Dispute Resolution: AHS desires to promptly and fairly resolve any dispute that may arise between you and AHS. If such a dispute should arise, you must notify AHS of the dispute within 90 days from its occurrence by calling (866) 290-9195. AHS will work with you in an attempt to resolve such dispute. If the dispute cannot be resolved by the parties within 30 days from the date of your call, then the parties agree to submit the dispute to mediation. Unless otherwise agreed, the parties shall select a mediator in the state of Maryland and shall share equally in the costs of mediation. If mediation is unsuccessful, as a condition to your further pursuit of your claim, you agree to file suit within 90 days from the close of mediation or you will be barred from further pursuit of your claim.
MINNESOTA residents only: Obligations of the provider under this service contract are backed by the full faith and credit of the provider.
NEW HAMPSHIRE residents only:

IMPORTANT INFORMATION TO CONTRACT HOLDERS

If you need to contact someone about this contract for any reason, please contact American Home Shield Corporation at the following address and telephone number: American Home Shield Corporation, Post Office Box 849, Carroll, Iowa 51401, (800) 776-4663. If you have been unable to contact or obtain satisfaction from the Company, you may contact the New Hampshire State Insurance Department: 21 South Fruit Street, Suite 14, Concord NH 03301, (800) 852-3416. Written correspondence is preferable so that a record of your inquiry is maintained. When contacting the Company of the Insurance Department, have your contract number available.

NEW YORK residents only: Obligations of the Provider under this service contract are backed by the full faith and credit of the Provider.

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