

Action Home Warranty Service Contract

Service

Address _____

Date _____

Action Home Warranty, LLC. is a residential service provider of household systems and appliances. Action Home Warranty, LLC. agrees to repair or replace covered items in accordance with the terms and conditions of this contract (hereinafter referred to as “Service Contract”) or, at Action Home Warranty, LLC. sole discretion, to provide a cash payment in an amount equal to Action Home Warranty, LLC. actual cost to repair or replace such item(s). As used herein “Per Plan” means that Action Home Warranty, LLC. will provide coverage up to the specified dollar amount per system in this Service Contract. Action Home Warranty, LLC is the service contract seller and service contract provider.

Consumer _____ (name) is the service contract holder.

This Service Contract covers single-family dwellings, including manufactured homes, new construction homes, condominiums, townhomes, and mobile homes, under 6000 sq. ft., (unless otherwise approved by Action Home Warranty, LLC.). Coverage is for occupied, owned or rental residential property and does not include commercial property. Pricing, coverage’s, and terms listed are for properties involved in a real estate purchase transaction. For a home not involved in a real estate purchase transaction, please call us for a quote. All payments shall be paid up front prior to the service call being scheduled by credit or debit card. We may use the personal contact information provided for setting up and processing your warranty. We may also use this contact information provided for communicating with you about your account activities and events and for marketing purposes (such as providing you with special offers, additional coverage options and renewal programs). You can opt out of our email list by emailing our office through our website.

A. SERVICE OVERVIEW

1. This is a Contract for repair or replacement of specified appliances and home systems. This Contract covers only the Items specifically identified in this Contract as covered and excludes all others.

2. Items are not covered unless they are Properly installed and in good and safe working order at the start of coverage. Items are covered as long as they pass a normal operating systems test and visual inspection.

3. In accordance with the terms of the Contract, Action Home Warranty, LLC. hereinafter referred to as Action Home Warranty, We, Us, or Our, agrees to repair or replace systems and appliances mentioned as covered for the Home Seller and/or Buyer, hereinafter referred to as You or Contract Holder. We exclude all others.

4. To be covered, Items must be installed for diagnosis and located within the confines of the

perimeter of the foundation of the primary living quarters or garage (except well pump, septic tank, sewage ejector pump, pressure regulator, air conditioning and pool/spa,equipment; when applicable).

5.This Contract does not cover defects known prior to the Effective Date of coverage. Known defects are excluded from coverage until proof of repair(s) is received by Action Home Warranty. Action Home Warranty will provide coverage for unknown conditions if the condition would not have been detectable by the Buyer, Seller, Agent or Inspector through visual inspection and simple mechanical or normal operating systems test. Action HW will not cover items that have failed due to lack of general maintenance.

6.Items that become inoperable due to normal usage during the period of this contract will be covered as long as it is reported to Action Home Warranty and a proper claim is filed. Action Home Warranty will not reimburse you for services that have been performed by contractors or service providers without our prior authorization or approval.

7.Coverage is for Home Buyer/Seller Single Family Dwelling less than 5,000 sf. Coverage for homes over 5,000 sf. will require additional fees. Please call for a quote. Coverage is for owned or rented residential properties, not commercial properties or residences used as businesses (including daycares, nursing homes, etc).

8.Condominiums or Multi-family units covered by this contract are limited to the confines of the unit(s). Common equipment is not covered or eligible for coverage.

9.Pricing, Terms and Coverage listed are for properties involved in a Real Estate Transaction. For properties not involved in a Real Estate Transaction please Call For A Quote! Monthly payment options are available!

B. CONTRACT EFFECTIVE DATES

1.Buyer's Coverage will become effective at Closing or as determined by ordering party or Purchase contract and is in effect for 15 months. If Buyer takes possession prior to Close of Sale, the Payment is due and Coverage will begin upon Receipt of Payment. (Payment must be received or verified in writing within 14 days after Close of Sale).

2.Seller's Coverage becomes effective the day the application is received by Action Home Warranty and continues until the expiration of the Initial Listing Period (up to 180 days), Listing Termination, or Closing,(whichever occurs first). Seller's Coverage is not available on multi-unit Properties, Homes over 5,000 square feet or guest homes. In the event Closing does not occur in the 180-day period, Action Home Warranty may at our sole discretion extend the Seller's Coverage period. Pre-paid service fees, pre-existing conditions and Buyers options are not available to Sellers. Sellers are responsible for code upgrades and fees as determined by our contractors if item(s) need to be repaired or replaced. SELLER'S COVERAGE LIMITS:
1) Coverage provided for Home Seller's Heating & A/C System is subject to a combined \$500

maximum for diagnosis, repair or replacement during the Seller's Coverage Period. All Limitations of Liability apply.

3. New Construction and any optional Coverage begins on the first anniversary of the Close of Sale and continues for three years from that date, provided the Contract fee was received by Action Home Warranty within 14 working days from Close of Sale. All systems and appliances to be covered must be in good working condition at the time coverage begins. 4. Lease Option: Full Payment is due upon occupancy.

5. Non Real Estate Transactions: New contracts that are not part of a real estate transaction (within (30) thirty days of closing) include a (30) thirty day wait period before a claim can be opened. Coverage begins thirty (30) days after the Purchase Date (whether monthly or annual payment method). The initial annual term provides (14) Fourteen months of coverage from the Effective Date. All annual renewal terms thereafter will include (15) Fifteen months of coverage. For monthly payments, coverage will continue as long as all payments are made as scheduled. Annual contracts may be paid monthly or in full. All monthly plans automatically renew unless canceled by the contract holder or Non-renewed by Action Home Warranty. Monthly payments must be made by credit or debit card (Visa, Master Card, or American Express) and are subject to a \$5 per transaction processing fee.

C. TO REQUEST SERVICE

Service Call Fee \$75 payable by credit card or electronic transfer.

1. Action Home Warranty is Available via Phone 24 hours a day, 365 days a year. After the typical daytime business operating hours for repair technicians contracted by Action Home Warranty (from 8am-5pm) service call responses by repair technicians will be \$150. The number is (888) 982-9188

2. We require you to contact us so we may have the opportunity to select an independent professional contractor to perform the service. We will not reimburse you for services performed by your own contractor without prior authorization and in writing by one of our claim specialists and proper documentation.

3. When you call Action Home Warranty to Request Service, we will contact an independent professional contractor that specializes in that specific trade and they will contact you directly to schedule a convenient appointment during normal business hours. You will be responsible to pay the Service fee to the contractor when they arrive to perform service unless previous arrangements have been made. Your assigned independent professional contractor will typically call you within twenty-four hours during normal Business Hours (MST) to set your appointment that is convenient to both contract holder and contractor. No-show or improper notification to cancel service will result in a \$75.00 service fee.

4. To ensure you receive unbiased and reputable service, Action Home Warranty has built and approved an extensive network of Independent Professional Contractors who provide service to

our Contract Holders.

5. Our network is not all-inclusive for every trade or available in every city or town. For that reason, we may authorize or require you to contact your own Independent Professional Contractor (Outside our network) directly to obtain service. If so, a Claim Specialist will provide you with Independent Contractor requirements and pre-authorization requirements. Action Home Warranty will authorize payment or reimbursement for approved service and/or repairs, based on our negotiated rates with our Independent (in network) Contractors and Supply Warehouses.

6. Under normal circumstances, Action Home Warranty will initiate the performance of services within 48 hours after the request of the Contract Holder. In the event of an emergency, we will make reasonable efforts to expedite service within 24 hours. An emergency is defined as a failure resulting in 1) Plumbing failures causing secondary damage or flooding and water main cannot be shut off; 2) Complete failure or loss of heat or A/C in extreme temperatures; 3) A condition that immediately endangers health and safety; 4) A system failure that is causing ongoing damage to the home. If you should request us to perform a non-emergency Service Request outside of normal business hours, you will be responsible for payment of additional fees, including Emergency overtime and travel. This will be assessed by the Independent Contractor upon arrival.

7. a) Each Service Request placed will pertain to items of one trade only. b) Service items opened within the same Service Request for a different trade will be subject to an additional Service Call Fee (\$75). c) Additional fees may be required to open a Service Request for properties out of normal network boundaries or zip codes in rural areas. Please call Action Home Warranty for Details if you feel this may pertain to your covered property. d) Service Call Fee(s) are due whether service is covered or denied. Service work is guaranteed for 30 days after completion of repair.

8. It is the Contract Holder's obligation to select the trade type when requesting service. In the event the Contract Holder selects the wrong trade type the Contract Holder is required to pay a second service call fee to re-dispatch the appropriate service request. We cannot respond to a new Request of Service until all previous Service Call Fees are paid. Failure to pay the Service Call Fee will result in suspension of Coverage until such time as the proper fee is paid. At that time, Coverage will be reinstated, but the contract period will not be extended. Service work is guaranteed for 30-days after completion of repair.

9. It is the responsibility of the Contract Holder to have the Area of Service Work free and clear of non-related items for the Independent Contractor. In the event the area is not accessible, the contractor will return at a later date and the Contract Holder will be responsible for an additional Service Call Fee. Contract holder or a person age 18+ must be present at the time of service or be subject to rescheduling and an additional service call fee.

10. Management Properties: Contract holder or a person financially responsible for any out-of-pocket expenses must be present or be subject to rescheduling and an additional service call fee.

D. THIS CONTRACT DOES NOT COVER:

1. Repairs or replacement required as a result of Fire, Freeze, Flood or other Acts of God, Accidents, Vandalism, Improper Installation, Cosmetic Defects, Design Flaws, Manufacturers' Defects, Structural Defects, Power Failure, Shortage, Surge or Overload, Inadequate Capacity, Code Violations, or Items Not Listed As Covered In This Contract.

2. Failure from lack of maintenance or routine cleaning, Improper installations from Previous or Attempted Repair, Routine Maintenance as specified by manufacturer, Odors, Smells, Noises, Damage due to Pests or Pets, Neglect, Misuse, Abuse, Missing Parts, or Adjustments.

3. Action Home Warranty is not responsible for Consequential or Secondary Damage (including Consequential Damages due to a Service Contractor's conventional repair efforts of the primary item) nor for failure to provide timely service due to conditions beyond our control; including but not limited to, part or equipment delays or labor difficulties, Improper winterization, Lack of testing or inspection, Power failures and utility shut offs.

4. Action Home Warranty does not cover systems or appliances classified by the manufacturer as Commercial, Commercial Equipment modified for domestic use, or single family dwellings used for commercial purposes. For Example (Daycares or Specialized care centers).

5. You are responsible for providing proper Maintenance and cleaning on covered items as specified by the manufacturer to ensure continued coverage on such items. For Example: Changing furnace filters and cleaning Air Conditioning condenser coils, Cleaning Refrigerator Coils and Condenser.

6. Action Home Warranty is not, under any circumstances, responsible for the diagnosis, repair, removal or remediation of Mold, Mildew, Rot or Fungus, Meth, Radon or any damages resulting from or related to Mold, Mildew, Rot, Fungus, Meth or Radon even when caused by or related to the malfunction, repair or replacement of a covered system or appliance.

7. ACCESS: Action Home Warranty is not responsible for providing or closing access to covered items, except as noted under Limits for Plumbing . We are not responsible for additional charges to remove or install systems, appliances, or non-related equipment in order to make a covered repair, nor do we cover the cost of restoration of wall coverings, floor coverings, countertops etc.

8.Action Home Warranty does not cover Cost for cranes or other lifting equipment.

9.CODE UPGRADES/TOXIC MATERIALS/ PERMITS/ DISPOSAL: If upgrades are required, Action Home Warranty cannot perform service until you complete corrective work. If additional costs are incurred in order to comply with regulations, we will not be responsible for the added expense, nor will we pay any cost relating to permits. Action Home Warranty will not perform services involving hazardous or toxic materials including, but not limited to, Asbestos, Mold, Lead Paint, or Sanitation of Sewage Spills, nor will we pay costs related to recapture and/or disposal of Refrigerator/Freezer Refrigerants, Contaminants, Hazardous or Toxic Materials, Systems or Appliances.

10.REPAIR/REPLACEMENT/UPGRADING: Action Home Warranty is not responsible for delay in obtaining parts or replacement equipment. We reserve the right to repair and/or replace systems and appliances with non-original manufacturer's parts, including rebuilt or refurbished parts. If a part is obsolete or no longer available, Action Home Warranty will cash out the cost of the original part and include one hour of labor. We reserve the right to obtain a second opinion at our expense. We will not upgrade any covered item. We are responsible for providing installation of equipment comparable in features, capacity and efficiency, but not for matching in dimensions, color, or brand. We are not responsible for the cost of construction, carpentry, or other modifications made necessary by existing or installing different equipment. We reserve the right to provide cash in lieu of repair or replacement in the amount of our actual cost. When providing cash in lieu of replacement, installation is limited to one hour of labor for that specific contractor at our negotiated rate. Payment will be provided based on our negotiated rates with our Independent Contractors and Supply Warehouses, which may be less than retail. We are not responsible for work performed once you accept cash in lieu of service and that item will no longer be covered under this contract unless approved by us. If we provide reimbursement or cash in lieu of service the approximate time to issuance of a check is 10–14 business days.

11.Action Home Warranty is not responsible for upgrades, components, parts, or equipment required due to the incompatibility of the existing equipment with the replacement system, or appliance, or component, or part thereof, or with 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 (except noted in Central Air Conditioning).

12.Appliances or units with missing make, model, and/or serial numbers will not be covered under this contract.

13.Any covered item with a manufacturer's warranty already in place supersedes this contract. COVERAGE TIME:BUYERS: Buyers coverage begins on contract effective date and continues for 14 Months. Offer for future coverage is at the company's sole discretion. You'll be notified of rates and terms for continuation and terms of coverage pricing and payment options. SELLERS: Sellers coverage starts upon receipt of

contract number and continues until expiration of the initial listing. Not to exceed 180 days or until close of sale or listing cancellation (whichever is first). Sellers coverage may be extended at the discretion of Action Home Warranty. Home must be listed with a real estate professional.

NEW CONSTRUCTION: New construction coverage begins 12 months after the close of SALE and continues for 24 months.

RENEWALS: This contract may be renewed at our sole discretion. If approved for renewal you will be notified of the new rate and terms and conditions of the renewal. To ensure that your contract does not lapse in coverage we will notify you at the time of your contract expiration. Payment must be received prior to the expiration of the current active contract. Sellers coverage will expire automatically after 180 days or until close of sale or cancellation of listing (whichever is first).

TRANSFERS: This contract can be transferred at no cost to future owners of this property. Please NOTIFY Action Home Warranty to keep records of contract holders up to date.

CANCELLATION TERMS: Action Home Warranty may not cancel this contract during the initial term for which it was issued except for any of the following reasons; a) Nonpayment of Contract and Service fees when due.

b) Contract Holders attempt or misrepresentation of material facts.

c) This contract provides coverage prior to the time that an interest in residential property to which it attaches is sold and the sale of the residential property does not occur. d) The request for cancellation must be in writing unless allowed by law. e) If company cancels this contract, Company shall use the last known address on record to send by first-class mail a written notice to the contract holder at least 30 days prior to the cancellation that states the effective date and reason for cancellation.

f) If contract is canceled, homeowner or contract holder shall be entitled to a prorated refund of the paid contract fee for the expired term, Less the \$75 administrative fee and actual service costs incurred by Action Home Warranty.

g) If listing coverage is canceled after service has been performed and the contract fee has not yet been paid, the contract holder will be responsible for purchase of the contract, Or reimbursement to Action Home Warranty of the service costs incurred, Whichever is less. Cancellation may be made by the contract holder at any time if canceled within 30 days of acceptance of contract from Action Home Warranty and no service requests have been made. The contract holder is entitled to a full refund of the contract proceeds less a \$75 administrative fee.

h) Contract Holder may cancel anytime during their contract term of 15 months for a \$75.00 cancellation fee. Refunds will be prorated minus any service claims that were made during their contract term.

E. ACTION HOME WARRANTY COVERAGE PLAN \$695

HEATING SYSTEM COVERED: Primary Gas, Oil or Electric Heater, Radiant Heater, Heat Pump, Thermostat (basic thermostat including install up to \$100.00), (including Geothermal and/or water source heat pump components and parts located within the foundation of the home

or attached garage which heat the home). NOTE: Coverage available on Heating Systems that are the main source of heat to the home, with capacity not exceeding five (5) tons per unit (unlimited units covered).

EXCLUSIONS: Heat Lamps, Filters, Electronic Air Cleaners, Humidifiers, Furnace Vents & Flues, Ductwork, Flue Liners, Asbestos, Covered Ductwork, Wood or Pellet Stoves (even if only source of heating), Fireplaces (of any kind) and Key Valves, Inserts, Insulation, Dampers, Collapsed or Crushed Ductwork, Improperly Sized Systems or Systems with Mismatched Capacity per Manufacturer's Specifications, Zone Control Systems, Mini-Split Ductless Units, Zone Valves, Solar Space Heating & Cooling Systems, Outside or Underground Piping and Components for Geothermal and/or Water Source Heat Pumps, Indirect Water Heaters, Well Pumps and Well Pump Components for Geothermal and/or Water Source Heat Pumps, Freestanding Units, Maintenance or Cleaning, Noises. Wifi thermostats excluded. LIMITS: 1) \$1,500 maximum for diagnosis, repair or replacement of Geothermal, Hot Water, Boiler, Radiant Heat (including cable heat), Steam Circulating Heating System, and Water Source Heat Pumps.

SELLER'S COVERAGE LIMITS: 1) Coverage provided for Home Seller's Heating & A/C System is subject to a combined \$500 maximum for diagnosis, repair or replacement during the Seller's Coverage Period. All Limitations of Liability apply.

AIR CONDITIONER/COOLER* COVERED: Electric Central Air Conditioning including Condensers, Compressors, air handler. NOTE: Coverage available on Cooling Systems with capacity not exceeding five (5) tons per unit (unlimited units covered). If Action Home Warranty determines that the Air Conditioning unit must be replaced, we will replace the unit with a unit that meets the current Federal, State and/or Local Government efficiency standards and replace necessary covered components. Contract holder to be responsible for modifications including Air Handling Transition, Evaporator Coil, Refrigerant Lines, Secondary Drain Pan and Line, Plenum, Duct Transition and Indoor Electrical.

EXCLUSIONS: Gas Units, Filters, Dampers, Maintenance, Ductwork, Cleaning, Noise, Condenser Housing, Pads, Water Towers, Water Trays or Drip Pans of any kind, Roof Jacks & Stands, Improperly Sized Systems or Systems with Mismatched Capacity per Manufacturer's Specifications, Inaccessible or Non-Visible Coil Lines, all parts and components for Zone Control Systems, Mini-Split Ductless Units, Swamp Coolers, Chillers, Pre-Coolers, Freon Recapture/Recovery or Recharge. Leak detection. Wifi thermostats excluded.

SELLER'S COVERAGE LIMITS: 1) Coverage provided for Home Seller's Heating & A/C System is subject to a combined \$500 maximum for diagnosis, repair or replacement during the Seller's Coverage Period. All Limitations of Liability apply.

PRE-SEASON HEATING AND A/C SYSTEM TUNE-UPS (Buyers coverage only)

HEATING: For the cost of your contracts Service Call Fee, Action Home Warranty will send one of our Licensed HVAC contractors to perform One(1) Heating System Pre-Season Tune-up as follows: Action Home Warranty will check heat operations, check & tighten electrical connections, inspect pilot system, test safety switches, test limit switches, and check burners.

This tune up does not cover cleaning and general maintenance. AIR CONDITIONING: For the

cost of your contracts Service Call Fee, Action Home Warranty will send one of our Licensed HVAC contractors to perform the following for One(1) A/C Unit: test temperature split, system pressures, perform amp draw on condenser motor, evaporator motor and compressor, check condensate lines, check & tighten electrical connections, test capacitors, test safety switches. EXCLUSIONS (applies to heating and A/C tune-ups): Filters, Recharging of Freon or Refrigerant, Clearing of condensate line stoppages, Evaporator/Indoor coil cleaning including acid cleaning, Cleaning or unclogging services required to correct problems related to the lack of manufacturer recommended maintenance (filters must be replaced monthly). NOTE: The Contract Holder is responsible for scheduling the tune-up by calling (888) 982-9188). In the event a Contract Holder places an additional Service Request while the Contractor is performing a Pre-Season Tune-up at their home, the Contract Holder is required to pay an

additional Service Call Fee. LIMITS: Tune-ups are covered for one(1)unit. You will be responsible to pay the service contractor \$30 for each additional unit. Not available for Seller's Coverage.

PLUMBING SYSTEM COVERED: Drain Line Stoppages (soft clogs only within the foundation of the home snaked up to 25 feet), Toilets, Plumbing Pipe Leaks, Whirlpool Motor & Pump, Shower Valve, Diverter Valve, Instant Hot Water Dispenser, Sump Pump (ground water only), Recirculating Pump, Water Heater (up to 50 gal.).

EXCLUSIONS: Adjustments, Plumbing Fixtures including Faucets, Bathtub, Shower Base Pans & Enclosures, Toilet Lids & Seats, Sprinkler or Solar Systems, stop & waste valves, Water Heater Vents & Flues, Vent Pipes, Septic Tank, Stoppages that cannot be cleared with Cable, Hydro Jetting, Stoppages due to Roots, Water Heater Heat Pump Attachment, Sewage Ejector Pump, internal and external Hose Bibs, Expansion Tanks, Energy Conservation Units, Noise, Electrolysis, Water Softener, Whirlpool Jets, Water Filters, Water Purification Systems, Bidets, Jet Pumps, Conditions caused by Chemical, Calcium, or Sediment Build-up, Caulking, Grouting, Inadequate or Excessive Water Pressure, Flow Restrictions in Fresh Water Lines caused by Rust, Corrosion, or Chemical Deposits, Basket Strainers, Pop-up Assemblies, Stoppers, Diesel or Oil Fired Water Heaters, Heat Pump/Water Heater Combination Units, Indirect Water Heaters, Tankless Water Heaters, Power Vent Water Heater, Modular Home Lowboy/Short Electric and Gas Water Heaters, Leaks/Damage caused by Roots, Water Heater Drip Pans, Ice Maker Water Lines, Main Water Shut-off Valve. Manabloc Plumbing Systems. LIMITS: (1) \$500 maximum for diagnosis, repair or replacement for leaks in concrete encased water, drain, gas, or polybutylene piping. (2) Toilet Tanks NOTE: Company is not responsible for gaining or closing access to floors, walls or ceilings to locate the malfunction or to effect repair or replacement. (\$500 max payout for specialty water heaters). (3) Plumbing diagnosis max of 2 hours per item. APPLIANCES COVERED: Dishwasher, Garbage Disposal, Trash Compactor, Oven, Built-in Microwave, Range/Cooktop, Kitchen Exhaust Fan EXCLUSIONS: Pans, Trays, Lights or Light Sockets, Baskets, Buckets, Rollers, Racks, Handles, Door Seals, Runner Guards, Shelves, Interior Linings, Timers & Clocks (that do not affect the heating or cleaning operation of the unit), Knobs, Rotisseries, Meat Probes, Portable or Countertop Microwaves, Trim Kits, Halogen Units, Refrigerator/Oven Combination Units, and Oven Glass Tops. LIMITS: \$1,500 maximum to diagnose, repair, or replace on all appliances per contract. ELECTRICAL SYSTEM COVERED: Wiring, Panels and Subpanels*, Plugs, Switches and

Fuses, Junction Boxes, Circuit Breakers, Conduit, Exhaust Fan, Central Vac.

EXCLUSIONS: Light Fixtures and Wireless/Remote Switches, Bulbs, Ballasts, Vents.

Telephone Wiring, Heat Lamps, Intercoms, Alarms, Low-Voltage Relay Systems, Electronic or Computerized Energy Management or Lighting and Appliance Management Systems, DoorBell and related Wiring, Chimes, Saunas or Steam Rooms, Smoke Detectors, Ceiling Fans. Electrical main control panel on exterior of home excluded.

LIMITS: Electrical diagnosis max of 2 hours per contract (max payout for all electrical repairs \$1,000.00 per contract).

GARAGE DOOR OPENER COVERED: Motor, Capacitor, Eye Sensors, Switches, Receiver Unit, Carriage, Push Arm

EXCLUSIONS: Garage doors, Hinges, Springs, Remote Transmitters, Keypads, Chains, Cables, Adjustments, and Units not meeting current safety standards. Central Vac Exclusions: Hoses and accessories which are removable. Plumbing: Faucets (replaced with standard chrome when necessary), Shower Heads and Shower Arms, Toilet Replacement with like-quality up to \$300, Angle Stop and Gate/Ball Valves, interior hose bibs, Pressure Regulators*. Water Heater: Failures due to Water Heater Sediment. Heating System: Heat Lamps. Air Conditioner: Window Units. Max payout for refrigerant is \$150.00 per contract. Electrical: Attic Fans. Garage Door Opener: Hinges, Springs and Remote Transmitter/Key Pad. Trash Compactor: Lock and Key Assemblies EXCLUSIONS: Dishwasher: Racks, Baskets, Rollers, Door Hinges and Seals. Built-in Microwave: Interior Lining, Clocks, Shelves. Range/Oven/Cooktop: Clocks, Rotisseries, Racks, Handles, Knobs, and Interior Lining, Trash Compactor: Removable Buckets, Lock and Key Assemblies. Code Upgrades (\$250 per contract), Haul-Away of failed Systems or Appliances. We may provide, at our discretion, cash in lieu of repair. Code Upgrades: Action Home Warranty will pay to correct code upgrades, if required, to effect repair or replacement. Permits: Where local building permits are required prior to commencing replacement of a covered item, Action Home Warranty will pay for such permit. Action Home Warranty will not be responsible for replacement service when permits cannot be obtained. Improper Installation and Mismatched System: Action Home Warranty will repair or replace a covered item that was improperly installed, modified, or repaired prior to the term of this contract if the improper or mismatch system was unknown and could not have been detected by a normal systems test or visual inspection and was missed or unknown by all parties involved prior to the effective date of this contract. This does not include items pertaining to undersized heating and cooling systems relative to square footage of area being cooled or heated or damaged systems.-HaulAway: Action Home Warranty will pay the cost to remove a covered system, appliance, or component when Action Home Warranty is replacing a covered system, appliance or component. Ice Maker Coverage is provided if part is available. In cases where parts are not available, our obligation is limited to cash in lieu based on replacement cost of the ice maker.

LIMITS: Action Home Warranty will pay up to \$250 in the aggregate per contract for items related to Coverage with exception to Kitchen Refrigerator, Built-in Refrigerator, and Oven/Range (\$1,500 maximum to diagnose, repair or replace as per contract.) Washer and Dryer Coverage AND Water Softener

RE-KEY SERVICE (Buyers Coverage Only - \$75 Service Fee) \$75

COVERED: For the applicable Service Call Fee, Action Home Warranty will re-key up to 6

keyholes (including deadbolts) and provide 4 copies of the key. (\$120 Value!) NOTE: Action Home Warranty is not responsible for picking locks. Not available for Seller's Coverage.

PRE-PAID SERVICE CALL FEES AND BUYERS CREDITS Pre-paid service call fees and buyers credits are available for buyers coverage only. Pre-paid service fees can be paid for at the beginning of the contract start date. Pre-paid service call fees can be used for any service offered thru Action Home Warranty. Rekeying, pre-season tune ups and costs related to upgrades or modifications when required when a system or appliance needs to be repaired or replaced.

KITCHEN REFRIGERATOR (Single Compressor)

\$50 COVERED: Mechanical components and parts, which affect the operation.

EXCLUSIONS: For Kitchen Refrigerator, Built-in Refrigerator, and Wet Bar Refrigerator.

Refrigerant Recapture/Recovery/Recharge, Touch Pad Assembly, Plastic Mini Tubes, Ice Makers, Ice Crushers, Beverage Dispensers and their respective equipment, Interior Thermal Shells, Racks, Shelves, Removable Buckets and Trays, Door Seals, Food Spoilage, Trim Kits, Ice Maker Water Line, Freon or Coolant. **LIMITS:** \$1,500 maximum to diagnose, repair or replace Kitchen Refrigerator or Built-in Refrigerator. \$500 maximum to diagnose, repair and/or replace Wet Bar Refrigerator.

BUILT-IN KITCHEN REFRIGERATOR (Dual Compressor)

\$55 COVERED: Mechanical components and parts, which affect the operation.

EXCLUSIONS: For Kitchen Refrigerator, Built-in Refrigerator, and Wet Bar Refrigerator.

Refrigerant Recapture/Recovery/Recharge, Touch Pad Assembly, Plastic Mini Tubes, Ice Makers, Ice Crushers, Beverage Dispensers and their respective equipment, Interior Thermal Shells, Racks, Shelves, Removable Buckets and Trays, Door Seals, Food Spoilage, Trim Kits, Ice Maker Water Line, Freon or Coolant.

LIMITS: \$1,500 maximum to diagnose, repair or replace Kitchen Refrigerator or Built-in Refrigerator. \$500 maximum to diagnose, repair and/or replace Wet Bar Refrigerator.

WASHER - DRYER \$85 COVERED: Mechanical components and parts, which affect the operation. **EXCLUSIONS:** Touch Pad Assembly, Plastic Mini Tubes, Soap Dispenser, Knobs, Filter, Lint Screens, Venting, Dials, Interior Thermal Shells, Trim Kits, "All-in-One" Wash/Dry Units.

LIMITS: \$1,000 maximum to diagnose, repair or replace.

WELL PUMP (Domestic Use Only)* \$85 COVERED: Well Pump/ Booster Pump utilized for the main dwelling only, depending on the Option requested and payment paid.

EXCLUSIONS: Piping and Electrical Lines, Well Casing, Holding, Storage or Pressure Tank, Re-drilling of the Well, Control Boxes, Pressure Switches, Capacitors or Relays, Well Pump and Well Pump Components for Geothermal and/or Water Source Heat Pumps, Outside or Underground Piping and Components for Geothermal and/or Water Source Heat Pumps, Access to Repair well pump system. **LIMIT:**(One pump per contract, \$500.00 max payout).

BOOSTER PUMP* (Includes Well Pump Coverage Above)

\$150 COVERED: Well Pump/ Booster Pump utilized for the main dwelling only, depending on the Option requested and payment paid.

EXCLUSIONS: Piping and Electrical Lines, Well Casing, Holding, Storage or Pressure Tank, Re-drilling of the Well, Control Boxes, Pressure Switches, Capacitors or Relays, Well Pump

and Well Pump Components for Geothermal and/or Water Source Heat Pumps, Outside or Underground Piping and Components for Geothermal and/or Water Source Heat Pumps, Access to Repair well pump system.

WET BAR REFRIGERATOR

\$25 COVERED: (see Kitchen Refrigerator coverage, exclusions, and limits)

FREESTANDING ICE MAKER

\$45 COVERED: Compressor, Condenser Coil, Thermostat, Motor and Fill Valve, Evaporator.

EXCLUSIONS: Ice and Water Dispenser and respective equipment, Ice Crusher, Insulation and Interior Thermal Shells, Door Seals.

SEPTIC TANK PUMPING* (Per Tank)

\$85 COVERED: If stoppage is due to septic tank backup, we will pump the septic tank one time after coverage has been in place for six months (\$500.00 max payout). EXCLUSIONS: The cost of locating or gaining Access to tank, Chemical Treatments. GRINDER PUMP

\$150 COVERED: Sewage grinder pump utilized for the main dwelling only, up to 2HP.

EXCLUSIONS: Grinder Pump Station Housing, Electrical Panel Box, Piping and Electrical Lines. WATER SOFTENER \$45 COVERED: Mechanical components and parts, which affect the operation. EXCLUSIONS: Softening Agents, Resin Bed, Conditions caused by chemical, calcium, or sediment build-up/deposits, Filter and Related Components, Water Filtration and Purification Systems.

LIMITS: \$500 maximum to diagnose, repair or replace. This Contract does not cover all costs related to Major full system replacements. Contract Holders will be responsible for Code upgrades and Modifications that are not covered by this contract and will be responsible to pay them before full system replacements can be made unless plan upgrades apply: In typical Full System replacements of Water Heaters, Furnaces, and Air conditioning units there will be a cost to the contract holder that is usually just a fraction of what it would cost without a service contract; for Example; Ductwork modifications, Flues and Plenum, Water and Gas lines, Earthquake Straps are all examples of modifications. Lots of other service companies hide this in the contract and we like to be upfront about what costs and expenses you may have to pay.... It's the way we take Action!

WARRANTY COVERAGE DOLLAR LIMITATIONS FOR DIAGNOSIS, ACCESS,

REPAIR AND/OR REPLACEMENT: Concrete Encased Items (plumbing and ductwork)

\$500, Steam, Heated Water or Glycol Heating and Boilers \$1,500, Kitchen Refrigerator or

Oven/ Range \$1,500, Seller's Heating and Central Air Conditioning \$500, Septic Tank

System \$500, Toilet Replacement (per occurrence) \$300, Water Softener \$500. All coverage limits are per Contract unless otherwise specified.

Utah Residents Only: The service Contract or warranty is subject to limited regulation by the Utah Insurance Department. To file a complaint, contact the Utah Insurance Department. Coverage afforded under this Contract is not guaranteed by the Property and Casualty Guaranty Association. If Company cancels this Contract, Company shall use the last known address on record to send by first-class mail a written notice to the Contract holder at least 30 days prior to the cancellation that states the effective date and reason for cancellation. In such a case, the Contract holder shall be entitled to a pro rata refund. Your Duties You are responsible for the

following: (i) Protecting appliances/systems; (ii) Reporting claims promptly and (iii) Installing and maintaining appliances/systems following manufacturer's specifications. Arbitration All disputes and claims arising out of or relating to Contract must be resolved by binding arbitration. This agreement to arbitrate includes, but is not limited to, all disputes and claims between Company and the Homeowner, Company and the Seller, and claims that arose prior to purchase of the Contract. This agreement to arbitrate applies to Company, Homeowner and Seller, and their respective parent and subsidiary companies, affiliates, agents, employees, predecessors and successors in interest, assigns, heirs, spouses, and children. The arbitration must take place on an individual basis, and Company, the Homeowner and the Seller agree that they are waiving any right to a jury trial and to bring or participate in a class, representative, or private attorney general action, and further agree that the arbitrator lacks the power to consider claims for injunctive or declaratory relief, or to grant relief affecting anyone other than the individual claimant. The arbitration is governed by the Commercial Arbitration Rules and the Supplementary Procedures for Consumer Related Disputes (the "AAA Rules") of the American Arbitration Association ("AAA"), as modified by this Agreement, and will be administered by the AAA. Company will pay all AAA filing, administration and arbitrator fees for any arbitration it initiates and for any arbitration initiated by another party for which the value of the claims is \$75,000 or less, unless an arbitrator determines that the claims have been brought in bad faith or for an improper purpose, in which case the payment of AAA fees will be governed by the AAA Rules. A copy of these rules is available from the AAA's web site at www.adr.org or on request from the company. The arbitration award may include attorney's fees if allowed by federal, state, or other applicable laws and may be entered as a judgment in any court of proper jurisdiction. The arbitration will take place in the same county in which the property covered by the Home Warranty Contract is located. The Federal Arbitration Act will govern the interpretation, applicability and enforcement of this arbitration agreement. This arbitration agreement will survive the termination of this Warranty Contract. Notwithstanding this arbitration agreement, any party may, if it prefers, bring an individual action in small claims court.

All repairs are warrantied for 30 days from the claim start date. A policy must remain active for a repair to be warrantied.

CLASS ACTION WAIVER Any arbitration under these Terms and Conditions will take place on an individual basis; class arbitrations and class/representative/collective actions are not permitted. THE PARTIES AGREE THAT A PARTY MAY BRING CLAIM AGAINST THE OTHER ONLY IN EACH PARTY'S INDIVIDUAL CAPACITY, AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PUNITIVE CLASS, COLLECTIVE AND/ OR REPRESENTATIVE PROCEEDING, SUCH AS IN THE FORM OF A PRIVATE ATTORNEY GENERAL ACTION AGAINST THE OTHER. Further, unless both parties agree otherwise, the arbitrator may not consolidate more than one party's claims, and may not otherwise preside over any form of a representative or class proceeding.

Action Home Warranty LLC. does not cover: • Any item not listed specifically in our coverage list • Failures that happen for any reason other than normal wear and tear • Secondary damage • Accessing a needed repair behind an obstacle • Reimbursement for

repairs done outside claim filing procedure outlined above • Pre-existing failures, failures that occur due to improper maintenance, improper installation, or improper repairs. It is homeowners responsibility to provide proof that covered items are in proper working condition at the time of the warranty start date. If a unit is deemed non-repairable by an Action Home Warranty LLC. contractor, we will attempt to match the item being replaced with an item of similar features, but we are not obligated to match for color, dimensions or manufacturer name brand. Action Home Warranty reserves the right to determine when a cash-out is available. A cash-out payment may be granted in cases where parts are no longer available, the homeowner chooses to use a non-Action Home Warranty LLC. contractor, or a homeowner chooses to repair the item themselves.