

I. GENERAL COVERAGE PROVISIONS**A. Coverage**

1. During the Coverage Period, HWA's™ sole responsibility will be to arrange for an Authorized Repair Technician to provide Service(s) for Covered Systems and Components located on the Covered Property in accordance with the definitions, terms and conditions of this Contract.
2. Coverage will only apply to system and component malfunctions explicitly listed as "Included." Malfunctions which existed on the Coverage Period Start Date will be covered only if the malfunction was unknown and could not have been detectable by visual inspection or simple mechanical test. Certain items may not be covered by this Contract. Refer to the "Covered Systems and Components" and "Limitations and Exclusions" sections on the following pages for coverage details.
3. This Contract does not cover known defects.
4. HWA IS NOT AN AUTHORIZED REPAIR TECHNICIAN and will not actually be performing the repair or replacement of any systems or components.
5. HWA's obligation to pay for the repair or replacement of Covered Systems and Components under this Contract is limited to \$5,000 per Covered System and Component and \$15,000 in the aggregate during the Coverage Period, subject to the further limitations set forth herein.
6. This is not a contract for insurance. Obligations of the provider under this Contract are backed only by the full faith and credit of the provider (issuer) and are not guaranteed under a reimbursement insurance policy.

B. Definitions

1. "Authorized Repair Technician" means the service contractor HWA dispatches in response to Your request for Service.
2. "Contract" means this service contract between You and HWA including the Coverage Letter.
3. "Coverage Letter" means the letter attached to this Contract that includes Your specific coverage information.
4. "Coverage Period" means the duration of time identified on the Coverage Letter.
5. "Coverage Period Start Date" means the date listed on the Coverage Letter.
6. "Covered Property" means the address that is eligible for coverage and identified on the Coverage Letter. The Covered Property must be a single-family home, town home or condominium (including manufactured housing, which must be anchored to a permanent foundation and not moved during the duration of this Contract) under 5,000 square feet, unless:
 - a) An alternative dwelling type (i.e., 5,000 square feet or more, new construction or multiple units) is applied for by phoning 1-888-HWA-RELY; and
 - b) Such alternative dwelling type is approved by HWA as a Covered Property.
 Covered Property must be owned or rented residential-use property, not commercial property or residential property converted into a business.
7. "Covered System(s) and Component(s)" means: (i) systems and components as specifically described herein as "Included" and that are located inside the confines of the main foundation of the Covered Property; (ii) are in proper working order on the Coverage Period Start Date and (iii) become inoperative due to normal wear and tear, including breakdowns due to insufficient maintenance if at the time the issue or breakdown was unknown. Components shall be considered in proper working order if no defect is known or would have been detectable by a visual inspection or mechanical test on the Coverage Period Start Date. Attached garages, detached garages, exterior pools, spas, well pumps, septic tank pumps and air conditioners are included in this definition.
8. "Home Owner" means any Customer who is not a Home Seller.
9. "Home Seller" means a Customer who is selling the Covered Property and has elected to enroll in Listing Coverage as described herein.
10. "HWA" means Home Warranty of America, Inc.™
11. "Listing Coverage" means the Home Seller's coverage as described herein.
12. "Service" or "Services" mean the diagnosis and performance of the work, including parts and labor, to repair or replace any Covered System and Component that becomes inoperable due to a mechanical failure caused by routine wear and tear in accordance with the provisions set forth in this Contract.
13. "Trade Call Fee" means an amount due by You for a Service visit by an Authorized Repair Technician as listed on the Coverage Letter.
14. "You" and "Your" and the "Customer" means the person contracting for Services covered by this Contract and whose name(s) appear on the Coverage Letter.
15. "SEER Standard" means current U.S. Department of Energy Seasonal Energy Efficiency Ratio (SEER) requirement for the state of the Covered Property.

II. COVERAGE DURATION, RENEWAL & PAYMENT PLANS

- A. Listing Coverage for the property listed by Home Seller and coverage period starts on the Coverage Period Start Date and continues until the earliest to occur of the following (i) the sale of the Covered Property, (ii) the expiration or cancellation of the listing of the Covered Property, or (iii) 180 days from the Coverage Period Start Date (the "Listing Period", including any extension thereof). Optional coverage for HVAC units must be added or removed within 24 hours of initial order date. HWA, in its sole discretion, may extend Home Seller's Listing Coverage after expiration of the initial 180-day period. Listing Coverage is only available if property is listed with a licensed real estate professional and the listing property is either owner occupied or vacant at the time the initial order for coverage is placed. HWA's obligation to pay for the repair or replacement of Covered Systems and Components under Listing Coverage is limited to \$250 per occurrence and \$1,500 in the aggregate during the Contract Period, subject to the further limitations set forth herein.
- B. If payment is made in full on or before the Coverage Period Start Date, Home Owner's coverage begins on the Coverage Period Start Date and ends on the last day of the Coverage Period, as set forth in the Coverage Letter. Optional coverage may be added within 30 days of Coverage Period Start Date, after which, coverage eligibility is subject to a 30-day waiting period. If the Contract was entered into as part of a real estate transaction and ordered by a licensed real estate professional, title company or financial institution, Home Owner's coverage, as set forth in the Coverage Letter, is subject to a 14-day payment grace period. Coverage may be renewed for an additional one (1) year period ("Renewal Term") as described in more detail below.
- C. THIRTY (30) DAYS PRIOR TO THE EXPIRATION OF THE INITIAL COVERAGE PERIOD, WE WILL CONTACT YOU WITH THE TERMS (INCLUDING PRICE) OF A ONE (1) YEAR RENEWAL PERIOD. FOLLOWING THE EXPIRATION OF THE INITIAL COVERAGE PERIOD, IF YOU ELECT TO RENEW THIS CONTRACT FOR AN ADDITIONAL ONE (1) YEAR PERIOD (THE "INITIAL RENEWAL PERIOD"), THEN YOU WILL BE ENROLLED IN AN AUTOMATIC RENEWAL OF THIS CONTRACT FOR ADDITIONAL ONE (1) YEAR PERIOD(S) THEREAFTER (THE "ADDITIONAL RENEWAL PERIOD(S)"). THE INITIAL RENEWAL PERIOD AND ADDITIONAL RENEWAL PERIOD(S) ARE REFERRED TO COLLECTIVELY AS "RENEWAL PERIODS". THIRTY (30) DAYS PRIOR TO THE EXPIRATION OF COVERAGE DURING THE CURRENT RENEWAL PERIOD, WE WILL NOTIFY YOU OF THE TERMS (INCLUDING AN INCREASE TO PRICE, IF APPLICABLE) OF ANY ADDITIONAL RENEWAL PERIOD.
- D. UPON RENEWAL OF THE INITIAL RENEWAL PERIOD YOU WILL AUTOMATICALLY BE RENEWED FOR SUBSEQUENT ADDITIONAL RENEWAL PERIODS UNLESS YOU NOTIFY US, IN WRITING, PRIOR TO THE PLAN EXPIRATION, BY MAIL: P.O. BOX 850, LINCOLNSHIRE, IL 60069 OR BY EMAIL: CANCEL@HWAHOMEWARRANTY.COM. IF YOU REQUEST TO CANCEL AFTER AUTOMATIC RENEWAL TAKES PLACE, WE WILL HONOR YOUR REQUEST TO CANCEL IMMEDIATELY PURSUANT TO SECTION VIII.E. BELOW. IF YOU HAVE ANY QUESTIONS, OUR TOLL FREE NUMBER IS 1-888-492-7359. YOU MAY CANCEL THIS CONTRACT AT ANY TIME AS DESCRIBED IN SECTION VIII.E BELOW.
- E. You will select your payment method upon order of this Contract, or at time of renewal during the Initial Renewal Period. Payment may be made in: twelve (12) monthly installments; three (3) installments; or in full at the commencement of the Initial Renewal Period or any Additional Renewal Period. Contracts enrolled in monthly installment payment plans will auto-renew prior to expiration of Initial Contract Period and Additional Renewal Periods. You agree to make payment and understand and agree such payments will be drafted from a pre-authorized credit card or checking account (unless You pay by check), based on the payment plan You choose. You will not receive a monthly or annual bill. If Your payments are not current, We may refuse to provide service under this Contract. Except as otherwise specifically stated in this Contract, Your payments are non-refundable.

III. SERVICE CALLS

- A. As soon as the problem is discovered, You or Your agent (including tenant if specifically authorized by the Home Owner) must notify HWA for Service Requests to be performed under this Contract. HWA will accept Service Requests 24 hours a day, 7 days a week, 365 days a year at 1-888-HWA-RELY or online at www.HWAHomeWarranty.com. To be eligible for coverage, notice must be given to HWA prior to expiration of this Contract.
- B. HWA will dispatch Service Requests to an Authorized Repair Technician within 48 hours. If you should request HWA to perform non-emergency Service outside of normal business hours, you will be responsible for any additional fees and/or overtime charges.
- C. In emergency situations (emergency usually considered to be loss of life or peril) HWA will determine what repairs constitute an emergency and will make reasonable efforts to expedite emergency Service.

- D.** HWA has the sole and absolute right to select the Authorized Repair Technician to perform the Service; HWA will not reimburse for Services performed without its prior approval.
- E.** You will pay the Trade Call Fee or the actual cost of the Services covered under this Contract, whichever is less. The Trade Call Fee is for each visit by an Authorized Repair Technician, except as noted below, and is payable to the Authorized Repair Technician at the time of each visit. The Trade Call Fee applies to each call dispatched and scheduled, including but not limited to those calls wherein coverage is deemed Excluded, or denied. The Trade Call Fee is due if you fail to be present at a scheduled time, or in the event you cancel a Service call at the time an Authorized Repair Technician is on the way to Your home or already at Your home. Failure to pay the Trade Call Fee will result in suspension of coverage until such time as the proper Trade Call Fee is paid. After the Trade Call Fee is paid, coverage will be reinstated, but the Coverage Period will not be extended to cover the time of suspension.
- F.** If Services performed under this Contract should fail, then HWA will provide for the necessary repairs without an additional Trade Call Fee for a period of 90 days on parts and 30 days on labor.
- G.** No Services will be provided if the Authorized Repair Technician is prevented from entering a Covered Property due to the presence of animals, insects, unsafe conditions, or if the equipment is not easily accessible. In this event the Trade Call Fee will still be payable.

IV. COVERAGE SYSTEMS AND COMPONENTS

The following systems and components are covered for the Home Owner only to the extent items are labeled as "Included" below and are subject to all other provisions, limitations and exclusions in this Contract, including the Limitations and Exclusions section.

If Seller's Coverage is elected and listed on the Coverage Letter then coverage in this section will apply in the same manner during the listing period for the Home Seller with the following limitations:

1. Premium Coverage is not included or available.
2. Seller's Coverage is not available for sellers of investment and/or rental property.
3. The Covered Property must be occupied by the owner or vacant to be eligible for Seller's Coverage.
4. A maximum of \$1,500 in the aggregate will be paid during the listing period for any combination of Services provided for Heating System, Ductwork and Air Conditioning/Cooling sections listed below.

A. HEATING SYSTEM

INCLUDED: All components and parts necessary for the operation of the system (including heat pumps which cool or heat the home). For geothermal/water source heat pumps, all components and parts that are located within the foundation of the home or attached garage. For units below SEER standard and/or R-22 equipment standards; when HWA is unable to facilitate repair/replacement of failed Covered Systems and Components at the current SEER rating or with R-22 equipment, repair/replacement will be performed with SEER equipment, R-410A equipment and/or 7.7 HSPF or higher compliant and plenum, indoor electrical and duct connections and air handling transition when requiring SEER or R-410A compatibility changes.

EXCLUDED: Baseboard casings - Oil storage tanks - Portable units - Solar heating systems - Fireplaces and key valves - Filters - Electronic air cleaners - Registers - Grills - Clocks - Timers - Heat lamps - Fuel storage tanks - Vents - Humidifiers - Commercial grade equipment - Gas heat pump systems - Improper use of metering devices (i.e. thermal expansion valves) - Outside or underground piping and components for geothermal and/or water source heat pumps - Systems with mismatched condensing unit and evaporative coil per manufacturer specifications - Improper use of metering devices (i.e. thermal expansion valves) - HWA is not responsible for the costs associated with matching dimensions, brand or color made - Except for when optional coverage is purchased with this Contract, HWA will not pay for any modifications or upgrades necessitated by the repair of existing equipment or the installation of new equipment - Condensate pumps - Electronic, computerized, and manual systems management and zone controllers - After-market inducer fan motors - Pellet stoves - Cable heat - Wood stoves - Solar Heating and Components - Cost for crane rentals.

LIMITATIONS: Coverage under this section is limited to the main heating source not to exceed a 5 ton capacity. HWA will pay no more than \$1,500 per Covered System and Component for diagnosis, access, and repair or replacement of any hot water or steam circulating heating systems, geothermal system and/or water source heat pump or any glycol system.

PREMIUM COVERAGE INCLUDES: Filters and Heat Lamps

B. DUCTWORK

INCLUDED: Duct from heating unit to point of attachment at registers or grills.

EXCLUDED: Registers and grills - Insulation - Asbestos-insulated ductwork - Flues, vents and breaching - Ductwork exposed to outside elements - Separation due to settlement and/or lack of support - Damper motors - Electronic, computerized, and manual systems management and zone controllers - Diagnostic testing of, or locating leaks to, ductwork, including but not limited to as required by any federal, state or local law, ordinance or regulation, or when required due to the installation or replacement of system equipment.

LIMITATIONS: When authorized repairs require access to ductwork, HWA will only provide diagnosis, repair, sealing, or replacement to ductwork through unobstructed walls, ceilings or floors (obstructions include but are not limited to floor coverings, appliances, systems and cabinets). If the ductwork is accessible only through concrete encased floor, wall, or ceiling, HWA will pay no more than \$1,000 for diagnosis, repair or replacement of such ductwork, but will not cover any costs as a result of or determined by diagnostic testing.

C. PLUMBING SYSTEM

INCLUDED: Leaks and breaks of water, drain, gas, waste or vent lines, except if caused by freezing or roots - Toilet tanks, bowls and mechanisms (replaced with builder's standard as necessary), toilet wax ring seals - Instant hot water dispensers - Valves for shower, tub, and diverter angle stops, rinses and gate valves - Permanently installed interior sump pumps (used for storm water only) - Built-in bathtub whirlpool motor and pump assemblies - Pressure regulators - Recirculating pumps - Stoppages/Clogs, including hydro jetting, in drain and sewer lines up to 125' from access point. Polybutylene piping is covered up to \$1,000 in the aggregate during the Coverage Period. Main line stoppages are only covered if a ground level clean out is available.

EXCLUDED: Stoppages and clogs in drain and sewer lines that cannot be cleared by cable, hydro jetting or due to roots, collapsed, broken, or damaged lines outside the confines of the main foundation (even if within 125' of access point) - Stoppages and clogs that can only be cleared through roof vent - Access to drain or sewer lines from vent or removal of water closets and/or toilets - Cost to locate, access or install ground level clean out - Hose bibs - Collapse of or damage to water, drain, gas, waste or vent lines caused by freezing, settlement and/or roots - Fixtures, cartridges, shower heads and shower arms - Bathtubs and showers - Shower enclosures and base pans - Bath tub drain mechanisms - Sinks - Toilet lids and seats - Cabling or grouting - Whirlpool jets - Septic tanks - Water softeners - 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 - Saunas or steam rooms - Back up and battery sump pump systems - Basket strainers.

LIMITATIONS: HWA will pay no more than \$1,000 for diagnosis, repair or replacement of any Covered System and Component that is concrete encased or otherwise inaccessible. HWA will pay no more than \$2,000 in the aggregate during the Coverage Period for any and all plumbing repairs required due to rust.

PREMIUM COVERAGE INCLUDES: Fixtures and cartridges, faucets, shower heads and shower arms (replaced with chrome builders standard) - Interior hose bibs - Toilets of similar quality (\$500 limit on toilets).

D. WATER HEATER (Gas, Tankless, Electric or Oil)

INCLUDED: All components and parts, including circulating pumps.

EXCLUDED: Solar water heaters - Solar components - Fuel, holding or storage tanks - Noise - Energy management systems - Flues and vents - Commercial grade equipment - Problems resulting from sediment - Units exceeding 75 gallons - Drain pans and drain lines.

LIMITATIONS: HWA will pay no more than \$1,000 in the aggregate during the Coverage Period for repair or replacement of tankless or oil water heater.

PREMIUM COVERAGE INCLUDES: Problems resulting from sediment.

E. ELECTRICAL SYSTEM

INCLUDED: All components and parts.

EXCLUDED: Fixtures - Carbon monoxide alarms, detectors or related systems - Intercoms and doorbell systems associated with Intercoms - Inadequate wiring capacity - Solar power systems and panels - Direct current (D.C.) wiring or components - Attic and Whole House fans - Commercial grade equipment - Damages due to power failure or surge, or loads greater than the system's design - Circuit overload - Solar components - Energy management systems.

LIMITATIONS: HWA will pay no more than \$2,000 in the aggregate during the Coverage Period for any and all covered electrical repairs required due to rust.

F. KITCHEN APPLIANCES

1. Dishwasher (Built-in)

INCLUDED: All components and parts.

EXCLUDED: Racks - Baskets - Rollers - Door seals – Portable dishwashers.

PREMIUM COVERAGE INCLUDES: Racks - Baskets - Rollers - Door seals.

2. Garbage Disposal

INCLUDED: All components and parts, including entire unit.

EXCLUDED: Problems and/or jams caused by bones and foreign objects other than food.

3. Built-in Microwave Oven

INCLUDED: All components and parts.

EXCLUDED: Interior linings - Door glass - Clocks - Shelves - Portable or counter top units - Meat probe assemblies - Rotisseries - Door seals - Lighting and handles - Glass.

PREMIUM COVERAGE INCLUDES: Interior linings - Rotisseries - Clocks - Door seals - Lighting and handles.

4. Range/oven/cooktop (Gas or Electric; Built-in, or Free Standing)

INCLUDED: All components and parts.

EXCLUDED: Clocks (unless they affect the cooking function of the oven) - Meat probe assemblies - Rotisseries - Racks - Handles - Knobs - Sensi-heat burners will only be replaced with standard burners - Door seals - Lighting and handles - Glass – Portable range/oven/cooktop.

PREMIUM COVERAGE INCLUDES: Racks - Rotisseries - Clocks - Door seals - Lighting - Handles and knobs.

5. Trash Compactor (Built-in)

INCLUDED: All components and parts.

EXCLUDED: Lock and key assemblies - Removable buckets - Door seals – Portable trash compactor.

PREMIUM COVERAGE INCLUDES: Removable buckets- Door seals.

G. DOOR BELLS

INCLUDED: All components and parts.

EXCLUDED: Door bells associated with Intercom Systems. Battery operated door bells.

H. CEILING FANS AND EXHAUST FANS

INCLUDED: Motors - Switches - Controls - Bearings - Blades.

EXCLUDED: Whole house fans - Belts – Shutters - Filters - Lighting.

LIMITATIONS: HWA will pay no more than \$400 in the aggregate during the Coverage Period.

I. CENTRAL VACUUM

INCLUDED: All mechanical system components and parts.

EXCLUDED: Duct work – Blockages – Accessories.

LIMITATIONS: HWA will pay no more than \$400 in the aggregate during the Coverage Period.

J. BURGLAR AND FIRE ALARM SYSTEMS

INCLUDED: All components and parts.

EXCLUDED: Any wiring or parts located outside the main confines of the foundation of the home - Batteries - Video cameras - Video monitors - Sprinkler alarms and systems.

LIMITATIONS: HWA will pay no more than \$400 in the aggregate during the Coverage Period for diagnosis and repair of each burglar and fire alarm system.

K. PEST CONTROL

INCLUDED: Roaches – Ants (except Fire, Pharaoh and Carpenter varieties) – Silverfish – Black widow spiders – Earwigs – Brown recluse spiders – Millipedes – Mice – Crickets – Ground beetles – Pillbugs – Sowbugs – Clover mites – Centipedes

EXCLUDED: Termites – Fungus – Wood boring beetles – Rats – Flying insects – Fleas – Ticks – Any pests not specifically listed as included.

L. INSTANT HOT WATER DISPENSER

INCLUDED: All components and parts.

M. BUILT-IN FOOD CENTER

INCLUDED: All components and parts.

EXCLUDED: Removable accessories.

N. GARAGE DOOR SYSTEMS

INCLUDED: All components and parts of the garage door opener.

EXCLUDED: Garage doors - Infra-red sensors - Chains - Tracks - Rollers - Hinges and springs – Remote receiving/transmitting devices.

PREMIUM COVERAGE INCLUDES: Remote receiving/transmitting devices – Hinges and springs.

V. OPTIONAL COVERAGE AVAILABLE ONLY TO HOME OWNERS

The following coverage is available at the option of the Home Owner, cover only items specifically labeled as “Included” and are subject to all other provisions, limitations and exclusions in this Contract. Optional coverage is not available to Home Sellers.

A. WASHER/DRYER PACKAGE

1. Clothes Washer

INCLUDED: All components and parts.

EXCLUDED: Plastic mini-tubs - Soap dispensers - Filter screens - Knobs and dials - Damage to clothing - Door seals.

2. Clothes Dryer

INCLUDED: All components and parts.

EXCLUDED: Venting - Lint screens - Knobs and dials - Damage to clothing - Door seals.

B. KITCHEN REFRIGERATOR WITH ICE MAKER

INCLUDED: All components and parts, including integral freezer unit.

EXCLUDED: Racks - Shelves - Ice crushers - Water and Ice dispensers and their respective equipment - Water lines and valve to ice maker – Mini fridges – Wine coolers -Interior thermal shells - Freezers which are not an integral part of the refrigerator - Food spoilage - Door seals - Lighting and handles - Units moved out of the kitchen - Audio/visual components and internet connection equipment

LIMITATIONS: HWA will pay no more than \$400 in the aggregate during the Contract Period for Wet Bar repair or replacement.

C. STAND ALONE APPLIANCES

This coverage is available for each additional Stand-Alone Refrigerator, or Freezer.

INCLUDED: All components and parts, including integral freezer unit.

EXCLUDED: Racks - Shelves - Ice crushers - Water and ice dispensers and their respective equipment - Water lines and valve to ice maker - Mini fridges - Wine coolers - Interior thermal shells - Freezers which are not an integral part of the refrigerator - Food spoilage - Door seals - Lighting and handles - Units moved out of the kitchen - Audio/visual components and internet connection equipment.

LIMITATIONS: HWA will pay no more than \$1,000 in the aggregate during the Coverage Period for repair or replacement on Stand Alone Ice Maker or Stand Alone Freezer and no more than \$400 in the aggregate during the Coverage Period for Wet Bar repair or replacement.

D. PREMIUM COVERAGE UPGRADE (Included in the Platinum Plan only)

INCLUDED: Premium Coverage adds certain coverage to the heating, cooling, plumbing, and kitchen appliances that are otherwise excluded. Additional applicable coverages are labeled as “Premium Coverage Includes” in the Covered Systems and Components and Optional Coverage sections of this Contract.

E. AIR CONDITIONING/COOLER (not exceeding 5 ton capacity and designed for residential use) (Included in the Platinum Plan only)

INCLUDED: Ducted electric central air conditioning, ducted electric wall air conditioning, geothermal/water source heat pumps, and water evaporative coolers - All components and parts, For geothermal/water source heat pumps, all components and parts that are located within the foundation of the home or attached garage, for units below SEER standard and/or R-410A equipment and when HWA is unable to facilitate repair/replacement of failed covered equipment at the current SEER/R-410A rating or with R-22 equipment, repair/replacement will be performed with SEER/R-410A equipment, and/or 7.7 HSPF or higher compliant and plenum, indoor electrical, duct connections and air handling transition when requiring SEER or R-410A compatibility changes.

EXCLUDED: Gas air conditioning systems - Condenser casings - Registers and Grills - Filters - Electronic air cleaners - Window units - Non-ducted wall units - Water towers - Humidifiers - Improperly sized units - Chillers and Chiller Components - Commercial grade equipment - Outside or underground piping and components for geothermal and/or water source heat pumps - All exterior condensing, cooling and pump pads - Roof mounts, jacks, stands or supports - Condensate pumps - Electronic, computerized, and manual systems management and zone controllers - Air conditioning with mismatched condensing unit and evaporative coil per manufacturer specifications - Improper use of metering devices (i.e. thermal expansion valves) - HWA is not responsible for the costs associated with matching dimensions, brand or color made - Except for when optional coverage is purchased with this Contract, HWA will not pay for any modifications or upgrades necessitated by the repair of existing equipment or the installation of new equipment or additional costs associated with evacuating the system of R-22 or cleaning the system of R-22 - Cost for crane rentals.

PREMIUM COVERAGE INCLUDES: Filters, costs related to Freon recapture and window units.

F. ORANGEPLUS (Included in the Platinum plan only)

INCLUDED: This plan includes coverage of building code violations up to \$250 per Contract Period - Includes coverage of building permits up to \$250 per occurrence - Increases toilet replacement of similar quality up to \$600 in the aggregate - Increases professional series appliances to \$2,500 in the aggregate - Removal of all defective equipment that is replaced by HWA under the terms of this Contract - Improperly matched and/or installed systems defined as follows: HWA will repair or replace any Covered Systems and Components that fails or is identified due to an associated failure that was not properly matched in size or efficiency, and/or improperly installed prior to or during the Coverage Period, provided that it was unknown or could not be known to the Home Seller, Home Owner, real estate or other agent by a visual inspection or simple mechanical test prior to the Coverage Period Start Date.

LIMITATIONS: HWA will pay no more than \$750 in the aggregate during the Coverage Period for any improperly mismatched and/or unknown improper installation.

G. IN GROUND OR BUILT INTO A PATIO OR DECK POOL AND/OR SPA EQUIPMENT

INCLUDED: Both pool and spa (including exterior hot tub and whirlpool) are covered if they utilize common equipment - If they do not utilize common equipment, then only one or the other is covered unless an additional coverage fee is paid - Coverage applies to all above ground components and parts of the heating, pumping and filtration system - including pool sweep motors and timers.

EXCLUDED: Lights - Liners - Concrete encased above ground or underground electrical, plumbing or gas lines - Structural defects - Solar equipment - Jets - Fuel storage tanks - Control Panels - Control Switches - Computerized Control Boards - Built in or detachable cleaning equipment - Ornamental fountains and other waterfall type equipment - Pool cover and related equipment - Booster Pump - Disposal filtration medium - Ionizers and Chlorinators - Skimmers - Fill line - Fill valves - Valve actuators - Turbo valves - Pop-up heads and similar components.

LIMITATIONS: HWA will pay no more than \$1,000 in the aggregate during the Coverage Period under this section.

H. SALT WATER POOL EQUIPMENT (This add-on coverage also includes Pool/Spa coverage detailed above)

INCLUDED: Circuit Board and Salt Cell

EXCLUDED: Salt

LIMITATIONS: HWA will pay no more than \$1,500 in the aggregate during the Coverage Period.

I. WELL PUMP

INCLUDED: All components and parts of well pump utilized for main dwelling only.

EXCLUDED: Well casings - Pressure tanks - Pressure switches - Hoisting or removal - Piping or electrical lines leading to or connecting pressure tank and main dwelling - Holding or storage tanks - Redrilling of wells.

LIMITATIONS: HWA will pay no more than \$1,500 in the aggregate during the Coverage Period.

J. SEPTIC TANK PUMPING

INCLUDED: If a stoppage is due to a septic tank back up, then HWA will pump the septic tank one time during the term of the plan. Coverage can only become effective if a septic certification was completed within 90 days prior to close of sale. HWA may require a copy of the certification prior to service dispatch.

EXCLUDED: The cost of gaining or finding access to the septic tank; the cost of sewer hook ups - Disposal of waste - Chemical treatments - Tanks - Leach lines - Cesspools - Mechanical pumps/systems.

K. SEPTIC SYSTEM (Per Tank)/SEWAGE EJECTOR PUMP

INCLUDED: Aerobic pump - jet pump - sewage ejector pump - septic tank and line from house to tank.

EXCLUDED: Tile fields and leach beds - leach lines - lateral lines - insufficient capacity - cleanout - pumping (except if purchased under separate option) - see page pits.

LIMITATIONS: HWA will pay no more than \$500 in the aggregate during the Coverage Period.

L. SEER/R410A MODIFICATIONS

INCLUDED: If government regulations prevent HWA from repairing or replacing a covered air conditioning system, or heating system with similar efficiency or capacity, and HWA provides an upgraded unit pursuant to this Contract, then HWA will also pay for up to \$1,000 in the aggregate during the Coverage Period for modifications or upgrades to valves, line sets, evaporator coils, pads, stands, plumbing, flues, additional costs associated with evacuating and cleaning the system of all R-22 and crane charges required to complete the replacement installation of the heating or air conditioning system.

EXCLUDED: Permits, cleaning, disposal or ductwork testing and/or sealing.

M. HWA GREENPLUS UPGRADE

INCLUDED: If a Dishwasher, Refrigerator, Clothes Washer, Heating System (limited to Gas Furnace), or Water Heater breaks down and it cannot be repaired, HWA will replace as follows: the Dishwasher, Refrigerator and Clothes Washer with an ENERGY STAR Qualified product (subject to availability), including a unity with all other similar features as the existing one; the Heating System with a 90 percent efficiency model; and the Water Heater with a tankless water heater.

LIMITATIONS: HWA will pay no more than \$1,500 for upgrade replacement of tankless water heater and will only be paid upon proof of replacement. Receipt for replacement must be obtained by HWA within Coverage period. No costs for modifications or alterations will be paid for heating system.

N. External Water Line Repair (May be added to Contract within 30 days of Contract Start Date)

INCLUDED: Leaks or breaks due to normal wear and tear of the portion of the water service line that You own from the utility's point of responsibility or from Your well pump discharge line (excluding the casement/pitless adapter) to the inlet side of the water meter or shut-off valve of the Covered Property, up to a maximum aggregate limit of **\$5,000 each Coverage Period** (this limit includes the cost of any permits required to perform services under this Contract), **and subject to the exclusions set forth herein.** IF ORIGINAL PARTS ARE UNAVAILABLE OR MORE COSTLY, COMPATIBLE, AFTERMARKET, SUBSTITUTE, REMANUFACTURED OR RECYCLED PARTS MAY BE USED FOR THE REPAIRS. If a public sidewalk or street is required to be cut or excavated to conduct the repairs, the Plan will cover the costs to repair such section of the public sidewalk or street, up to a maximum aggregate limit of **\$5,000** each Contract Period. In addition to the coverage limits set forth in this Contract, the External Water Line Repair option includes Landscape Restoration up to a maximum aggregate limit of **\$500** each Term to address any remedial action You take to fix landscaping damaged by the repairs, but only if You provide Us proper documentation of such expenses.

EXCLUDED: Relocating any water meter at the time of repair, unless required by applicable law - trunk, dual or illegal lines that are connected to Your external water line - clogs or blockage of Your external water line - pressure switches, meter vaults, branch lines, storage or pressure tanks - main shut-off valves that are not leaking - moving any section of Your external water line unless necessary to complete a covered repair - removal of debris or obstacles needed to access and repair Your external water line - repairs required by any local, state or federal agency inspection, unless otherwise covered by this Contract - updates to non-leaking portion of Your external water Line to meet requirements of applicable law - movement or repair of buried wells at above ground, well equipment or well-related components - exterior water service line that branches off the main line (e.g. water systems for sprinklers, pools, hot tubs, and/or other outdoor systems) - any shared water line that provides service to multiple properties,

detached houses, secondary buildings or branch lines - service lines owned by any utility or connected to a commercial facility - repairing private paved, asphalt and/or concrete surfaces or structures - improper design, installation or settlement of Your external water line (e.g. bellied lines, back-pitched lines) - costs associated with opening and closing any portion of the Covered Property's foundation or slab to access Your external water line - thawing any frozen section of Your external water line.

O. External Sewer & Septic Line Repair (May be added to Contract within 30 days of Contract Start Date)

INCLUDED: Leaks, blocks or breaks due to normal wear or tear or tree roots of the portion of the sewer service line You own from the utility's point of responsibility or from Your septic tank to the point where Your sewer or septic line enters the Covered Property at the foundation, up to a maximum aggregate limit of **\$5,000** each Coverage Period (this limit includes the cost of any permits required to perform services under this Contract), **and subject to the exclusions set forth herein** and so long as the external sewer or septic line is in proper working order on the Contract Period Start Date. IF ORIGINAL PARTS ARE UNAVAILABLE OR MORE COSTLY, COMPATIBLE, AFTERMARKET, SUBSTITUTE, REMANUFACTURED OR RECYCLED PARTS MAY BE USED FOR THE REPAIRS. If a public sidewalk or street is required to be cut or excavated to conduct the repairs, the Plan will cover the costs to repair such section of the public sidewalk or street, up to a maximum aggregate limit of **\$5,000** each Coverage Period. In addition to the coverage limits set forth in this Contract, the External Sewer & Septic Line Repair option includes Landscape Restoration up to a maximum aggregate limit of **\$500** each Term to address any remedial action You take to fix landscaping damaged by the repairs, but only if You provide Us proper documentation of such expenses.

EXCLUDED: External sewer or septic line not connected to a public sewer system or Your septic tank - Common waste branch lines - External sewer or septic line not owned by You or damage related to the backup of sewers and drains caused by main sewer lines - Devices connected to Your external sewer or septic line, such as backflow preventers, clean outs, lift stations or pumps - Septic tank or its components or attachments, such as a pump or grinder - Moving any section of Your external sewer or septic line unless necessary to complete a covered repair - Removal of items necessary to access Your external sewer or septic line, such as debris, trash, rocks, cars or temporary structures - Non-conforming drain line, such as a basement or storm drain system, connected to Your external sewer or septic line - Repairs required by any local, state or federal agency inspection, unless otherwise covered by this Contract - Updates to non-leaking portion or any free-flowing section of Your external sewer or septic line to meet requirements of applicable law - Interior pipes - service lines owned by the municipality/utility or connected to a commercial facility or multi-family homes - private paved, asphalt and/or concrete surfaces or structures - improper design or installation of Your external sewer or septic line (e.g. bellied lines, settlement, shearing at the foundation or back-pitched lines) - thawing any frozen section of Your external sewer or septic line.

P. LIMITED ROOF LEAK REPAIR

INCLUDED: Leaks that occur in the roof located over the occupied living area of the main dwelling or attached garage, provided the leaks are the result of rain and/or normal wear and tear. Roof must be watertight and in good condition on Contract Start Date.

EXCLUDED: Gutters - Drains - Ashing - Skylights - Patio covers - Scuppers - Glass - Sheet metal - Leaks involving roof mounted installations - Ice dam build-up - Deck or balcony roofs - Unattached garage roofs - Wood and underlayment - Counter flashing - Leaks resulting from or caused by any one of the following: Missing or broken shingles - Acts of God - Damages due to persons walking or standing on roof - Repairs made by others - Failure to perform normal maintenance to roof and gutters; improper installation.

LIMITATIONS: HWA will pay no more than \$1,000 in the aggregate during the Contract Period for roof leak repair.

VI. LIMITATIONS AND EXCLUSIONS

All services, components and systems not specifically identified as "Included" in this Contract are hereby excluded even if not specifically identified.

- A. If a Service Request is made pursuant to this Contract option, HWA reserves the right to request a copy of any visual or mechanical test that may have been performed by a home inspector or other licensed mechanical contractor.
- B. The following are excluded from Listing Coverage for the Home Seller:
1. Collapsed ductwork.
- C. HWA is not responsible for replacement of a system or appliance lacking a visible Model or Serial number
- D. Problems cannot always be diagnosed and repaired on the first service visit. HWA is not liable for losses or damages resulting from misdiagnosis or delays in completing diagnosis or repairs.
- E. HWA is not responsible for providing access to or closing access from any Covered Systems and Components which is concrete-encased or otherwise obstructed or inaccessible (including but not limited to beneath crawl spaces, floor coverings, systems, cabinets, etc.). HWA will pay no more than \$1,000 in the aggregate during the Coverage Period for Services on any Covered Systems and Components that are concrete encased or otherwise inaccessible or obstructed, subject to all other applicable limitations set forth in this Contract.
- F. At times it is necessary to open walls or ceilings to make repairs. The Authorized Repair Technician obtained by HWA will close the opening, provided it was not previously water damaged, and return to a rough finish condition, subject to the monetary limits of any Service or Covered System and Component. HWA is not responsible for restoration of any wall coverings, floor coverings, plaster, cabinets, counter tops, tiling, paint, or other surfaces. Similarly, HWA is not responsible for the repair of any cosmetic defects or performance of routine maintenance.
- G. Electronic or computerized energy management or lighting and appliance management systems are excluded.
- H. Services do not include the identification, detection, abatement, encapsulation or removal of asbestos, radon, gas, mold or other hazardous substances. If any hazardous materials are encountered in the course of performing the Services, the Authorized Repair Technician has no obligation to continue the work until such products or materials are abated, encapsulated or removed, or it is determined that no hazard exists (as the case may require). HWA shall have no obligation to arrange for and will have no liability for the removal of, failure to detect or contamination as a result of its failure to detect any asbestos, radon gas, mold or other hazardous products or materials. To protect against the potential hazards of lead-based paint, the U.S. Environmental Protection Agency (EPA) has implemented certain renovation requirements that may apply if a contractor disrupts certain painted surfaces. If the Services require the Authorized Repair Technician to cut into Your walls in order to access pipes and plumbing, the Authorized Repair Technician will be required to comply with EPA regulations, which may require an extension of time to complete the work.
- I. HWA is not responsible for consequential or secondary damage. This includes but is not limited to, repair of conditions caused by chemical or sedimentary build up, insect infestation, mold, mildew, or bacterial manifestations, misuse or abuse, failure to clean or maintain as specified by the equipment manufacturer, missing parts, structural changes, fire, freezing, electrical failure or surge, water damage, theft, intentional acts, riot, lightning, mud, earthquake, soil movement or soil settlement, storms, accidents, pest damage, Force Majeure Events (as defined below), failure due to excessive water pressure or any other perils not considered loss or damage due to normal wear and tear.
- J. HWA IS NOT LIABLE FOR INDIRECT, CONSEQUENTIAL OR ECONOMIC DAMAGES FOR LOSS OR DAMAGES TO ANY PERSON OR PROPERTY ARISING FROM THE LOSS OF USE OR THE INABILITY TO USE THE EQUIPMENT TO THE EXTENT SUCH MAY BE DISCLAIMED BY LAW, AND YOU EXPRESSLY WAIVE THE RIGHT TO ALL SUCH DAMAGES.
- K. HWA has the sole right to determine whether any Covered Systems and Components will be repaired or replaced. Parts and replacements will be of similar or equivalent quality and efficiency to those being replaced subject to all other provisions, limitations and exclusions in this Contract. Where replacement equipment of identical dimensions is not readily available, HWA is responsible for providing installation of similar quality equipment but not for the cost of construction or carpentry made necessary by different dimensions. HWA is not responsible for upgrade or matching color or brand. During the Listing Period, and for the first 30 days of the Home Owner's Coverage Period, HWA is not liable for replacement of entire systems or appliances due to obsolete, discontinued or unavailability of one or more integral parts. However, HWA will provide reimbursement for the costs of those parts determined by reasonable allowance for the fair value of similar parts.
- L. HWA is not liable for repairs related to adequacy or capacity of Covered Systems and Components in the Covered Property; improper installation, design or previous repair of appliances, components and systems: problems or failures caused by a manufacturer's defect. Unless the optional coverage for such is purchased, HWA is not liable for repairs related to costs of construction, carpentry, or other incidental costs associated with the alterations, modifications, or upgrades of all Covered Systems and Components or installation of different equipment and/or systems. Also, unless the optional coverage for such is purchased, HWA is not responsible for providing upgrades, components, parts or equipment required due to the incompatibility of the existing equipment with the replacement system, appliance or component/part including but not limited to SEER standard, R-410A and/or 7.7 HSPF or higher compliant as well as any other efficiency mandated by federal, state, or local governments.
- M. HWA is not liable for the repair or replacement of commercial grade equipment, systems or appliances. HWA shall pay no more than \$1,500 (\$2,500 when OrangePlus option is purchased) per covered appliance during the Coverage Period for professional series or similar appliances, including but

not limited to, brand names such as Sub Zero, Viking, Bosch, JENN-AIR, GE Monogram, Thermador, etc., subject to all other provisions, limitations and exclusions in this Contract.

N. HWA reserves the right to require a second opinion, which HWA shall obtain at its own cost.

O. HWA is not liable for normal or routine maintenance. You are responsible for performing normal and routine maintenance. For example, You are responsible for providing maintenance and cleaning pursuant to manufacturers' specifications, such as periodic cleaning of heating and air conditioning systems, evaporator coils and condenser coils, as well as periodic filter replacement. HWA will not be responsible for repairs of systems or components arising from a manufacturer's defect or recall or while still under manufacturer's or distributor's warranties. HWA's responsibilities will be secondary to any other extended or in-home warranties that exist for the included systems, components and appliances.

P. HWA is not responsible for removal and hauling away of old equipment or appliances, unless OrangePlus coverage has been purchased. Where available, you may choose to pay an additional fee by the Authorized Repair Technician for removal and/or disposal of an old system, component or appliance.

Q. HWA reserves the right to offer cash back in lieu of repair or replacement in the amount of HWA's actual cost, which may be less than retail, to repair or replace any Covered Systems and Components.

R. During the Listing Period, HWA will not pay for the repair or replacement of any Covered Systems and Components if they are inoperable as a result of pre-existing conditions, deficiencies and/or defects.

S. HWA will not be the Authorized Repair Technician and HWA will not perform the Services hereunder. HWA will only subcontract with Authorized Repair Technicians that meet HWA's standards. You understand and agree that HWA: (i) is not liable for the negligence or the other conduct of the Authorized Repair Technician; (ii) is not an insurer of the Authorized Repair Technician's performance.

T. Home Owner understands and agrees Home Owner's sole remedy under this Contract is recovery of the cost of the required repair or replacement, whichever is less. Home Owner understands and agrees that, in no event, will HWA's liability exceed \$5,000 per Covered System and Component or \$15,000 in the aggregate during the Coverage Period.

U. BUILDING AND ZONING CODE REQUIREMENTS OR VIOLATIONS

1. You understand and agree that HWA will not contract for: (i) services to meet current building or zoning code requirements or to correct for code violations (except when optional coverage is purchased and as set forth above); (ii) services when permits cannot be obtained. Further you understand and agree HWA will not pay for the cost to obtain permits (except when optional coverage for such is purchased and as set forth above).

2. When it is required to maintain compatibility with equipment manufactured to be SEER standard, R-410A and/or 7.7 HSPF or higher compliant, HWA is not responsible for upgrade or additional costs or expenses that may be required to meet current building or zoning code requirements or correct for code violations. This includes but is not limited to: city, county, state, federal and utility regulations and upgrades required by law.

V. Listing Coverage under this Contract is not available to an owner of investment and/or rental properties.

VII. MISCELLANEOUS PROVISIONS

A. DISPUTE RESOLUTION; VENUE; WAIVER OF JURY TRIAL; GOVERNING LAW; FAILURE TO ENFORCE NOT WAIVER; FORCE MAJEURE

1. It is the intent of both parties to resolve any disputes through negotiation between You and HWA. The parties will attempt in good faith to resolve through negotiation any dispute, claim or controversy arising out of or relating to this Contract. Either party may initiate negotiations by providing written notice to the other party, setting forth the subject of the dispute and the relief requested. The parties will respond to any initial and subsequent requests in a timely and complete manner.

2. The parties further agree that in the event any dispute between them relating to this Contract is not otherwise resolved, exclusive jurisdiction shall be in the trial courts located within the jurisdiction in which the Covered Property is located, any objections as to jurisdiction or venue in such court being expressly waived.

3. BOTH PARTIES HEREBY IRREVOCABLY WAIVE ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED UPON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS CONTRACT OR THE ACTIONS OF THE PARTIES IN THE NEGOTIATIONS, ADMINISTRATION, PERFORMANCE OR ENFORCEMENT HEREOF.

4. Unless otherwise required by the laws of the state where the Covered Property is located, this Contract shall be governed, construed and enforced in accordance with the laws of the state where the covered property is located without regard to principles of conflicts of law.

5. ANY LEGAL OR JUDICIAL PROCEEDING COMMENCED BY OR ON BEHALF OF YOU UNDER THIS CONTRACT (INCLUDING THE ASSERTION BY YOU OF ANY COUNTERCLAIM, REGARDLESS OF WHETHER THE UNDERLYING PROCEEDING IN WHICH SUCH COUNTERCLAIM IS BEING ASSERTED WAS COMMENCED BY OR ON BEHALF OF PLAINTIFF) WILL TAKE PLACE ON AN INDIVIDUAL BASIS. CLASS ACTIONS, COLLECTIVE ACTIONS AND OTHER SIMILAR REPRESENTATIVE PROCEEDINGS OF ANY KIND OR NATURE (WHETHER PURSUED THROUGH THE COURTS, THROUGH ARBITRATION OR THROUGH ANY OTHER JUDICIAL FORUM) ARE NOT PERMITTED. BY ENTERING INTO THIS CONTRACT YOU UNDERSTAND AND AGREE THAT YOU MAY BRING CLAIMS AGAINST HWA OR ITS AFFILIATES ONLY IN YOUR INDIVIDUAL CAPACITY, AND MAY NOT BRING CLAIMS AGAINST HWA OR ITS AFFILIATES AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS ACTION, COLLECTIVE ACTION OR OTHER REPRESENTATIVE PROCEEDING.

6. Any failure by HWA to assert a right or enforce a requirement under this Contract shall not be deemed a waiver of that or any other right or requirement and shall not preclude HWA from asserting any right or enforcing any requirement at any time.

7. HWA will make commercially reasonable efforts to fulfill its obligations under this Contract. Certain causes and events that are out of HWA's reasonable control ("Force Majeure Event(s)") may result in HWA's inability to perform under this Contract. If HWA is unable to perform its obligations, in whole or in part, due to a Force Majeure Event, then HWA's obligations shall be suspended to the extent made necessary by such Force Majeure Event, and in no event shall HWA be liable to You for its failure to fulfill its obligations or for damages caused by any Force Majeure Event. Force Majeure Events include, but are not limited to acts of God, fire, war, flood, earthquake, hurricanes, tornadoes, and other natural disasters, acts of terrorism, acts of any governmental authority, accidents, strikes, labor troubles, shortages in supply, changes in laws, rules or regulations of any governmental authority, and any other cause beyond HWA's reasonable control.

B. NOTICE CONCERNING PERSONALLY IDENTIFIABLE INFORMATION ("PII")

For purposes of this Section only, "HWA", "We", "Us", and "Our" shall also include any Related Company. A "Related Company" includes, without limitation, any current or future franchisor, franchisee, licensee, parent company, subsidiary, third party, or affiliate of the brands (including Direct Energy) that We operate under. PII includes any information that You have shared with Us or that We have collected in the course of providing Our services to You, that may be used to specifically identify or contact You, such as Your name, mailing address, email address(es), phone number(s), or fax number. The PII You submit will generally be used by Us to carry out Your requests, improve services, or for other legitimate business purposes, including marketing purposes. Your PII may be added to Our customer database used by Us or a Related Company for general promotions, contests, special events, etc. ("Programs") regarding Our or a third party's products and services. These Programs may be made available through efforts of an affiliated or unaffiliated business. Your PII may be shared with third parties in the following instances: (i) to allow vendors to perform functions on Our behalf (ii) to allow third parties to contact You for marketing, and (iii) for any other legitimate business purpose. By using Our products and services, or by submitting Your PII to Us, You are consenting to the terms of this notice and Our privacy policy located at www.HWAHomeWarranty.com/privacy. By entering into this Contract, or by submitting Your PII to Us, You are consenting to the terms of this notice and Our privacy policy located at www.HWAHomeWarranty.com/privacy. If You would like to limit Our use of Your PII as described above, You may request so in writing at Direct Energy/Home Warranty of America, 12 Greenway Plaza, Ste 250, Houston, TX 77046, Attn: Privacy Officer, c/o Compliance Department or by email at privacy@directenergy.com.

C. ASSIGNMENT & TRANSFER OF CONTRACT

1. If the Covered Property is sold during the Coverage Period of this Contract You may transfer this Contract to the new owner by phoning 1-888-HWA-RELY. In order to transfer coverage of the Covered Property to the new owner, you must inform Us of the change in ownership and provide the name of the new owner. A copy of the Contract is available upon request.

2. HWA may assign this Contract, in whole or part, or any of its rights and obligations hereunder without Your consent, to the fullest extent allowed by law. Upon such assignment, You understand and agree that HWA shall have no further obligation to You. Except as set forth above, this Contract is not assignable by You without HWA's prior written consent.

D. MULTIPLE UNITS AND INVESTMENT PROPERTY

1. If this Contract is for a duplex, triplex, or fourplex dwelling, for coverage to apply to common systems and appliances, then every unit within such dwelling must be covered by an HWA contract with applicable optional coverage.
2. If this Contract is for a property within a multiple unit of 5 or more dwellings, then only items contained within the confines of each individual property are covered. Common systems and appliances are excluded. This coverage is not available in Listing Coverage for Home Sellers.
3. Except as otherwise provided in this section, common systems and appliances are excluded.

E. CANCELLATION

HWA cannot cancel this Contract, except for:

1. Nonpayment of Contract fees; or
2. Fraud or misrepresentation of facts material to the issuance of this Contract.

Cancellation may be made by You at any time. If You cancel within the first 30 days of the Coverage Period, and no service request has been made, You are entitled to a full refund of the cost of this Contract less a cancellation fee of the lesser of \$30 or 10% of the Contract fee. The right to void this Contract within the first 30 days is non-transferrable and is available only to the original purchaser of the Contract.

If HWA cancels this Contract or if You cancel this Contract after the first 30 days of the Coverage Period, then You shall be entitled to a pro rata refund of the paid Contract fee for the unexpired term, less an administrative fee of the lesser of \$30 or 10% of the Contract fee, and any actual service costs incurred by HWA. If Listing Coverage is canceled after service has been performed, and the Contract fee has not yet been paid, Contract holder will be responsible for purchase of the Contract, or reimbursement to HWA of service costs incurred, whichever is less.

- F.** The purchase of this coverage under this Contract is not mandatory and similar coverage may be purchased through another residential service or an insurance company.