HOME SERVICE AGREEMENT

This is a Home Service Agreement, not an insurance policy. This Home Service Agreement, hereinafter referred to as the "Agreement", is issued by the entity on the Agreement Coverage Summary Page and as recited in Section XI. Other Conditions. Such entity is hereinafter referred to as the "Issuing Company", or "we", "us", and/or "our". The owner of the home covered by this Agreement is hereinafter referred to as "you" and/or "your".

IMPORTANT INFORMATION ABOUT YOUR AGREEMENT COVERAGE SUMMARY:

> **Your Agreement Coverage Summary Page is attached to and is part of this Agreement. Your coverage includes only certain Mechanical Failures of the specific Items listed as covered on your Agreement Coverage Summary Page. Coverage is subject to the limitations and conditions specified in this Agreement.**

We reserve the right to change the Agreement price, the administration of this Agreement, or these terms and conditions from time to time upon at least thirty (30) days written notice to you. Your continued use of the Agreement and payment of the Agreement price after such notice, constitutes your acceptance of the changes and agreeance to the terms. If you do not agree to such revised terms, you may cancel this Agreement in accordance with Section IX. Cancellation Information.

NOTE: THIS AGREEMENT REQUIRES YOU TO RESOLVE ALL DISPUTES WITH US ON AN INDIVIDUAL BASIS AND, WITH LIMITED EXCEPTIONS, THROUGH FINAL AND BINDING ARBITRATION (AS DESCRIBED IN SECTION X. DISPUTE RESOLUTION BELOW). PLEASE SEE THE DISPUTE RESOLUTION SECTION BELOW FOR MORE INFORMATION ABOUT ARBITRATION. BY ENTERING INTO THIS AGREEMENT, YOU EXPRESSLY ACKNOWLEDGE THAT YOU HAVE READ AND UNDERSTAND ALL OF THE TERMS OF THIS AGREEMENT AND HAVE TAKEN TIME TO CONSIDER THE CONSEQUENCES OF THIS IMPORTANT DECISION.

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I. Terminology to Know

- "Builder grade" Items are products that are mass produced and stylistically neutral.
- "Commercial-grade" Items are those that were designated by the manufacturer, manufactured and primarily marketed for installation and use in commercial operations.
- "Covered Property" is the address stated on your Agreement Coverage Summary Page.
- "Domestic-grade" Items are those that were designated by the manufacturer, manufactured and marketed solely for installation and use in a residential single family dwelling.
- "Item(s)" is the specific appliance(s), unit(s), or system(s) that is explicitly listed as covered on your Agreement Coverage Summary Page. Examples include: air conditioning unit, heating unit, water heater, individual appliances such as refrigerator, dishwasher and ceiling fans.
- "Mechanical Failure" occurs when a covered Item becomes inoperable and unable to perform its primary function, subject to the limitations and conditions of this Agreement.
- "Necessary or Required Upgrade" is a replacement improving: manufacturer specification; energy efficiency; or Item performance due to external circumstances (such as statutory mandated system modifications and/or regulatory requirements).
- "Proper Operating Condition" means the Item was correctly located within the Covered Property was properly installed to code at the time of installation, was fully connected, was capable of successfully performing all operations commensurate with the manufacturer's original design intention, and did not pose any hazard to life or property.
- "Service Professional" is defined as a licensed trade specialist or otherwise qualified to assess or repair damage to the covered Items. Service Professionals are either independent contractors or employees of Cinch Home Services, Inc.
- A "Simple Mechanical Test" of the covered Item means the ability to turn the Item off and on, verifying the Item operates without irregular sounds or smoke that may indicate a problem.
- A "Visual Inspection" of the covered Item is considered to mean the viewing of an Item to verify that it appears structurally intact and without damage or missing parts that would indicate inoperability.

II. Types of Properties Covered

This Agreement covers single family residences including: an apartment, condominium, townhouse, villa or manufactured home used solely for residential purposes. To be eligible, a manufactured home must be permanently secured to the ground on land you own or located in a division operated similar to a condominium, where maintenance is provided.

This Agreement provides coverage under a special exception for special purpose group homes devoted to housing persons with mental and physical disabilities, as those terms are defined by the Americans with Disabilities Act at Title 42 of the United States Code Section 12102(2)(A).

This Agreement does not cover:

- **Mobile homes**
- **Multifamily residential property of more than two-units**
- **Any dwelling used in whole or in part for commercial purposes, residences used as business that causes additional wear and tear on covered Items, or an address zoned as business, commercial or industrial including non-profit organizations**
- **Homes listed or registered in any historical register, including without limitation the National Register of Historic Places**

Whether or not this Agreement covers an apartment condominium unit, manufactured home, or multifamily property (duplex), any repairs and/or replacements are limited to the Items solely used by and located and serviceable within such single unit (unless specified otherwise). **No common area Items shared by non-warranted residences or units will be covered by this Agreement.**

III. When Your Coverage Applies

1. **We agree to pay the covered costs to repair or replace the Items listed as covered on your Agreement Coverage Summary Page if any such Items become inoperable during the term of this Agreement due to Mechanical Failure caused by routine wear and tear. We are not responsible for repairing or replacing Items, assembly or parts that do not contribute to the primary function of that Item or required for mechanical functionality**. The definitions of the specific Items that may be listed on your Agreement Coverage Summary Page as covered, as well as other limitations on coverage and other terms and conditions, are listed below.

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2. We will cover Mechanical Failures relating to the mechanical parts and components of those Domestic-Grade Items that were in the Covered Property and in Proper Operating Condition on the Agreement effective date.

3. We will cover Mechanical Failures due to rust and corrosion and sediment.

4. **When completing a covered repair or replacement, we will not pay the cost to:**
   - **dismantle, remove and dispose the defective Item,**
   - **recapture refrigerant,**
   - **reclaim refrigerant, and**
   - **dispose of refrigerant.**

5. We will cover an unknown pre-existing Mechanical Failure provided the failure could not have been detected by Visual Inspection or Simple Mechanical Test. In certain instances, we may require documentation from you during a claim review.

6. **The decision to replace rather than repair Items is solely our option**. Should we choose to replace an Item, the replacement shall:
   - be the base model that meets all applicable federally mandated minimal manufacturers' standards,
   - perform the same primary function, and have a capacity comparable with the covered Item, when available with domestically assembled units.

7. When replacing systems and appliances:
   - **We are not liable to provide exact match in color, dye, lot, material, type or brand.**
   - **We are not liable to match any feature of a covered Item that does not contribute to the primary function of that covered Item.**
   - We will be responsible for the installation of the replacement Item but not for the cost of the construction, modifications, carpentry or transitional work made necessary in order to accommodate the replacement, nor for any costs to upgrade or modify Items for any reason except as otherwise specified in this Agreement.
   - With respect to kitchen/laundry appliances, we will make reasonable efforts to provide replacement Items of similar features, capacity, capability, color/finish and efficiency, but not for matching exact dimensions, brand or color of the original unit, when available.

Item	Replacement standard
Kitchen Appliances	Similar
Laundry Appliances	Similar

8. When making repairs, we reserve the right to rebuild existing parts or components and/or install aftermarket, rebuilt or refurbished parts or components.

9. Alternate Claim Dispositions:
   (a) In some instances, in lieu of authorizing the repair or replacement services for a claim made under this Agreement, we will elect to remit a payment to you as the final disposition of the subject claim (hereinafter a "**Claim Buyout**"). **The decision to elect a Claim Buyout rather than replacing or repairing Items is solely our option**. The Claim Buyout amount will be strictly calculated based on: (i) our costs for the parts required to repair the Item to return it to Proper Operating Condition; or (ii) our costs to replace Items; and (iii) our estimated labor costs for our in-network Service Professional to perform the repair or replacement services.

   (b) In some instances, where our estimated combined costs of diagnosis and the performance of the repair or replacement services exceeds a stated dollar limit in this Agreement, we will not perform the repair or replacement services; but will instead elect to remit a payment to you in the amount equal to the applicable dollar limit stated in this Agreement as the final disposition of the subject claim. If the applicable stated dollar limit in this Agreement is an aggregate amount, then all prior claims paid under this Agreement will be subtracted from the applicable stated aggregate dollar limit, with the remainder to be payable to you.

   (c) Our costs for parts, replacement Items and Service Professionals' labor are substantially less than typical retail costs and Claim Buyout payments will not be adjusted to match the costs/pricing of out-of network Service Professionals to perform the same repair or replacement services and or the retail price of parts or replacement Items.

   (d) Any payment remitted to you pursuant to this Agreement will be less the applicable deductible amount if not yet paid for the applicable claim.

   (e) Any payment remitted to you will not include any costs not covered under the terms of this Agreement.

   (f) Should we remit payment to you for the repair or replacement of an Item and you: (i) do not repair the Item; (ii) only repair an Item that was diagnosed to be replaced; or (iii) replace an Item with a used or refurbished Item, the subject Item will

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be excluded from further coverage under this Agreement and all subsequent renewals. We reserve the right to inspect repaired and/or replaced Items.

10. **Determination of the operating condition as of the Agreement effective date, and the nature of any failure, will be made by us based upon the professional opinion of remote diagnosis for connected systems and/or appliances or our direct employees, considering but not limited to, the Service Professional's diagnosis.**

11. **We will use reasonable efforts to provide an in-network Service Professional to service your claim(s). In limited circumstances, and in our sole discretion, we may authorize your claim to be serviced by out-of-network service provider. In the event you have received authorization to use an out-of-network service provider for a particular claim, we will require the following: (i) the diagnosis of the Item must be promptly communicated to us; and (ii) a detailed estimate/quote (inclusive of all parts, equipment and labor costs) from the out-of-network service provider, which must be submitted to us for determination of coverage under this Agreement prior to any work be initiated.**

Based the information we receive from the out-of-network service provider, we will advise you of the services covered under the terms of this Agreement, inclusive of the estimated value of such coverage as well as the costs not-covered by this Agreement. Prior to your claim being approved for coverage under this Agreement:

(a) We may communicate directly with the out-of-network service provider to obtain additional information with respect to the Item diagnosis and the estimated repair or replacement services required to return the Item to Proper Operating Condition.

(b) In the event you have a separate replacement deductible for an Item, you will be required to remit payment prior to the replacement Item.

All stated dollar limits in this Agreement, will apply to the services to be performed by the out-of-network service provider. The limitation of liability provisions of this Agreement will apply to the out-of-network service provider to same extent as it would with an in-network Service Professional. We are not liable for any damages that result from an out-of-network service provider's performance. **We are not responsible for any expenses you incur without our PRIOR express consent/authorization**. We will not reimburse you for any costs associated with unauthorized repairs, replacements or work performed by out-of-network service providers that are not covered by the terms of this Agreement.

Once our records reflect that you have acknowledged and accepted the conditions set forth above, the repair or replacement services to be performed by an out-of-network service provider, will be approved by us. Note that any payment remitted to you pursuant to this Agreement will be less the applicable deductible amount if not yet paid for the applicable claim.

IV. Requesting and Receiving Service

1. **You must notify us of any Mechanical Failure when it happens and prior to the expiration of your Agreement term. We are available twenty-four (24) hours a day, seven (7) days a week online at my.cinchhomeservices.com or by phone at 1-844-324-5688. If you fail to notify us of any Mechanical Failure during the Agreement term in which the failure occurred, we will not be responsible for the cost of any repairs and/or replacements resulting from the Mechanical Failure.**

2. We will use reasonable efforts to provide a referral to a Service Professional within two (2) hour(s) after the service request is received during normal business hours and within twenty-four (24) hour(s) for requests received outside of normal business hours. We will determine, at our sole discretion, which repairs constitute an emergency requiring expedited service and will give consideration to covered Mechanical Failures that affect the habitability of the dwelling.

3. **We are not responsible for expenses you incur without our express consent/authorization**. We will not reimburse you for any costs associated with unauthorized repairs, replacements or work performed by unauthorized contractors or Service Professionals.

4. **This Agreement includes a deductible amount listed on your Agreement Coverage Summary Page. You will be required to pay a deductible at the time you request service under this Agreement. In the event you have a separate replacement deductible for an Item, you will be required to remit payment prior to the replacement Item being ordered. All or a portion of your deductible may be nonrefundable.**

5. **You will be responsible for and must remit payment for any and all amounts related to the repair and/or replacement services performed under the Agreement that are not expressly covered or are listed as exclusions under the terms, conditions and provisions of this Agreement.**

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6. We rely on local in-network Service Professionals, availability of parts to perform repairs, and inventory of Items to issue replacements in order to fulfill the terms of this Agreement. We reserve the right to pass through any surcharges incurred by us in providing coverage under this Agreement to you, including surcharges for parts, delivery, and labor. You will be advised of any surcharges that you are responsible for paying prior to the incurrence of any surcharge.

7. You are responsible to provide access to the covered Item(s) for the Service Professional to diagnose, obtain approval for, and/or complete repairs for covered Mechanical Failures. You are responsible to pay us and/or our Service Professional any service charge and additional charges assessed by our Service Professional resulting from your failure to provide access and/or for missed appointments caused by you.

8. **No services will be performed if the Service Professional is prevented from entering the Covered Property due to the presence of animals, insects, unsafe conditions, or if the covered Item is not easily accessible. In any such event, the deductible is nonrefundable.**

9. We reserve the right to obtain, at our expense, a second opinion by a Service Professional prior to determining eligibility for coverage.

V. Details About What's Covered and What's Not

This Agreement provides coverage only for those Items specifically listed as being covered on your Agreement Coverage Summary Page. Some items listed as not covered may be available under optional coverage (Section VI. Details About Optional Coverage). An additional fee may be required for additional systems, appliances or optional coverages.

This Agreement defines precisely what mechanical systems and appliances, and which of their parts and components, will be covered; only those Items specifically so described are covered, subject to the limitations and conditions herein and on your Agreement Coverage Summary Page.

Under any and all circumstances, our maximum liability, in the aggregate, for any and all claims submitted per Agreement Term shall be $10,000.

1. Kitchen/Laundry Appliance(s) NOTE: We will pay up to $3,000 per covered Item for access, diagnoses and repair or replacement of any covered Appliance per Agreement term.

A. REFRIGERATOR(S) **A maximum of 5 units are covered per Agreement.**	
COVERED	**NOT COVERED**
All components and parts, except those shown in the **Not Covered** section.	**Free standing freezer, multi-media centers built into appliances, wine chillers, consumables and Wi-Fi transmitter.**
B. CLOTHES WASHER(S) **A maximum of 5 units are covered per Agreement.**	
COVERED	**NOT COVERED**
All components and parts, except those shown in the **Not Covered** section.	**Wi-Fi transmitter.**
C. CLOTHES DRYER(S) **A maximum of 5 units are covered per Agreement.**	
COVERED	**NOT COVERED**
All components and parts, except those shown in the **Not Covered** section.	**Wi-Fi transmitter.**
D. RANGE(S)/OVEN(S)/COOKTOP(S) **A maximum of 5 units are covered per Agreement.**	
COVERED	**NOT COVERED**
All components and parts including range exhaust hoods located above the range, except those shown in the **Not Covered** section.	**Wi-Fi transmitter; broken, chipped, cracked glass cooktops due to misuse and abuse.**
E. DISHWASHER(S) **A maximum of 5 units are covered per Agreement.**	
COVERED	**NOT COVERED**
All components and parts, except those shown in the **Not Covered** section.	**Wi-Fi transmitter.**

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F. BUILT-IN MICROWAVE OVEN(S) A maximum of 5 units are covered per Agreement.	
COVERED	**NOT COVERED**
All components and parts.	-

G. TRASH COMPACTORS(S) A maximum of 5 units are covered per Agreement.	
COVERED	**NOT COVERED**
All components and parts.	-

H. FREE STANDING ICE MAKER(S) A maximum of 5 units are covered per Agreement.	
COVERED	**NOT COVERED**
All components and parts.	-

I. BUILT-IN FOOD CENTER(S) A maximum of 5 units are covered per Agreement.	
COVERED	**NOT COVERED**
All components and parts.	-

VI. Details About Optional Coverage

Unless otherwise specified as included coverage on your Agreement Coverage Summary page, the following optional coverage may be purchased up to 30 days after the beginning of the Agreement term. Requires an additional fee paid directly to us, contact us by phone at 1-844-324-5688. Optional coverage, regardless of date of purchase, continues only through the Agreement term.

1. Swimming Pool and/or Spa Combination (Shared Equipment)

Shared equipment is covered. If equipment is not shared, then only one or the other is covered unless an additional fee is paid.	
COVERED	**NOT COVERED**
Above ground components and parts of the heating, pumping, and filtration system including: pool heater, pool sweep motor and pump, pump motor, blower motor and timer, plumbing pipes and wiring.	**Portable or above ground spas, access to pool and spa equipment, lights, liners, jets, ornamental fountains, waterfalls and their pumping systems, auxiliary pumps, pool cover and related equipment , fill line and fill valves, built-in or detachable cleaning equipment including, without limitation, pool sweeps, pop-up heads, turbo valves, skimmers, chlorinators, and ionizers, fuel storage tanks, disposable filtration mediums, multi-media centers, dehumidifiers, panel box and dials, salt water generator; salt and components; Wi-Fi transmitters.**
A maximum covered amount of $1,500 is allowed per Agreement term.	

2. Free Standing Freezer

COVERED	NOT COVERED
All components and parts.	-
A maximum covered amount of $3,000 is allowed per Agreement term.	

3. Septic System

COVERED	NOT COVERED
Mainline stoppages that can be cleared through an existing access or cleanout without excavation. The septic tank will be pumped one (1) time during the Agreement coverage term if the stoppage is due to septic back up. **We will not pay more than $500 per pumping occurrence. If the septic tank needs to be replaced, we will not pay more than $1,000 towards the replacement of the septic tank. We will cover one (1) sewage ejector pump for septic system located within the perimeter of the main foundation.**	**Broken or collapsed sewer lines outside the foundation, stoppages or roots that prevent the effective use of any externally applied sewer machine cable, cost of finding or gaining access to the septic tank or sewer hook-ups, disposal of waste, chemical treatment of the septic tank and/or sewer lines, tanks, leach lines, cesspool, and any mechanical pump or systems; Wi-Fi transmitters.**

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A maximum covered amount of $500 is allowed per occurrence. If the septic tank needs to be replaced, we will not pay more than $1,000 towards the replacement of the septic tank.

4. Well Pump

COVERED	NOT COVERED
All components and parts of well pump utilized as a source of water to the home except those shown in the **Not Covered** section.	**Above or underground piping, cable or electrical lines leading to or from the well pump, including those that are located within the well casing, well casings, pressure switches not located on the pump, holding, storage or pressure tanks, re-drilling of wells, well pump and all well pump components for geothermal and/or water source heat pumps; Wi-Fi transmitters.**
NOTE: We will pay up to $1,500 per Agreement term for access, diagnosis and repair or replacement.	

5. Premier Upgrade Package

Adding this coverage to your Service Agreement Provides additional benefits on a covered claim. Certain repairs or replacements may require additional fees that are not normally covered under your Service Agreement, such as, but not limited to, disposal of equipment; duct, electrical and/or plumbing modifications; reclamation of refrigerant; code upgrades; permits; condenser pads. **Depending on the package selected, we will provide up to either $500 or $1,000 towards non-covered charges when repairing or replacing a covered Item. This benefit does not apply to equipment; Items; or failures deemed ineligible for coverage. In no event shall we be liable to cover fees and/or disposal arising from hazardous and/or toxic materials or asbestos. Package limits apply to one (1) covered Item, per claim. Each claim event is capped for up to either $500 or $1,000; any unused portion of the benefit cannot be applied towards a future claim. In no event shall we be liable for more than two (2) claims per Agreement term, for an aggregate amount of up to $1,000 or $2,000. Florida Residents Only: Pursuant to Florida Statute §634.346 this package provides coverage towards the replacement of functional components of the HVAC system necessary to maintain the compatibility and operating efficiency requirements of the manufacturer.**

6. Water Softener

COVERED	NOT COVERED
Mechanical parts and components of basic single water softener unit, including central head assembly; multi-level/twin softeners; piping to and from unit(s) and system tanks.	**Any and all treatment, purification, odor control, iron filtration components and systems; discharge drywells; failure due to excessive water pressure or freeze damage; failures due to mineral and/or sediment; resin bed replacement; salt and Wi-Fi transmitters.**
A maximum covered amount of $5,000 is allowed per claim.	

7. Outside Gas Line

COVERED	NOT COVERED
Outside gas service line is defined as a natural gas supply line from the curb box to the inlet valve of the meter for one single family residential Covered Property – it is the most direct line between the curb box and the inlet valve of the meter. It includes the gas supply line between the outlet of the meter and the exterior of the foundation. It does not include any connections or extensions such as, but not limited to, gas lines to grills, lights and pool heaters. After the outside gas service line is repaired or replaced, our Service Professional(s) will provide basic site restoration to the affected area, limited to backfill of excavated soil, raking and reseeding.	**Any gas service lines in excess of 500 feet in length; high pressure gas lines and the high pressure service line which is defined as a natural gas supply line with a pressure rating of 60 psi or greater; natural gas meter including connections; appliances or appliance connectors or burner tips; any gas service line not measuring between ½" and 1 ¼" in diameter; utility meters; any interior gas piping.**
NOTE: Limitations of Coverage: For the repair or replacement of the outside line, we will pay a maximum of $2,000 in the aggregate per Agreement term. After the outside gas service line is repaired or replaced, our Service Professional will provide basic site restoration to the affected area, limited to backfill of excavated soil, raking and reseeding.	

8. Outside Sewer

COVERED	NOT COVERED
Outside sewer service line failures as a result of normal wear and tear. After the outside sewer service line is repaired or replaced, our Service Professional(s) will provide basic site restoration to the affected area, limited to backfill of excavated soil, raking and reseeding.	**Any outside sewer line in excess of 500 feet in length, any outside sewer service line not connected to a public sewer system, including but not limited to sewer lines connected to a septic system or leach field; outside holding tanks; ejector pumps; service or damage related to the back-up of sewers and drains or any other damage caused directly or indirectly by**

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	sewer main lines; any outside sewer service line connected to a lift station; utility meters; stoppages or blockage caused by root invasion and/or by foreign objects, such as but not limited to, toys and bottle caps; any interior water or sewer lines.
NOTE: Limitations of Coverage: For covered repairs, we will pay a maximum of $3,000 in the aggregate per Agreement term for repairs to outside. We will pay up to an additional $1,500 in aggregate per Agreement term to cut, excavate or repair sidewalks located in a public easement or public roads that were damaged solely due to outside sewer line covered repair or replacement work performed by our Service Professional(s). Only expenses related to repair or replacement of sidewalks are covered under this additional limit. This additional limit, when applicable, does not add any additional coverage to the outside sewer line maximum. Should sidewalk or public road repair expenses exceed $1,500, it is your responsibility to pay any additional costs. You will be notified of the expected additional expenses before work is completed.	

9. Outside Water Line

COVERED	NOT COVERED
Outside water line repair or replacement if the failure is a result of normal wear and tear. This Agreement covers only the portion of the service line which extends from the curb box shut off valve to the meter or exterior load bearing wall of the Covered Property. After the outside water service line is repaired or replaced, our Service Professional(s) will provide basic site restoration to the affected area, limited to backfill of excavated soil, raking and reseeding.	**Any outside water line in excess of 500 feet in length; any costs in excess of $2,000 in aggregate per Agreement term; any outside water service line not connected to a public water system, including but not limited to water lines connected to a well system; lead piping; utility meters; stoppages or blockages caused by root invasion and/or by foreign objects, such as but not limited to, toys and bottle caps; sprinkler and/or any irrigation lines or systems; any interior water or sewer lines.**
NOTE: Limitations of Coverage: For covered repairs, we will pay a maximum of $2,000 in the aggregate per Agreement term. We will pay up to $500 in aggregate per Agreement term to cut, excavate or repair sidewalks located in a public easement or public roads that were damaged solely due to outside water service line covered repair or replacement work performed by our Service Professional(s). These expenses will apply toward the $2,000 Agreement maximum. Should sidewalk or public road repair expenses exceed $500, it is your responsibility to pay any additional costs. You will be notified of the expected additional expenses before work is completed.	

VII. General Exclusions and Limitations

1. **This Agreement does <u>not</u> cover performance of routine maintenance. You are responsible for performing all routine maintenance and cleaning for all covered Items as specified and recommended by the manufacturer. You are also responsible for providing all routine maintenance for all areas of a Covered Property around covered Items to ensure that these Items are able to function properly as specified by the manufacturer.**

2. **This Agreement does <u>not</u> cover repairs or replacements of any Item covered by other insurance, warranties or guarantees, including but not limited to, manufacturer's, contractor's, builder's, distributor's, home service agreement or home warranty. Our coverage is secondary to such insurance, warranties, or guarantees.**

3. **This Agreement shall <u>not</u> cover any Item(s) if they are:**

   - **systems, appliances or components classified by the manufacturer as Commercial-Grade;**
   - **flues, venting, chimneys, and exhaust lines;**
   - **covered Items with a failure that existed prior to the Agreement effective date;**
   - **lacking a visible model or serial number;**
   - **determined to be defective by the Consumer Product Safety Commission or the manufacturer and for which either has issued, or issues, a warning or recall, or which is otherwise necessitated due to failure caused by the manufacturer's improper design, use of improper materials and/or formulas, manufacturing process or any other manufacturing defect;**
   - **improperly repaired and/or improperly installed;**
   - **below the slab or basement floor of the Covered Property; except as otherwise specified in this Agreement;**
   - **located outside the perimeter of the main foundation or a detached structure (i.e., outside the outer load bearing walls of the primary residential structure with the exception of central air conditioning unit, main electrical panel, water heater) or unless specifically covered with optional coverage purchased for Items outside the main perimeter. These exceptions must be installed for diagnose and must be manufactured for outside use or be located in a structure which protects Items from the elements;**
   - **located in a detached structure;**
   - **damaged by you in the course of remodeling or unauthorized repair.**

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4. **This Agreement does not cover failures which may result from causes other than normal wear and tear, such as without limitation:**

   - **abuse, misuse and/or neglect;**
   - **mismatched systems where the indoor and outdoor units were not properly matched to each other in capacity or efficiency for proper operation;**
   - **lightning strikes, power failure, power surge;**
   - **missing components, parts or equipment;**
   - **animal, pet and/or pest damage;**
   - **fire; casualty; flood; smoke; earthquake; freeze damage; acts of God;**
   - **manufacturer's improper design, use of improper materials and/or formulas, manufacturing process or any other manufacturing defect;**
   - **accidental damage;**
   - **structural damage and/or property damage;**
   - **accidents; war; acts of terrorism; nuclear explosion, reaction, radiation or radioactive contamination; insurrection; riots; vandalism; or intentional destruction of property;**
   - **any noise without a related Mechanical Failure.**

5. **This Agreement does not cover Mechanical Failures, damages or remediation due to:**

   - **mold, mildew, mycotoxins, fungus, bacteria, virus, condensation, wet or dry rot, regardless of the source, origin, or location;**
   - **lack of capacity in the existing system or appliance, under/oversized systems in relation to the square footage for the area being heated or cooled;**
   - **conditions of insufficient or excessive water pressure;**
   - **conditions of inadequate wiring capacity, circuit overload, power failure and/or surge.**

6. **This Agreement does not cover costs for (except as otherwise specified in this Agreement):**

   - **construction, carpentry, dimensional or design change, or other modifications necessary to remove, relocate or install equipment;**
   - **providing or closing access to covered Items;**
   - **equipment to gain access or permit serviceability such as but not limited to scaffolding;**
   - **restoration of any wall or floor coverings, cabinets, counter tops, tiling, paint or the like;**
   - **failure to meet building code(s), zoning requirements, utility regulations;**
   - **failure to comply with local, state or federal laws or regulations;**
   - **compliance with federal, state, and/or local law, code, regulation, or ordinance;**
   - **for testing required by state or local municipalities, such as but not limited to, load calculation or duct certification;**
   - **for additional charges to access or transport materials, supplies, or Service Professionals to the Covered Property, such as but not limited to: tolls, required use of ferries, or barges;**
   - **Surcharges assessed by Service Professionals and/or part and appliance vendors;**
   - **permits;**
   - **code upgrades;**
   - **modifications.**

7. **This Agreement does not cover:**

   - **dismantle, remove and dispose the defective equipment;**
   - **recapture refrigerant; reclaim refrigerant and dispose of refrigerant;**
   - **removal and/or disposal of hazardous or toxic material or asbestos;**
   - **the use of cranes or other lifting equipment required to service any Item;**
   - **excavation or other charges associated with gaining access to a well pump;**
   - **electronic computerized, or home energy management systems or devices; home automation hub; LCD displays that do not affect the primary operation of the unit; unless otherwise stated in this agreement;**
   - **lighting and/or appliance management systems, unless otherwise stated in this agreement;**
   - **radon monitoring systems, fire sprinkler systems, and solar systems and components.**

8. **This Agreement does not cover delays or failures to provide service caused by, or related to:**

   - **any of the exclusions listed herein;**

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- **shortages of labor and/or materials;**
- **any other cause beyond our reasonable control.**

9. **This Agreement does not cover replacement of functional components of HVAC systems for reasons of compatibility or efficiency requirements of the manufacturer unless additional coverage for such circumstance is purchased. This additional coverage must be purchased within 30 days from the effective date of this Agreement. To obtain this coverage, call the number on you Agreement Coverage Summary Page or visit www.cinchhomeservices.com.**

VIII. Limitation of Liability

1. We are not responsible for incidental, consequential, special, and/or punitive damages and you agree to waive any and all claims for such damages, arising from, resulting from and/or related to the Mechanical Failure of any Item, including, but not limited to, food spoilage, loss of income, additional living expenses, and/or other property damage.

2. We are not liable for any damages that result from a Service Professional's service, delay in providing service or failure to provide service. We are not liable for any incidental, consequential, special, and/or punitive damages, costs, expenses, whether caused by negligence or any other cause, and you agree to waive any and all claims for such damages, arising from, resulting from or related to any Service Professional's service, delay in providing service or failure to provide service, including, but not limited to, damages, resulting from delays in securing parts and/or labor, the failure of any equipment used by a Service Professional, labor difficulties, and/or the negligent, tortious and/or unlawful acts or omissions of any Service Professional.

IX. Cancellation Information

1. You may cancel this Agreement by telephone or in writing within 30 days of the coverage effective date for a full refund of the contract fees paid if no claim has been made as of the date of the cancellation request. The right to cancel this Agreement as provided in this paragraph is not transferable.

2. You may cancel this Agreement within 30 days of the coverage effective date if a claim has been made, or at any time thereafter, at which time you may be entitled to a refund of unearned contract fees paid based on the pro-rata schedule. A processing fee of twenty-five dollars ($25) plus the cost(s) of any services performed under this Agreement will be deducted from any refund payable to you, where permitted by law. If a claim was made under this Agreement, we may bill you for the lesser of the net amount due to us or the unpaid annual term contract fee. We will bill or charge you any balance owed to us through the same mechanism as any previous installment billings, or we will direct bill you if such a mechanism is not available.

3. We may terminate this Agreement immediately, after any applicable notice provisions, for any reason. If we terminate, this Agreement we will follow normal cancellation procedures as outlined in this section.

4. In the event you act in an abusive or harassing manner, threaten to harm or actually harm the safety or well-being of: (i) the Issuing Company (ii) any employee of the Issuing Company; (iii) a Service Professional; or (iv) any property of the company or the Service Professional, you will be in breach of this Agreement. In the event you breach this or any other obligation under this Agreement, we may refuse to provide service to you and may cancel this Agreement immediately.

5. If this is Agreement is canceled, terminated or expires in accordance with its terms we will continue to process any outstanding claims in accordance with the Agreement.

X. Dispute Resolution

1. **ARBITRATION**: All disputes, controversies or claims of any sort, arising out of or in any way relating to this Agreement, its negotiation, and the Services provided pursuant to it, whether based in contract, tort, regulation, or any other legal or equitable theory (collectively "Disputes"), shall be resolved at the consumer's choice by settlement, or in their entirety by individual (not class-wide nor collective) final and binding arbitration, except for claims subject to the jurisdiction of the small claims court (or your state's equivalent court), as these claims are not subject to arbitration and shall proceed only on an individual (non-class and non-representative) basis in such court as stated above. Arbitration shall be conducted within the geographical limits of the applicable federal district court where the Covered Property is located, or such other location upon which both parties mutually agree, and administered by a mutually agreed upon arbitration service. The Commercial

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Arbitration Rules and Supplementary Procedures for Consumer-Related Disputes of the American Arbitration Association or similar such rules (the "Arbitration Rules") in effect at the time arbitration is demanded by either party shall govern the arbitration proceeding and the selection of one neutral arbitrator to preside over the proceeding. The arbitrator, and not any federal, state or local court or agency, shall have exclusive authority to decide all Disputes and all questions related to the interpretation, applicability, enforceability or formation of these Dispute Resolution provisions, including any claim.

2. **CLASS ACTION AND JURY TRIAL WAIVER:** Any arbitration under this Agreement will take place on an individual basis; class, mass, consolidated or combined actions or arbitrations or proceeding as a private attorney general are not permitted. The parties are each waiving the right to trial by jury. The parties are further giving up the ability to participate in a class, mass, consolidated or combined action or arbitration.

3. **OPT-OUT**: Arbitration is not a mandatory condition of your contractual relationship with us. If you do not want to be subject to these Dispute Resolution provisions, you may opt out of these Dispute Resolution provisions by notifying us in writing of your desire to opt out of these Dispute Resolution provisions, either by (1) sending, within 30 days of the date this Agreement is executed by you, electronic mail to compliance@cinchhs.com, stating your name and intent to opt out of the Arbitration Provision or (2) by sending a letter by U.S. Mail, or by any nationally recognized delivery service (e.g., UPS, Federal Express, etc.), or by hand delivery to: Cinch Home Services, Inc. Attn: Legal Department – Arbitration Opt-Out, 4700 Exchange Court, Suite 300, Boca Raton, FL.33431 Should you not opt out of these Dispute Resolution provisions within the 30-day period, each party shall be bound by the terms of these Dispute Resolution Provisions.

XI. Other Conditions

1. **Term.** Coverage under this Agreement commences on the effective date and expires on the expiration date as specified on the Agreement Coverage Summary Page.

2. **Renewal. Where permitted by state law, this Agreement may automatically renew <u>at the sole and exclusive option of the Issuing Company</u> for successive twelve (12) month(s). In the event the Issuing Company elects to renew this Agreement, you will be notified of any rate and/or coverage changes, not less than thirty (30) days prior to the expiration of the current Agreement term and commencement of the renewal term.**

3. **Assignment**. In the event of assignment or transfer of title of the Covered Property, this Agreement may be assigned and/or transferred at our option, where permitted by state law and when the applicable fee has been paid. We reserve the right to charge a transfer fee not to exceed twenty-five dollars $25.

4. **Installment Billing.** In certain cases you may be permitted, at our sole and exclusive discretion, to pay for your coverage on an installment basis. Should you suffer a Mechanical Failure covered by this Agreement at a time when there are unpaid installments due from you, whether or not such payments are due or overdue, we reserve the right to deduct all or any portion of any unpaid amounts from the amount of loss covered by this Agreement for such incident, or to require payment of the entire remaining unpaid balance prior to covering the loss for you as we deem necessary or desirable. Our failure to exercise any such right on one occasion shall not be deemed a waiver of such right on other occasions.

5. **Waiver**. Should we waive any of our contractual rights; such waiver will not constitute a future waiver of said rights.

6. **Disclosure**. The price of the Agreement includes the full amount of all fees due and payable as well as the costs of processing and administration for the Issuing Company and its agents where allowable by law. Any applicable state or local sales taxes are in addition to the price of the Agreement.

7. **Severability.** If any provision of this Agreement is determined to be invalid or unenforceable, in whole or in part, by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect.

8. **Entire Agreement.** This Agreement constitutes the entire agreement between you and us and supersedes all prior agreements and understandings, oral or written, which may have been made with respect to the Agreement and its subject matter. Except as provided herein, all other warranties, expressed or implied, are hereby disclaimed.

9. **Issuing Company.** All plans are issued by HomeSure Services, Inc., except in the following states where they are issued by the identified entity: in AL, AZ, FL, IL, IA, MA, NV, NH, NM, NY, NC, OK, SC, TX, UT, VT, WA, WI and WY by HomeSure

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of America, Inc.; in CA by California Cinch Home Services, Inc. CA LIC #3356-3; in VA and OR by HomeSure of Virginia, Inc. Claims administration of the plans is provided by Cinch Home Services, Inc., OR CCB #202158, IN C.P.D. Reg. No.-T.S. R2707, and repair and replacement services at the property are provided by independent Service Professionals.

10. **Marketing and Administration.** This Agreement is marketed and administered through Cinch Home Services, Inc.

11. **Corporate/Administrative Office.** 4700 Exchange Ct, Suite 300, Boca Raton, FL 33431, (800) 778-8000.

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