

The **right choice** in
home warranties.®



Administered by





AHS protects you from unexpected repair expenses.

Your home is probably your most valuable asset. That's why you protect it with homeowner's insurance.

But what about the items not covered by insurance: a water heater failure... a dishwasher breakdown...an electrical problem?

Sensible protection against unexpected repair costs.

Your home systems and appliances won't last forever. **In fact, the average life expectancy of nine critical home systems and appliances is 13 years, and the likelihood of failure in a given year is 68%.¹**

You can protect yourself against many of these financial risks with an AHS Home Warranty.

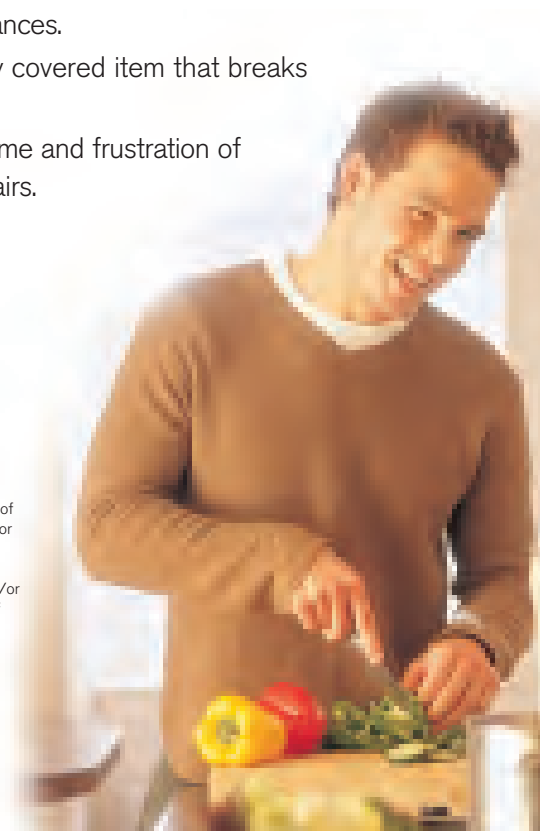
- Covers most home systems and appliances.
- Pays for repair or replacement of any covered item that breaks down due to normal wear and tear.*
- Can save you much of the expense, time and frustration of dealing with covered, unexpected repairs.

¹ *Home Repair and Remodel*, Marshall & Swift LP, 2004

² Consumer Expenditure Survey 2002, U.S. Census

³ Unpublished tabulations from the 2005 National Association of REALTORS® Member Profile

* Not all home systems and appliances are covered. Please read the enclosed contract that details specific coverages, exclusions, and limitations. A trade service call fee applies to the initial visit by a technician for each covered trade. Additional charges may apply to some repairs and replacements. AHS may provide cash back in lieu of repair or replacements in the amount of AHS's actual cost to repair or replace such item, which at times may be less than retail pricing. System and appliances: a) will be replaced with units having comparable features, not necessarily the same dimension, color, and/or brand; b) must be in good working condition on the effective date of contract; c) designated by the manufacturer as commercial are not covered. Improper maintenance of any covered system or appliance may result in denial of coverage for lack of maintenance. Refer to contract for state specific cancellation provisions.



When it breaks, **call us.**

It's that simple. When a covered item breaks down due to normal wear and tear, we will send a pre-screened contractor to your home to solve the problem.

Affordable coverage that could save you thousands of dollars.

Homeowners spend an average of \$900 each year to repair home systems and appliances.² The cost for just one appliance or systems repair can range from \$65 to \$2,000, and replacement costs average \$1,319.¹ But, with an AHS Home Warranty, you reduce the risk of these high costs.

- Whether you're selling or buying, you benefit from the financial protection of an AHS Home Warranty.
- You pay a low trade service call fee for covered repairs or replacements.*
- The affordable AHS Home Warranty cost you pay now can protect you from many budget-breaking, covered repair expenses later.

Reliable service from pre-screened contractors.

You can count on service from AHS – all with just one phone number. We'll take care of all the arrangements to get your problem solved to your satisfaction.

- Call AHS 24 hours a day, 365 days a year for a service request – we handle the rest. An authorized service contractor will contact you to schedule a mutually convenient appointment during normal business hours.
- We handle over 5.7 million service calls per year – an average of over 15,000 each day.
- We regularly monitor our contractors against our top-quality standards.



AHS is the **right choice** in case things go wrong.

- AHS founded the home warranty industry in 1971 and today covers more homes than any other provider.
- AHS is recommended by REALTORS® over twice as often as the nearest competitor.³
- AHS is a ServiceMaster Company, America's leading provider of service brands for residential and commercial customers.

The American Home Shield Guarantee

American Home Shield guarantees that all approved, covered service repairs will be completed to your satisfaction. If for any reason you are not satisfied with the service received, we will work with you until you are satisfied or we will refund the amount of the trade service call fee.





STEP ONE – Choose the AHS Home Warranty Plan

Prices below are for single family dwellings under 5,000 sq. ft. Call to obtain a quote on alternative dwelling types.

- Buyer Coverage\$275
- Optional Listing Coverage for Home Seller*\$75
- New Construction Coverage**\$455

\$55 Trade service call fee per repair visit or actual cost of service, whichever is less. Additional charges may apply to certain repairs and replacements.

*Available only with the purchase of Basic Coverage for Home Buyer. **One time contract fee for a 3-year coverage period. Please call 1-866-797-4802 for the one time optional coverage fees for the 3-year coverage period.

STEP TWO – Select your optional coverage

Optional Coverage Available to Home Buyer and Seller

- Built-in Exhaust Fan\$10
- Trash Compactor\$10
- Garage Door Opener\$25

Optional Coverage Available only to Home Buyer

- Sump Pump\$10
- Water Heater\$45
- Additional Swimming Pool or Built-in Spa Equipment\$50
- Window and/or Wall Air Conditioning/Cooler\$50
- Ducted Central Air Conditioning/Cooler\$120
- Ductless Split Air Conditioning System\$120
- Swimming Pool or Built-in Spa Equipment\$160
- Swimming Pool w/ Built-in Spa Equipment\$160

Call for New Construction Options 1-866-797-4802.

STEP THREE – Please check the appropriate box(es) and sign

I desire:

- The AHS Home Warranty Plan (selected above)
- Optional Coverage Total (selected above)
- HI sales tax (4.16%)

\$
\$
Tax \$ +
Contract Total \$

- To decline the benefits of this coverage. I agree not to hold the real estate company, broker and/or agents liable for the repair or replacement of a system or appliance that would otherwise have been covered by this warranty plan.

Signature: _____ Date: _____

Please read contract for specific coverages, exclusions and limitations.

STEP FOUR – Tell us about yourself

PROPERTY ADDRESS TO BE COVERED: _____

CITY: _____ STATE: _____ ZIP: _____

Please check appropriate box for initiating agent.

SELLER INFORMATION

SELLER NAME: _____

PHONE NUMBER: () _____ E-MAIL: _____

MAILING ADDRESS: _____

CITY: _____ STATE: _____ ZIP: _____

REAL ESTATE COMPANY: _____

AGENT NAME: _____ E-MAIL: _____

PHONE NUMBER: () _____ LISTING EXP. DATE: _____

BUYER INFORMATION

BUYER NAME: _____

PHONE NUMBER: () _____ E-MAIL: _____

MAILING ADDRESS: _____

CITY: _____ STATE: _____ ZIP: _____

REAL ESTATE COMPANY: _____

AGENT NAME: _____ E-MAIL: _____

PHONE NUMBER: () _____

CLOSING COMPANY INFORMATION

CLOSING COMPANY NAME: _____

PHONE NUMBER: () _____ FAX: () _____

ESTIMATED CLOSING DATE: _____ CLOSING NO.: _____

CLOSING REP NAME: _____ E-MAIL: _____

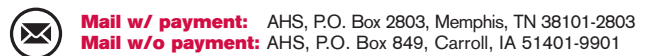
AMERICAN HOME SHIELD

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TO REQUEST SERVICE – Visit www.AHSservice.com or call 1-866-382-8018

When a covered item breaks down due to normal wear and tear, contact American Home Shield. AHS will contact an authorized service contractor who will call you to schedule a convenient time to diagnose the problem. **Please do not call a contractor yourself. AHS will not reimburse for work performed without its prior approval.**

4 EASY WAYS TO ORDER YOUR AHS HOME WARRANTY PLAN



Get to know your **AHS Home Warranty**

To get the most out of your AHS Home Warranty, please read the following sample contract. We want you to realize the full value of your home warranty and the coverage provided. Make sure you know what your home warranty insurance plan covers and what it doesn't. Your home warranty does not cover all systems and appliances and coverage varies from state to state. So, please read your contract carefully to see what's covered and what's not. Some of the most common customer inquiries are below.

Conditions that may result in a DENIAL.



Lack of maintenance of your appliance or home system will result in a denial of service. **Improper installation** of an item that results in damage will result in a denial of service. **Unusual wear and tear** caused by negligence or mistreatment will result in a denial of service. **Code violations** of a home system or structure such as outdated electrical or faulty plumbing may result in a denial of service or incur additional costs.

Some examples of services which are NOT COVERED.



Wood stoves, even if only source of heating as well as **fireplaces, key valves, and chimneys** are not covered. Common electrical breakdowns such as **power failure/surge** and **circuit overload** are not covered. Optional pool accessories such as **pool liners, ornamental fountains** and **waterfalls** are also not covered.

AHS IS NOT LIABLE for hazardous materials.



AHS is not liable for the diagnosis, repair, removal or any damages resulting from **mold, mildew, bio-organic growth, rot or fungus**, even when caused by or related to the malfunction, repair or replacement of a covered system or appliance. AHS will not contract to perform service nor pay costs involving hazardous or toxic materials such as, **asbestos, mold, lead paint, and sanitation of sewage spills.**

These coverage examples are merely illustrations to assist you in understanding your contract, and coverage will be determined based on actual terms and conditions in your contract.

SAMPLE CONTRACT

AMERICAN HOME SHIELD CORPORATION ("AHS")
P.O. BOX 849, CARROLL, IA 51401

A. COVERAGE

A. COVERAGE

1. During the coverage period, AHS will arrange for an AHS authorized service contractor (Service Contractor) to repair or replace the systems and appliances stated as covered in accordance with the terms and conditions of this contract so long as the systems and appliances:

- A. Are located within the confines of the main foundation of the home or attached or detached garage (with the exception of the air conditioner and pool and/or spa equipment, if selected);**
- B. Become inoperative due to normal wear and tear;**
- C. Are in good working order on the Effective Date of this contract (as defined below); and**
- D. Are properly maintained and installed throughout the term of this contract for proper diagnosis.**

2. This contract only covers single family resale homes, new construction homes, and condominiums/townhomes/mobile

homes (including manufactured housing) under 5,000 square feet, unless an alternative dwelling type (i.e. 5,000 square feet up to 10,000 square feet, or multiple units) is applied for by calling the Sales phone number on the Contract Agreement page, and the appropriate fee is paid. Coverage is for owned or rented residential property, not commercial property or residences used as businesses, including, but not limited to, day care centers, fraternity/sorority houses, and nursing/care homes.

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

B. CONTRACT TERM

B. CONTRACT TERM

1. Seller's coverage for the listing and sale (escrow) period starts upon issuance of a contract number by AHS (Effective Date), and continues for 180 days or close of sale (escrow) or termination of listing (whichever occurs first). In the event that close of sale (escrow) does not occur in such 180-day period, AHS may, in its sole discretion, extend the seller's coverage period. If the application is received as a telephone or web application, then coverage will start immediately upon issuance of a contract number by AHS. Seller's coverage includes systems and appliances in Sections D and E, if appropriate fees are paid. For the seller to receive optional listing coverage (Section E), the seller agrees to provide the appropriate fees for the buyer.

2. Buyer's coverage begins at close of sale (escrow), provided plan fee is paid to AHS (Effective Date), and continues

for one (1) year after close of sale (escrow). Any payments made by AHS during the seller's coverage period (if applicable) for the repair or replacement of any covered item shall apply against any "per contract" or "per covered item" dollar limitations set forth herein. Any exclusion, denial or suspension of service made by AHS during the seller's coverage period of any covered item shall apply against the buyer's coverage as set forth herein unless such item is repaired or replaced.

3. Contract term for new construction homes shall begin one (1) year after close of sale (escrow) and continues three (3) years from that date, provided plan fee is paid.

4. Lease option coverage (available for lessee only) begins upon receipt of application and contract fees by AHS and continues for one (1) full year.

C. CUSTOMER SERVICE – TO REQUEST SERVICE CALL: 1-800-776-4663 OR VISIT www.AHSservice.com

1. You must notify AHS for work to be performed under this contract as soon as the problem is discovered. AHS will accept service calls 24 hours a day, 7 days a week at 1-800-776-4663 or online at www.ahsservice.com. **Notice of any service request must be given to AHS prior to expiration of this contract.**

2. Upon request for service, AHS will contact a Service Contractor within four (4) hours during normal business hours and forty-eight (48) hours on weekends and holidays. The Service Contractor will promptly contact you to schedule a mutually convenient appointment during normal business hours. **AHS will determine what repairs constitute an emergency and will make reasonable efforts to expedite emergency service. If you should request AHS to perform non-emergency service outside of normal business hours, you will be responsible for payment of additional fees, including overtime.**

3. **AHS has the right to select the Service Contractor, which may be a service company affiliated with AHS, to perform the service. AHS will not reimburse for services performed without its prior approval.**

4. You will pay \$55 for each trade service call, or the actual cost, whichever is less. Additional charges may apply to certain repairs and replacements. The trade service call fee is for each call dispatched and scheduled to be run (except







as noted in Section C.6.) including, but not limited to, trade service calls wherein coverage is (in whole or in part) granted, excluded, limited or denied. Please note: the trade service call fee applies in the event you fail to be present at the scheduled time of the trade service call or in the event you cancel a call at the time the Service Contractor is in route to your home or the Service Contractor has already arrived at your home. The trade service call fee will be due and payable to the Service Contractor (or to AHS) at the time of the scheduled trade service call. AHS will not respond to any new requests for service until any previous outstanding trade service call fees are paid in full.

5. **At the time the work begins and at appropriate time(s) thereafter, certain repairs and replacements may require you to allow a state or local building inspector access to your home.** Failure to pay any required permit fee or to allow access to your home by the building inspector, will result in suspension of coverage (for that specific repair or replacement) until such time as the permit fee is paid or access is granted (as applicable). At that time, coverage will be reinstated; however, the contract term will not be extended.





6. If service work performed under this contract should fail, AHS will make the necessary repairs without an additional trade service call fee **for a period of 90 days on parts and 30 days on labor.**

D. COVERED SYSTEMS AND APPLIANCES

The following systems and appliances are covered for the home seller and home buyer. Certain limitations of liability apply to covered systems and appliances (see Sections A and G).

-  **1. CEILING FANS**
COVERED: All components and parts.
-  **2. DISHWASHER**
COVERED: All components and parts, except:
NOT COVERED: Racks - Baskets - Rollers.
-  **3. GARBAGE DISPOSAL**
COVERED: All components and parts, including entire unit.
-  **4. BUILT-IN MICROWAVE OVEN**
COVERED: All components and parts, except:
NOT COVERED: Interior linings - Door glass - Shelves - Portable or counter top units - Meat probe assemblies - Rotisseries - Clocks
-  **5. ONE KITCHEN REFRIGERATOR (must be located in the Kitchen)**
COVERED: All components and parts, except:
NOT COVERED: Racks - Shelves - Drawers - Ice makers, ice crushers, beverage/water dispensers and their respective equipment - Interior thermal shells - Food spoilage - Freezers which are not an integral part of the refrigerator - Multi-media center.
NOTE FOR SELLER: One Kitchen Refrigerator is subject to a \$250 maximum coverage limitation during the listing period.
-  **6. RANGE/OVEN/COOKTOP (Gas or Electric)**
COVERED: All components and parts, except:
NOT COVERED: Clocks (unless they affect the function of the oven) - Meat probe assemblies - Rotisseries - Racks - Handles - Knobs - Sensi-heat burners will only be replaced with standard burners.




NOTE FOR SELLER: Washer/Dryer are subject to a combined \$250 maximum coverage limitation during the listing period.

-  **7. CLOTHES WASHER**
COVERED: All components and parts, except:
NOT COVERED: Plastic mini-tubs - Soap dispensers - Filter screens - Knobs and dials - Damage to clothing - Drawers.
-  **8. CLOTHES DRYER (Gas or Electric)**
COVERED: All components and parts, except:
NOT COVERED: Venting - Lint screens - Knobs and dials - Dryer cabinet fragrance/humidity center, hangers, shelves, rods, hooks, and cabinet liner - Damage to clothing - Racks - Drawers.
-  **9. PLUMBING SYSTEM**
COVERED: Leaks and breaks of water, drain, gas, waste or vent lines, except if caused by freezing or roots - Toilet tanks, bowls and related mechanisms (builder's standard is used when replacement is necessary), toilet wax ring seals - Valves for shower, tub, and diverter, angle stops, risers and gate valves - Permanently installed sump pumps (ground water only) - Built-in bathtub whirlpool motor and pump assemblies. NOT COVERED: Stoppages - Collapse or damage to water, drain, gas, waste or vent lines caused by freezing or roots - Faucets and fixtures - Bathtubs and showers - Shower enclosures and base pans - Sinks - Toilet lids and seats - Caulking or grouting - Septic tanks - Water softeners - Pressure regulators - Inadequate or excessive water pressure - Flow restrictions in fresh water lines caused by rust, corrosion or chemical deposits - Sewage ejector pumps - Holding or storage tanks - Saunas or steam rooms - Hose bibs - Whirlpool jets. **NOTE: Where covered repairs require access to plumbing systems, AHS will only provide access to plumbing systems through unobstructed walls, ceilings or floors, and will return access openings to a rough finish. Obstructions include, without limitation, built-in appliances, systems, cabinets, and floor coverings. AHS will cover up to \$500 for access, diagnosis, repair or replacement (including returning access openings to a rough finish) to any portion of a plumbing system that is inaccessible because of concrete. See Section B. for length of contract term.**
-  **10. ELECTRICAL SYSTEM**
COVERED: All components and parts, including built-in exhaust fans, except:
NOT COVERED: Fixtures - Door bells - Alarms - Intercom or speaker systems - Central vacuum systems - Audio/video/computer wiring or cable - Telephone wiring - Inadequate wiring capacity - Power failure or surge - Garage door openers - Direct current (D.C.) wiring or components and/or low voltage systems including wiring and relays - Circuit overload

E. OPTIONAL COVERAGE FOR THE HOME BUYER AND HOME SELLER

(AVAILABLE UPON PAYMENT OF ADDITIONAL CONTRACT FEE)




NOTE BUYER ONLY: Home buyer may purchase any optional coverage for up to 30 days after the Effective Date (see Section B). However, coverage shall not commence until receipt of payment by AHS and such coverage shall expire upon expiration of contract term in Section B. Limitations of liability specified in Sections A and G shall apply. For new construction coverage, home buyer may purchase optional coverage up to 30 days after close of sale (escrow) provided such item was supplied by the home builder or developer (must be new). Optional coverage may be obtained after the initial 30 day period provided item is brand new and proof of brand new purchase is submitted to AHS. Contract term shall begin after the expiration of the manufacturer's warranty and will continue for the remainder of the contract. However, the coverage period shall begin 365 days from close of sale (escrow) and continues three (3) years from that date, provided contract fee is paid. Limitations of liability specified in Sections A and G shall apply.





-  **1. BUILT-IN EXHAUST FANS**
COVERED: All components and parts, except:
NOT COVERED: Exhaust fans used for radon - Heating or lighting components.
-  **2. GARAGE DOOR OPENER**
COVERED: Wiring - Motor - Switches - Receiver unit - Rail/Trolley assembly.
NOT COVERED: Doors - Hinges - Springs - Remote transmitters - Track assembly.
-  **3. TRASH COMPACTOR**
COVERED: All components and parts, except:
NOT COVERED: Lock and key assemblies - Removable buckets.

F. OPTIONAL COVERAGE FOR THE HOME BUYER

(AVAILABLE UPON PAYMENT OF ADDITIONAL CONTRACT FEE)

NOTE: Home buyer may purchase any optional coverage for up to 30 days after the Effective Date (see Section B). However, coverage shall not commence until receipt of payment by AHS and such coverage shall expire upon expiration of contract term in Section B. Limitations of liability specified in Sections A and G shall apply. For new construction coverage, home buyer may purchase optional coverage up to 30 days after close of sale (escrow) provided such item was supplied by the home builder or developer (must be new). Optional coverage may be obtained after the initial 30 day period provided item is brand new and proof of brand new purchase is submitted to AHS. Contract term shall begin after the expiration of the manufacturer's warranty and will continue for the remainder of the contract. However, the coverage period shall begin 365 days from close of sale (escrow) and continues three (3) years from that date, provided contract fee is paid. Limitations of liability specified in Sections A and G shall apply.

-  **1. SUMP PUMP**
COVERED: Permanently installed sump pump for ground water only.
NOT COVERED: Sewage ejector pump.
-  **2. CENTRAL AIR CONDITIONING/COOLER (Maximum of 2 systems)**
NOTE: Coverage available on cooling systems not exceeding a five (5) ton capacity and designed for residential application.
COVERED: Ducted electric wall air conditioning systems - Water evaporative cooler system - Ducted electric central air conditioning systems including: condenser; metering devices (i.e. thermal expansion valves); furnace transition; evaporator coils and drain lines; air handling unit; air handling transition; secondary drain pan and lines; and refrigerant lines are covered. Any of the foregoing covered components as well as plenum, indoor electrical, and duct connections are also covered when AHS determines that upgrading a ducted electric central air conditioning system is required to maintain compatibility with equipment manufactured to be 13 SEER (Seasonal Energy Efficiency Ratio) and 7.7 HSPF (Heating Seasonal Performance Factor) compliant, or compliant with higher SEER or HSPF requirements.
NOT COVERED: Gas air conditioning systems - Condenser casings - Registers and grills - Filters - Electronic air cleaners - Non-ducted self contained window/wall units - Water towers - Humidifiers - Roof jacks or stands - Evaporative cooler pads - Flues - Vents - Improperly sized air conditioning unit - Chillers and chiller components - Ductless split air conditioning - Heat strips - Heat pumps - Systems with improperly matched condensing unit and evaporative coil per manufacturer's specifications - Improper use of metering devices (i.e. thermal expansion valves).
-  **3. DUCTLESS SPLIT AIR CONDITIONING SYSTEM**
COVERED: Ductless split air conditioners systems including: condenser; metering devices (i.e. thermal expansion valves); evaporator coils and drain lines; air handling unit; secondary drain pan and lines; and refrigerant lines are covered. Any of the foregoing covered components as well as plenum, indoor electrical, and duct connections are also covered when AHS determines that upgrading a ductless split air conditioning system is required to maintain compatibility with equipment manufactured to be 13 SEER (Seasonal Energy Efficiency Ratio) and 7.7 HSPF (Heating Seasonal Performance Factor) compliant, or compliant with higher SEER or HSPF requirements.
NOT COVERED: Ducted electric central air conditioning - Ducted electric wall air conditioning - Non-ducted self contained window/wall units - Condenser casings - Filters - Electronic air cleaners - Humidifiers - Improperly sized air conditioning systems - Heat pumps or heat strips - Systems with improperly matched condensing unit and evaporative coil per manufacturer's specifications - Improper use of metering devices (i.e. thermal expansion valves).

-  **4. WINDOW AND/OR WALL AIR CONDITIONING/COOLER**
COVERED: All components and parts of up to two wall and/or window units (each unit must have a rating of 10,000 BTU's or greater for coverage to apply).
NOT COVERED: Central (ducted) air conditioning systems - Ductwork - Air conditioners with a rating of less than 10,000 BTU's - Air conditioners over the limit of two unless additional fee is paid within 30 days from close of sale (escrow) - Heat pumps.
-  **5. DUCTWORK (AVAILABLE ONLY IN CONJUNCTION WITH CENTRAL AIR OPTION.)**
COVERED: Ducts from heating and/or cooling unit to point of attachment at registers or grills and flex ductwork.
NOT COVERED: Registers or grills - Insulation - Asbestos-insulated ductwork - Dampers - Improperly sized ductwork - Diagnostic testing of, or locating leaks to ductwork, including, without limitation, as required by any federal, state or local law, regulation, or ordinance, or when required due to the installation or replacement of system equipment.
NOTE: Where covered repairs require access to ductwork, AHS will only provide access to, and sealing of ductwork through unobstructed walls, ceilings or floors, and will return access openings to a rough finish. Obstructions include, without limitation, built-in appliances, systems, cabinets, and floor coverings. If the ductwork is accessible only through a concrete floor, wall or ceiling, AHS will cover up to \$500 for access to, sealing of other repair to, or replacement of such ductwork, including returning access openings to a rough finish. If any ductwork that is inaccessible due to concrete or other obstructions requires repair or replacement as a result of diagnostic testing, AHS will not cover such repair or replacement. See Section B. for length of contract term.
-  **6. POOL AND/OR SPA EQUIPMENT (excludes portable or above ground spas)**
COVERED: Both pool and built-in spa equipment (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 fee is paid. Coverage applies to above ground, accessible, working components and parts of the heating, pumping, and filtration system as follows: Heater - Pump - Motor - Filter - Filter timer - Gaskets - Blower - Timer - Valves, limited to back flush, actuator, check, 2-way and 3-way valves - Relays and switches - Pool sweep motor and pump - Above ground plumbing pipes and wiring.
NOT COVERED: Lights - Liners - Structural defects - Solar equipment - Jets - Ornamental fountains, waterfalls and their pumping systems - Pool cover and related equipment - Fill line and fill valves - Built-in or detachable cleaning equipment such as, but not limited to, pool sweeps, pop-up heads, turbo valves, skimmers, chlorinators, and ionizers - Fuel storage tanks - Disposable filtration mediums - Heat pump - Portable or above ground spas - Multi-media centers.
-  **7. WATER HEATER (Gas, Electric, or Oil)**
COVERED: All components and parts, including circulating pumps, except:
NOT COVERED: Solar water heaters - Solar components - Ancillary holding or storage tanks - Noise - Fuel storage tank and energy conservation unit - Flues and vents - Thermal expansion tanks - Instant hot water dispenser.

G. LIMITATIONS OF LIABILITY

1. The following are not covered for the home seller or for the home buyer: (a) malfunction or improper operation due to rust or corrosion of appliances, central air conditioning systems/coolers, ductless split air conditioning systems, or pools/spas.
2. Collapsed ductwork, provided additional contract fees are paid, is not covered for the first 30 days after the Effective Date (see Section B) for the home buyer.
3. You may be charged an additional fee by the Service Contractor to dispose of an old appliance, system or component, including, but not limited to the following items: condensing units, evaporator coils, compressors, capacitors, refrigerators, freezers, water heaters, and any system or appliance which contains dangerous or hazardous materials.
4. AHS is not responsible for providing or closing access to covered items except as noted in Sections D.9. and F.5.
5. AHS is not liable for restoration of any wall coverings, floor coverings, cabinets, counter tops, tiling, paint, or the like, nor the repair of any cosmetic defects.
6. AHS is not responsible for electronic or computerized home management systems including, but not limited to, energy, lighting, security, appliances, entertainment, comfort or audio systems.
7. AHS is not responsible or liable for secondary, incidental and/or consequential loss or damage resulting from the malfunction of any covered item including, but not limited to, food spoilage, loss of income, utility bills, additional living expenses, personal and/or property damage, or authorized contractor's service or delay in service.
8. AHS is not responsible or liable for any delay in service or failure to provide service caused by conditions beyond its control, including, but not limited to, delays in obtaining, or shortages of, parts and/or equipment, or labor difficulties.
9. AHS is not responsible or liable for repair of conditions or replacement caused by chemical or sedimentary build up, misuse or abuse, failure to clean or maintain, missing parts, structural changes, fire, freezing, electrical failure or surge, water damage, lightning, mud, earthquake, soil movement, storms, accidents, pet damage, pest damage, acts of God, or failure due to excessive or inadequate water pressure.
10. AHS has the sole right to determine whether a covered system or appliance will be repaired or replaced. AHS is responsible for installing replacement equipment of similar features, capacity, and efficiency, but not for matching dimensions, brand or color. Except when repairing or upgrading covered systems to maintain compatibility with equipment manufactured to be 13 SEER or 7.7 HSPF compliant, or compliant with any higher SEER or HSPF requirements, AHS is not responsible or liable for upgrades, components, parts or equipment required due to: (a) the incompatibility of the existing equipment with the replacement system or appliance or component or any part thereof; or (b) any new type of chemical or material utilized to run the replacement equipment including, but not limited to, differences in technology, refrigerant requirements, or efficiency as mandated by federal, state, or local governments.

AHS is not responsible or liable for the cost of construction, carpentry, or other modifications made necessary by the existing equipment or installing different equipment.

11. AHS is not responsible or liable for repairs related to inadequacy, lack of capacity, misuse, improper installation, previous repair or design, manufacturer's defect, and any modification to the system or appliance. AHS does not perform routine maintenance. You are responsible for providing maintenance and cleaning on covered items as specified by the manufacturer to ensure continued coverage on such items. For example: heating and air conditioning systems require periodic cleaning and/or replacement of filters and cleaning of evaporator and condenser coils. Water heaters require periodic flushing.
12. AHS reserves the right to obtain a second opinion at its expense.
13. This contract does not cover appliances or systems deemed or classified by the manufacturer as commercial.
14. AHS is not responsible for any repair, replacement, installation, or modification of any covered system, appliance, or component or part thereof: (a) that has been, or is, determined to be defective by the Consumer Product Safety Commission or the manufacturer; (b) that a manufacturer has issued, or issues, a warning or recall; (c) that has a malfunction caused by the manufacturer's improper design, use of improper materials, formula, manufacturing process or other manufacturing defect; or (d) while still under an existing manufacturer's, distributor's, or in-home warranty.
15. AHS reserves the right to provide pre-approved reimbursement of itemized costs or cash back in lieu of repair or replacement. Both pre-approved reimbursement of itemized costs and cash back in lieu of repair or replacement will be based on what AHS would ordinarily expect to pay for the same parts and labor, which may be less than retail or your actual cost. Acceptable proof of your actual itemized costs must be provided to AHS before any reimbursement amount may be paid.
16. AHS reserves the right to rebuild a part or component, or replace with a rebuilt part or component.
17. AHS is not under any circumstances liable for the diagnosis, repair, removal or remediation of mold, mildew, bio-organic growth, rot or fungus, or any damages resulting from or related to mold, mildew, rot or fungus, even when caused by or related to the malfunction, repair or replacement of a covered system or appliance.
18. AHS will not contract to perform service nor pay costs involving hazardous or toxic materials including, but not limited to, asbestos, mold, lead paint, and sanitation of sewage spills. AHS will pay costs related to the disposal of refrigerants or contaminants when disposing of an old appliance, system or component.
19. This contract does not cover fees associated with use of cranes needed to install or remove any equipment located on the roof top.
20. AHS is not responsible for like-for-like replacement of appliances if the appliance contains any features that do not contribute to the appliance's primary function including, without limitation, TVs or radios in refrigerators.

H. LAWS, REGULATIONS AND CODE REQUIREMENTS

Except when repairing or upgrading covered systems to maintain compatibility with equipment manufactured to be 13 SEER or 7.7 HSPF compliant, or compliant with any higher SEER or HSPF requirements, AHS is not responsible for any upgrades, work, testing or costs required to comply with any federal, state, or local laws, regulations or ordinances or utility regulations, or to meet current building or zoning code requirements, or to correct for code violations. AHS is

not responsible for service when permits cannot be obtained, nor will it pay any costs relating to permits. AHS' policy is to abide by all current federal, state, and local laws, regulations and guidelines. AHS will not be responsible for any liability arising from repairs or replacements that violate any such laws, regulations, or guidelines.

I. MULTIPLE UNITS AND INVESTMENT PROPERTY

1. If this contract is for a duplex, triplex, or fourplex dwelling, then all unit(s) within such dwelling must be covered by one AHS contract for protection to apply to common systems. Should any unit within such dwelling not be covered as part of the one AHS contract, then AHS is not liable for common systems or appliances.

2. If this contract is for a dwelling within a multiple unit of five (5) dwelling units or more, then only items contained within the confines of each individual unit are covered. Common systems and appliances are not covered.

3. Except as otherwise provided in this section, common systems and appliances are not covered.

J. TRANSFER OF CONTRACT AND RENEWALS

1. If the covered property changes ownership during the contract term, please call the Sales phone number on the Contract Agreement page for further information to transfer coverage to the new owner.

2. This contract may be renewed at the option of AHS. In that event, you will be notified of the prevailing rates and terms for renewal.

K. CANCELLATION

A. The contract holder may return this contract within 30 days of the time this contract is mailed or within 20 days of delivery if this contract is delivered to the contract holder at the time of sale (escrow). If no claim has been made, this contract is deemed void and AHS shall refund to the provider of funds the full purchase price of the service contract. If a claim has been made, any refund due may be credited to any outstanding balance of the amount and any excess shall be refunded to the provider of funds. The right to void this contract is not transferable and shall apply only to the original contract purchaser and only if no claim has been made prior to its return to AHS. A 10% penalty per month shall be added to a refund that is not paid or credited within 45 days after the return of this contract to AHS.

B. If AHS cancels this contract, AHS shall mail a written notice that states the effective date of cancellation to the contract holder at the last known address of the contract holder at least 5 days prior to the cancellation. Prior notice

is not required if the reason for cancellation is nonpayment of AHS' fees, a material misrepresentation by the contract holder, or a substantial breach of duties by the contract holder relating to the covered product or its use.

C. If this contract is cancelled by AHS, then the provider of funds shall be entitled to a pro rata refund of the paid contract fees for the unexpired term, less administrative fees up to \$35 for issuance of this contract, and less any balance owed to AHS including claims costs.

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

L. MISCELLANEOUS

Obligations of the provider under this service contract are backed by the full faith and credit of the provider.

Protect yourself

from unexpected repair costs on these key items.

COVERED ITEMS	Buyer	Seller
13 SEER Coverage Included	✓†	
Ceiling Fans	✓	✓
Dishwasher	✓	✓
Garbage Disposal	✓	✓
Built-in Microwave Oven	✓	✓
Kitchen Refrigerator	✓	✓
Range/Oven/Cooktop	✓	✓
Washer	✓	✓
Dryer	✓	✓
Plumbing System	✓	✓
Built-in Whirlpool Motor & Pump	✓	✓
Electrical System	✓	✓

OPTIONAL COVERAGE	Buyer	Seller
Built-in Exhaust Fan		\$10
Garage Door Opener		\$25
Trash Compactor		\$10
Sump Pump	\$10	
Water Heater	\$45	
Addtl Swimming Pool or Built-in Spa Equipment	\$50	
Window and/or Wall Air Conditioning	\$50	
Ducted Central Air Conditioning/Cooler	\$120	
Ductless Split Air Conditioning System	\$120	
Swimming Pool or Built-in Spa Equipment	\$160	
Swimming Pool w/ Built-in Spa Equipment	\$160	

COVERAGE COST*	
Buyer	\$275
Optional Listing Coverage for Home Seller**	\$75
New Construction (covers 3 years)	\$455
Trade Service Call Fee***	\$55

OPTIONAL LISTING COVERAGE FOR HOME SELLER

- Provides for the repair or replacement of basic covered items during the listing period (does not include options)
- Reduces the chance of a delayed closing due to the breakdown of a covered component
- Minimizes out-of-pocket expenses
- Helps keep home marketable and in good condition while for sale
- Fee is paid only if (and when) home closes escrow

†13 SEER coverage included if optional seller's coverage is purchased.*4.16% HI sales tax is applicable. **Available only with the purchase of Basic coverage for the Home Buyer. ***A trade service call fee applies to the initial visit by a technician for each covered trade. Please read contract for specific coverages, exclusions and limitations.

TO REQUEST SERVICE – Visit www.AHSservice.com or call 1-866-382-8018

When a covered item breaks down due to normal wear and tear, contact American Home Shield.

AHS will contact an authorized service contractor who will call you to schedule a convenient time to diagnose the problem.

Please do not call a contractor yourself. AHS will not reimburse for work performed without its prior approval.



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