

TERMS OF SERVICE CONTRACT

Throughout this Contract the words “We”, “Us” and “Our” refer to 4Warranty Corporation [10151 Deerwood Park Blvd., Bldg. 100, Suite 500, Jacksonville Florida 32256 (800-867-2216)], the Obligor of this Contract in all states except in Florida and Oklahoma where it is **LYNDON SOUTHERN INSURANCE COMPANY**, [10151 Deerwood Park Blvd., Bldg. 100, Suite 500, Jacksonville, FL 32256 (800)888-2738], in Wisconsin where it is **The Service Doc**, [10151 Deerwood Park Blvd., Bldg. 100, Suite 500, Jacksonville, FL 32256 (800)888-2738] and in Washington where it is **Dealers Alliance Corporation**, [240 N. Fifth Street, Suite 350, Columbus, OH 43215]. “New Leaf” refers to New Leaf Service Contracts, LLC, the Administrator of this Contract. “Seller” refers to 365 Home Warranty Corp., the Seller of this Contract. “You”, “Your” and the “Customer” refer to the person contracting for Services covered by this Contract and whose name(s) appear on the Cover Page.

I. General Coverage Provisions

A. Coverage

1. 365 Home Warranty Corp. is the Seller of this Contract. All obligations under this Contract are the responsibility of the Obligor.

2. Coverage will only apply to system and component malfunctions used in your home 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. Coverage is only available for homes located in the United States.

3. This Contract does not cover known defects.

4. THE OBLIGOR AND THE ADMINISTRATOR ARE NOT AUTHORIZED REPAIR TECHNICIANS and will not actually be performing the repair or replacement of any systems or components.

5. Obligor’s obligation to pay for the repair or replacement of Covered Systems and Components under this Contract is limited to \$1,500 per covered item, except as noted in Section V. Limitations, and \$3,000 in the aggregate during the Contract Period, subject to the further limitations set forth herein.

6. Free Roadside Assistance is provided with every Premium Plan Contract as a value benefit.

7. This is not a contract for insurance. Obligations of the Obligor under this Contract are insured under a reimbursement insurance policy. THE OBLIGOR UNDER THIS AGREEMENT IS INSURED BY “LYNDON SOUTHERN INSURANCE COMPANY”, [10151 DEERWOOD PARK BLVD., BLDG. 100, SUITE 500, JACKSONVILLE, FL 32256 (800) 888-2738], EXCEPT IN GEORGIA WHERE THE OBLIGOR IS INSURED BY “INSURANCE COMPANY OF THE SOUTH”, [10151 DEERWOOD PARK BLVD., BLDG., SUITE 500, JACKSONVILLE, FL 32256 (800) 888-2738], EXCEPT IN CALIFORNIA WHERE THE OBLIGOR IS INSURED BY “RESPONSE INDEMNITY COMPANY OF CALIFORNIA”, [10151 DEERWOOD PARK BLVD., BLDG. 100, SUITE 500, JACKSONVILLE, FL 32256 (800) 888-2738], AND EXCEPT IN NEW YORK, RHODE ISLAND, WASHINGTON AND WISCONSIN WHERE THE OBLIGOR IS INSURED BY “DEALERS ASSURANCE COMPANY”, [240 N. FIFTH STREET, SUITE 350, COLUMBUS, OH 43215, (800) 282-8913]. IF THE ADMINISTRATOR FAILS TO PROVIDE SERVICE OR PAY A CLAIM WITHIN SIXTY (60) DAYS YOU MAY SUBMIT YOUR CLAIM DIRECTLY TO THE INSURER AT THE ABOVE ADDRESS.

B. Definitions

1. “365” means 365 Home Warranty Corp.

2. “Administrator” means New Leaf Service Contracts, LLC.

3. "Authorized Repair Technician" means the service contractor Administrator dispatches in response to Your request for Service.
4. "Contract" means this service contract between You and Obligor including the Cover Page.
5. "Cover Page" means the page attached to this Contract that includes Your specific coverage information. The Cover Page is part of this Contract. No coverage will be provided that is not listed in the Cover Page.
6. "Coverage Period Start Date" means the date listed on the Cover Page.
7. "Coverage Period" means the duration of time identified on the Cover Page.
8. "Covered Systems and Components" means systems and components as specifically described herein as "Included" and that are located inside the confines of the main foundation of the Covered Property and are in proper working order on the Coverage Period Start Date or 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.
9. "Covered Property" means the address that is eligible for coverage and identified on the Cover Page. The Covered Property must be for owner occupied, residential 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.
10. "Home Owner" means the Customer.
11. "Obligor" means 4 Warranty Corporation [10151 Deerwood Park Blvd., Bldg. 100, Suite 500, Jacksonville Florida 32256 (800-867-2216)], in all states except in Florida and Oklahoma where it is **LYNDON SOUTHERN INSURANCE COMPANY**, [10151 Deerwood Park Blvd., Bldg. 100, Suite 500, Jacksonville, FL 32256 (800)888-2738], in Wisconsin where it is **The Service Doc**, [10151 Deerwood Park Blvd., Bldg. 100, Suite 500, Jacksonville, FL 32256 (800)888-2738] and in Washington where it is **Dealers Alliance Corporation**, [240 N. Fifth Street, Suite 350, Columbus, OH 43215].
12. "Seller" means 365 Home Warranty Corp.
13. "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.
14. "Service Order Charge" means an amount due by You for a Service visit by an Authorized Repair Technician as listed on the Coverage Letter.
15. "We" and "Us" means the Obligor.
16. "You" and "Your" and the "Customer" means the person contracting for Services covered by this Contract and whose name(s) appear on the Cover Page.

II. Coverage Duration

- A. Coverage begins on the Coverage Period Start Date and ends on the last day of the Coverage Period provided payment is made in full on or before the Coverage Period Start Date. Your Coverage Period is found on the Cover Page.

III. Payment

- A. You agree to pay for the Contract at the same time your request is submitted to us. Coverage under this Contract will be subject to at least a thirty (30) day waiting period. The waiting period commences from the date payment is received.
- B. Payments may be made annually. Your payment frequency is contained in the Cover Page.

IV. Service Calls

- A. You or Your agent (including tenant if specifically authorized by the Home Owner) must notify Administrator for Service Requests to be performed under this Contract as soon as the problem is

discovered. Administrator will accept Service Requests 24 hours a day, 7 days a week, 365 days a year at 844-573-8682. To be covered, notice must be given to Administrator prior to expiration of this Contract. Maintenance records may be required when initiating a claim for a Covered Product.

B. Administrator will dispatch Service Requests to an Authorized Repair Technician within 48 hours. If you should request Administrator 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 Administrator will determine what repairs constitute an emergency and will make reasonable efforts to expedite emergency service (emergency is usually considered to be loss of life or peril, but may also include failures of heating and air conditioning systems).

D. Administrator has the sole and absolute right to select the Authorized Repair Technician to perform the Service; and Administrator will not reimburse for Services performed without its prior approval.

E. You will pay the Service Order Charge of seventy five (\$75.00) dollars. The Service Order Charge is for each visit by an Authorized Repair Technician and will be paid directly to the Authorized Repair Technician at the time of service, except as noted below. The Service Order Charge applies to each call dispatched and scheduled, including but not limited to those calls wherein coverage is deemed Excluded, or denied. The Service Order Charge 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 at Your home. Failure to pay the Service Order Charge will result in suspension of coverage until such time as the proper Service Order Charge is paid. At that time, coverage will be reinstated, but the Coverage Period will not be extended. The Service Order Charge is not included as part of the deductible or claim limit.

F. If Services performed under this Contract should fail, then Administrator will provide for the necessary repairs without an additional Service Order Charge 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 Service Order Charge will still be payable.

V. Covered Systems and Components

The following systems and components are covered 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. Your specific Covered Systems and Components are listed on the Cover Page. Changes in Coverage initiated by You are assumed to be accepted unless the Contract is cancelled.

A. CLOTHES WASHER

INCLUDED: All components and parts.

EXCLUDED: Plastic mini-tubs; soap dispensers; filter screens; knobs and dials; damage to clothing; and door seals.

LIMITATIONS: Obligor will pay no more than \$500 per Service Call.

B. CLOTHES DRYER

INCLUDED: All components and parts.

EXCLUDED: Venting; lint screens; knobs and dials, damage to clothing; and door seals.

LIMITATIONS: Obligor will pay no more than \$500 per Service Call.

C. RANGE/OVEN/COOKTOP/STOVE (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; and portable range/oven/cooktop/stove.

LIMITATIONS: Obligor will pay no more than \$500 per Service Call.

D. DISHWASHER (Built-in)

INCLUDED: All components and parts.

EXCLUDED: Doors; door cables; door glass; door seals; drip pans; filters and screens; water supply lines; interior lining; knobs and handles; lock and key assemblies; racks; rollers, secondary units; structural components; trays; tubs; and conditions of water flow restriction due to scale, minerals and other deposits.

LIMITATIONS: Obligor will pay no more than \$500 per Service Call.

E. MICROWAVE OVEN (Built-in or Countertop)

INCLUDED: All components and parts. Coverage is limited to one (1) microwave.

EXCLUDED: Interior linings; door glass; clocks; shelves; meat probe assemblies; rotisseries; door seals; lighting and handles; and glass.

LIMITATIONS: Obligor will pay no more than \$500 per Service Call.

F. KITCHEN FAN/EXHAUST HOOD

INCLUDED: Motors; switches, controls, bearings; and blades.

EXCLUDED: Whole house fans; belts; shutters; filters, and lighting.

LIMITATIONS: Obligor will pay no more than \$500 per Service Call.

G. GARBAGE DISPOSAL

INCLUDED: All components and parts, including entire unit.

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

LIMITATIONS: Obligor will pay no more than \$500 per Service Call.

H. INSTANT HOT WATER DISPENSER

INCLUDED: All components and parts.

LIMITATIONS: Obligor will pay no more than \$500 per Service Call.

I. KITCHEN REFRIGERATOR w/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; and audio/visual components and internet connection equipment.

LIMITATIONS: Obligor will pay no more than \$500 per Service Call.

J. TRASH COMPACTOR (Built-in)

INCLUDED: All components and parts.

EXCLUDED: Lock and key assemblies; removable buckets; door seals; and portable trash compactors.

LIMITATIONS: Obligor will pay no more than \$500 per Service Call.

K. STAND-ALONE FREEZER

INCLUDED: All parts and components that affect operation of the unit.

EXCLUDED: Ice makers, crushers, dispensers and related equipment; internal shell; racks; shelves; glass displays; lights; knobs and caps; dials; doors; door seals and gaskets; door hinges; door handles; glass; condensation pans; clogged drains and clogged lines; grates; food spoilage; Freon; disposal and recapture of Freon.

LIMITATIONS: Obligor will pay no more than \$500 per Service Call.

L. ATTIC FAN

INCLUDED: All components and parts.

LIMITATIONS: Obligor will pay no more than \$500 per Service Call.

M. CEILING FANS AND BATHROOM EXHAUST FANS

INCLUDED: Motors; switches, controls, bearings; and blades.

EXCLUDED: Whole house fans; belts; shutters; filters, and lighting.

LIMITATIONS: Obligor will pay no more than \$500 per Service Call.

N. DOOR BELLS

INCLUDED: All components and parts.

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

LIMITATIONS: Obligor will pay no more than \$500 per Service Call.

O. GARAGE DOOR OPENER

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

EXCLUDED: Garage doors; hinges and springs; Infra-red sensors; chains; tracks; rollers; and remote receiving/transmitting devices.

LIMITATIONS: Obligor will pay no more than \$500 per Service Call.

P. CENTRAL AIR CONDITIONING SYSTEM (not exceeding 5 ton capacity and designed for residential use)

INCLUDED: Mechanical parts and components of one (1) centrally ducted air conditioning system; heat pump system, evaporative (swamp) cooler unit, as follows: accessible ductwork from the air conditioning unit to the point of attachment at registers/grills; air handler; blower fan motors; capacitors; compressor; condenser; condenser fan motor; condenser coil; evaporator coil; fan blades; refrigerant gas lines interior to the unit; internal system controls; internal wiring; motor (excludes dampers); primary condensate drain pan; refrigerant (excludes reclamation); refrigerant filter dryer; refrigerant piping (excluding inter-connecting line sets and geo-thermal piping); relays; reversing valves; switches and controls; and thermostats (electronic set back units will be replaced only with standard units).

EXCLUDED: Primary/secondary condensate, pumps, and lines; asbestos insulated ductwork or piping; concrete encased or inaccessible ductwork; dampers; filters (including electronic/electrostatic and de-ionizing filter systems); fossil fuel control systems and other energy management systems and controls; geothermal piping; heat recovery unit; humidifiers; interconnecting refrigerant lines (external of the Covered System); panels and/or cabinetry; registers and grills; recapture/reclaim of refrigerant; structural components; water pumps, valves and lines (external of the condenser unit); wall units (except as noted above); window units, and water cooling towers. Gas systems, including ammonia systems, and chilled water systems, are not covered.

LIMITATIONS: Obligor will pay no more than \$1,000 per Service Call.

Q. CENTRAL HEATING SYSTEM

INCLUDED: Central heating is defined as the main heat source of the dwelling to include heat pump. Mechanical parts and components of one (1) system, either hot water and steam heating system or centrally ducted forced air/gas/electric heating system or electric baseboard units, if providing the primary source of heat in the dwelling, as follows: accessible ductwork from covered heating unit to point of attachment to register/grill; blower fan motors; burners; controls, fan blades; heat/cool thermostats (electronic set back units will be replaced only with standard units); heat exchangers; heating elements; igniter and pilot assemblies; internal system controls, wiring, and relays; motors (excludes dampers); and switches. Electric baseboard units are covered if they are the primary source of heating for the property.

EXCLUDED: Chimneys, Flues, and liners; cleaning and re-lighting of burners; concrete encased or inaccessible ductwork; concrete encased stem or radiant heating coils or lines; conditions of water flow restriction due to scale, minerals and other deposits; fossil fuel control systems or other energy management systems and controls; dampers; asbestos insulated ductwork or piping; electric baseboard heat unless primary heating system in home; filters (including electronic/electrostatic and de-ionizing filter systems); fireplaces and their respective components and gas lines; free-standing or portable heating units; fuel storage tanks, lines, and filters; gas log systems, including gas feed lines; humidifiers; inaccessible water/steam lines leading to or from system; individual space heaters; maintenance and cleaning; panels and/or cabinetry; pressure regulators; radiant heating systems built into walls, floors or ceilings;

registers and grills; secondary units; solar heating devices and components; and structural components.

LIMITATIONS: Obligor will pay no more than \$1,000 per Service Call.

R. DUCTWORK

INCLUDED: All ductwork when repair or replacement of the heating and air conditioning unit is required.

EXCLUDED: Registers, grills, insulation and concrete encased ductwork. If access is required to normally inaccessible ductwork the servicer will only restore opening to a "rough finish" condition.

LIMITATIONS: Obligor will pay no more than \$500 per Service Call.

S. HOT WATER HEATER

INCLUDED: Mechanical parts and components of one (1) water heater, including circulatory pumps and domestic hot water coils attached to boilers, but excluding solar and heat recovery units. Mechanical failure resulting from sediment buildup.

EXCLUDED: Auxiliary and secondary holding/storage tanks; base pans; color or purity of water; flues; vent pipes/lines; insulation and insulation blankets; heat recovery units; any noise without a related mechanical failure; point of service and/or hot water dispensers; racks, straps; timers; and solar heaters, including all parts and components.

LIMITATIONS: Obligor will pay no more than \$500 per Service Call.

T. WHIRLPOOL BATHTUB

INCLUDED: Heaters, pumps, motors, gaskets, relays, impellers, timers, interior plumbing lines leading to and from the whirlpool bathtub.

EXCLUDED: Any plumbing lines encased in concert.

LIMITATIONS: Obligor will pay no more than \$500 per Service Call.

U. ELECTRICAL SYSTEM

INCLUDED: Standard mechanical parts or components located within the perimeter of the outer load bearing walls consisting of the following: ceiling fan motors and their controls (excluding transmitters and remotes); 2 garage door openers; interior standard light switches, main breaker or fuse panel/box receptacles and general line voltage wiring.

EXCLUDED: Batteries; direct current (DC) wiring and systems; exterior wiring and components (except main panels mounted to exterior wall); any wiring or components servicing a detached structure; fire, smoke or carbon monoxide alarm and/or detection systems and batteries; garage door assemblies including door panels, tracks, rollers, hinges, cables and springs; intercom or speaker systems; lighting fixtures, load control devices; low voltage systems including wiring and relays; sending units, service entrance cables; telephone systems; timers; touch pad assemblies; transmitters and remotes; utility meter base pans; and wall fans. Failures and conditions caused by inadequate wiring capacity, circuit overload and power failure/shortage or surge, are not covered.

LIMITATIONS: Obligor will pay no more than \$500 per Service Call.

V. PLUMBING SYSTEM

INCLUDED: Breaks and leaks on exposed water, gas, and drain lines within the perimeter of the main dwelling. Authorized Repair Technician will clear all drain and waste line stoppages which can be cleared with 100 feet of sewer cable, EXCEPT the recurrence of stoppage within 15 days of a previous stoppage. Mechanical parts and components of the following: garbage disposal; interior hose bibs; shower and tub valves; toilet tanks, bowls, and toilet mechanisms within the toilet tank; a sump pump assembly located within the home and hard pipe installed.

EXCLUDED: Assembly parts within the water closet tank, toilet wax ring seal, plumbing fixtures, faucets, sewer ejector pumps, holding tanks, caulking, grouting, shower base pans, enclosures, tub, shower and diverter valves, pop-up drain parts and components, toilet tanks, toilet bowls, toilet lids or toilet seats. Also water restrictions cause by inadequate supply or improper design,

rust or other deposits within the pipes, septic tanks, collapse of piping or damage caused by freeze or root damage. We will provide access to plumbing systems through unobstructed walls, ceilings or floors only, and will return the access point to a rough finish.

LIMITATIONS: Obligor will pay no more than \$500 per Service Call.

VI. Optional Coverage

The following coverages are available at the option of the Customer and cover only items specifically labeled as "Included" and are subject to all other provisions, limitations and exclusions in this Contract. Your optional coverage, if selected, is listed on the Cover Page.

A. IN GROUND POOL AND/OR SPA EQUIPMENT

INCLUDED: Filters; heaters; pumps; motors; gaskets; relays; impellers; timers; backflush valve and above ground plumbing lines leading to and from the pool or spa.

EXCLUDED: Cleaning Covered System/Component; pool sweeps; concrete encased or underground plumbing; electrical lines and lights; structural defects; code violations; solar water heaters; liners; or freeze damage.

LIMITATIONS: Obligor will pay no more than \$500 per Contract Period for access, diagnosis and repair/replacement.

B. ADDITIONAL CENTRAL HEATING SYSTEM

INCLUDED: Optional coverage includes the same parts and components of one (1) additional central heating system as the primary unit described in the Covered Systems and Components section under "Central Heating System."

EXCLUDED: All exclusions found in the Covered Systems and Components section for the primary central heating system.

LIMITATIONS: Obligor will pay no more than \$500 per Contract Period for access, diagnosis and repair/replacement.

C. ADDITIONAL CENTRAL AIR CONDITIONING SYSTEM

INCLUDED: Optional coverage includes the same parts and components of one (1) additional central air conditioning system with a capacity of 5 tons or less as the primary unit described in the Covered Systems and Components section under "Central Air Conditioning System."

EXCLUDED: All exclusions found in the Covered Systems and Components section for the primary central air conditioning system.

LIMITATIONS: Obligor will pay no more than \$500 per Contract Period for access, diagnosis and repair/replacement.

D. WHOLE HOME WATER SOFTENER

INCLUDED: All components and parts.

EXCLUDED: Leased or rented units.

LIMITATIONS: Obligor will pay no more than \$500 per Contract Period for access, diagnosis and repair/replacement.

F. CENTRAL VACUUM

INCLUDED: All mechanical system components and parts.

EXCLUDED: Ductwork; blockages; and accessories.

LIMITATIONS: Obligor will pay no more than \$500 per Contract Period for access, diagnosis and repair/replacement.

G. SEPTIC SYSTEM

INCLUDED: Sewage ejector pump; jet pump; aerobic pump; septic tank and line from house.

EXCLUDED: Leach lines; field lines; tile fields and leach beds; insufficient capacity; pump out; and cleaning.

LIMITATIONS: Obligor will pay no more than \$500 per Contract Period for access, diagnosis and repair/replacement.

H. 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; and redrilling of wells.

LIMITATIONS: Obligor will pay no more than \$500 per Contract Period for access, diagnosis and repair/replacement.

I. WHOLE HOUSE HUMIDIFIER

INCLUDED: All components and parts.

EXCLUDED: Filters or other consumable parts.

LIMITATIONS: Obligor will pay no more than \$500 per Contract Period for access, diagnosis and repair/replacement.

J. WINE REFRIGERATOR

INCLUDED: All components and parts.

EXCLUDED: Racks; shelves; mini fridges ; interior thermal shells; food spoilage; door seals; lighting and handles; units moved out of the kitchen; and audio/visual components and internet connection equipment.

LIMITATIONS: Obligor will pay no more than \$500 per Contract Period for access, diagnosis and repair/replacement

K. FREE STANDING ICEMAKER

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 ; interior thermal shells; door seals; lighting and handles; units moved out of the kitchen; and audio/visual components and internet connection equipment.

LIMITATIONS: Obligor will pay no more than \$500 per Contract Period for access, diagnosis and repair/replacement.

VII. 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. Problems cannot always be diagnosed and repaired on the first service visit. Obligor is not liable for losses or damages resulting from misdiagnosis or delays in completing diagnosis or repairs.

B. Obligor is not responsible for providing access to or closing access from any covered item which is concrete-encased or otherwise obstructed or inaccessible (including but not limited to beneath crawl spaces, floor coverings, systems, cabinets, etc.).

C. At times it is necessary to open walls or ceilings to make repairs. The Authorized Repair Technician obtained by Administrator will close the opening, and return to a rough finish condition, subject to the monetary limits of any Service or Covered System and Component. Obligor is not responsible for restoration of any wall coverings, floor coverings, plaster, cabinets, counter tops, tiling, paint, or other surfaces. Similarly, Obligor is not responsible for the repair of any cosmetic defects or performance of routine maintenance.

D. Electronic or computerized energy management or lighting and appliance management systems are excluded.

E. 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). Obligor 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.

F. Obligor 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, lightening, 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 are not considered loss or damage due to normal wear and tear.

G. OBLIGOR 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.

H. Administrator has the sole right to determine whether a covered appliance, system or component 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, Obligor is responsible for providing installation of similar quality equipment but not for the cost of construction or carpentry made necessary by different dimensions. Obligor is not responsible for upgrade or matching color or brand. During the first 30 days of the Coverage Period, Obligor is not liable for replacement of entire systems or appliances due to obsolete, discontinued or unavailability of one or more integral parts. However, Obligor will provide reimbursement for the costs of those parts determined by reasonable allowance for the fair value of similar parts.

I. Obligor is not liable for repairs related to adequacy or capacity of appliances, components and systems in the home; improper installation, design or previous repair of appliances, components and systems: problems or failures caused by a manufacturer's defect. Obligor is not liable for repairs related to costs of construction, carpentry, or other incidental costs associated with the alterations, modifications, or upgrades of all appliances, components or installation of different equipment and/or systems. Also, Obligor 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 13 SEER, R-410A and/or 7.7 HSPF or higher compliant as well as any other efficiency mandated by federal, state, or local governments.

J. Obligor is not liable for the repair or replacement of commercial grade equipment, systems or appliances.

K. Obligor reserves the right to require a second opinion, at its own cost.

L. Obligor 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. Obligor 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.

Obligor's responsibilities will be secondary to any other extended or in-home warranties that exist for the included systems, components and appliances.

M. Obligor is not responsible for removal and hauling away of old equipment or appliances. Where available, you may choose to pay an additional fee by the service vendor for removal and/or disposal of an old system, component or appliance.

N. Obligor reserves the right to offer cash back in lieu of repair or replacement in the amount of Obligor's actual cost, which may be less than retail, to repair or replace any covered system, component or appliance.

O. Obligor will not pay for the repair or replacement of any covered systems or appliances if they are inoperable as a result of pre-existing conditions, deficiencies and/or defects.

P. Obligor and Administrator will not be the Authorized Repair Technician and Obligor and Administrator will not perform the Services hereunder. Obligor will only subcontract with Authorized Repair Technicians that meet its standards. You agree that Obligor is not liable for the negligence or the other conduct of the Authorized Repair Technician, nor is Obligor an insurer of the Authorized Repair Technician's performance.

Q. HOME OWNER's sole remedy under this Contract is recovery of the cost of the required repair or replacement, whichever is less. HOME OWNER agrees that, in no event, will Obligor's liability exceed \$1,500 per covered item or \$3,000 in the aggregate during the Contract Period.

R. BUILDING AND ZONING CODE REQUIREMENTS OR VIOLATIONS

1. Obligor will not contract for services to meet current building or zoning code requirements or to correct for code violations, nor will it contract for services when permits cannot be obtained. Obligor will not pay for the cost to obtain permits.

2. When it is required to maintain compatibility with equipment manufactured to be 13 SEER, R410A and/or 7.7 HSPF or higher compliant, Obligor 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 city, county, state, federal and utility regulations and upgrades required by law.

VIII. 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 Obligor. 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 of Texas 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 AGREE THAT YOU MAY BRING CLAIMS AGAINST OBLIGOR OR ITS AFFILIATES ONLY IN YOUR INDIVIDUAL CAPACITY, AND MAY NOT BRING CLAIMS AGAINST OBLIGOR OR ITS AFFILIATES AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS ACTION, COLLECTIVE ACTION OR OTHER REPRESENTATIVE PROCEEDING.

6. Any failure by Obligor 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 Obligor from asserting any right or enforcing any requirement at any time.

7. Obligor will make commercially reasonable efforts to fulfill its obligations under this Contract. Certain causes and events that are out of Obligor's reasonable control ("Force Majeure Events") may result in Obligor's inability to perform under this Contract. If Obligor is unable to perform its obligations, in whole or in part, due to a Force Majeure Event, then Obligor's obligations shall be suspended to the extent made necessary by such Force Majeure Event, and in no event shall Obligor 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 Obligor's reasonable control.

B. USE OF PERSONAL INFORMATION

By entering into this Contract, You agree that any personal information that You provide to Seller, Obligor, and/or Administrator in connection with this Contract, whether required or not, constitutes permission for Seller, Obligor, and/or Administrator to add Your personal information to customer databases and to use and share your information as set forth in the Privacy Policies of the Seller, Obligor and Administrator. You may opt out of receiving marketing communications from Seller, Obligor, and/or Administrator as set forth in the Privacy Policy or as provided within any marketing materials (e.g., using the "Unsubscribe" feature provided in the footer of emails).

C. ASSIGNMENT & TRANSFER OF CONTRACT & RENEWALS

1. If the Covered Property is sold during the term of this Contract You may transfer this Contract to the new owner by mailing, and providing the date of new ownership, new owner's name, complete address, and telephone number and an Administrator fee of fifty dollars (\$50) payable to New Leaf Service Contracts, LLC. A copy of the Contract is available upon request.

2. Obligor 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 agree that Obligor shall have no further obligation to you. This Contract is not assignable by You without Obligor's prior written consent except as set forth above.

3. This Contract does not automatically renew past the first Covered Period but may be renewed at the option of Obligor/Administrator and where permitted by state law. In that event you will be notified of the prevailing rate and terms for renewal.

D. CANCELLATION

This Contract shall be noncancelable by Obligor, except for:

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

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 an Administrator fee of the lesser of \$30 or 10% of the Contract fee (unless otherwise required by state law). The right to void this Contract within the first 30 days is not transferrable and is available only to the original purchaser of the Contract.

If Obligor 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 Administrator fee of the lesser or \$30 or 10% of the Contract fee (unless otherwise required by state law), and any actual service costs incurred by Obligor.

Alabama Residents: In addition to Your cancellation rights listed above, if the Contract is cancelled, the Home Owner shall be entitled to a pro rata refund of the paid Contract fee for the unexpired term, less service and a \$25 administrative cost incurred by Obligor. If the Contract is cancelled within 20 days of the date the service Contract was mailed or within 10 days of delivery if the contract is delivered at the time of sale and no claims have been made, the contract holder is entitled a refund of 100% of the premium.

Arkansas Residents: In addition to Your cancellation rights listed above, You may cancel this Contract within 20 days of the date this Contract was mailed to You or within 10 days of delivery if this Contract is delivered to You at the time of sale or within a longer time period permitted under this Contract and if You have not received any Service, You are entitled to a full refund of the amount paid by You under this Contract. A 10% penalty per month must be added to a refund that is not paid or credited to You within 45 days after the cancellation of this Contract.

Georgia Residents: All provisions of this section apply except, if Home Owner cancels contract, Home Owner shall be entitled to a refund of 90% of the unearned pro-rata amount of the paid contract fee; and if the Company cancels contract, the Home Owner shall be entitled to a refund of 100% of the unearned pro-rata amount of the paid contract fee. No service, cancellation or administrative fees will be charged or deducted.

Louisiana Residents: In addition to Your cancellation rights listed above, You may cancel this Contract within 20 days of the date this Contract was mailed to You or within 10 days of delivery if this Contract is delivered to You at the time of sale or within a longer time period permitted under this Contract and if You have not received any Service, You are entitled to a full refund of the amount paid by You under this Contract. A 10% penalty per month must be added to a refund that is not paid or credited to You within 45 days after the cancellation of this Contract. If this Contract is canceled by Obligor, Obligor shall mail a written notice to You at the last known address at least 15 days prior to cancellation by Obligor. Prior notice is not required if the reason for cancellation is nonpayment of the provider fee, material misrepresentation or substantial breach of duties by You.

Massachusetts Residents: In addition to Your cancellation rights listed above, You may cancel this Contract within 20 days of the date this Contract was mailed to You or within 10 days of delivery if this Contract is delivered to You at the time of sale or within a longer time period permitted under this Contract and if You have not received any Service, You are entitled to a full refund of the amount paid by You under this Contract. A 10% penalty per month must be added to a refund that is not paid or credited to You within 45 days after the cancellation of this Contract.

Minnesota Residents: In addition to Your cancellation rights listed above, You may cancel this Contract within 20 days of the date this Contract was mailed to You or within 10 days of delivery if this Contract is delivered to You at the time of sale or within a longer time period permitted under this Contract and if You have not received any Service, You are entitled to a full refund of the amount paid by You under this Contract. A 10% penalty per month must be added to a refund that is not paid or credited to You within 45 days after the cancellation of this Contract.

New York Residents: In addition to Your cancellation rights listed above, You may cancel this Contract within 20 days of the date this Contract was mailed to You or within 10 days of delivery if this Contract is delivered to You at the time of sale or within a longer time period permitted under this Contract and if You have not received any Service, You are entitled to a full refund of the amount paid by You under this Contract. A 10% penalty per month must be added to a refund that is not paid or credited to You within 30 days after the cancellation of this Contract.

South Carolina Residents: In addition to Your cancellation rights listed above, You may cancel this Contract within 20 days of the date this Contract was mailed to You or within 10 days of delivery if this Contract is delivered to You at the time of sale or within a longer time period permitted under this Contract and if You have not received any Service, You are entitled to a full refund of the amount paid by You under this Contract. A 10% penalty per month must be added to a refund that is not paid or credited to You within 45 days after the cancellation of this Contract.

Utah Residents: If this Contract is canceled by Obligor, such cancellation will be effective no sooner than 30 days after delivery or first-class mailing of a written notice to You.

Vermont Residents: In addition to Your cancellation rights listed above, You may cancel this Contract within 20 days of receipt of this Contract if You have not received any Service for a full refund of the amount paid by You under this Contract.

Virginia Residents: In addition to Your cancellation rights listed above, You may cancel this Contract within 20 days of the date this Contract was mailed to You or within 10 days of delivery if this Contract is delivered to You at the time of sale or within a longer time period permitted under this Contract and if You have not received any Service, You are entitled to a full refund of the amount paid by You under this Contract. A 10% penalty per month must be added to a refund that is not paid or credited to You within 45 days after the cancellation of this Contract.

Washington residents: cancellation may be made by Contract Holder at any time. If cancelled within 30 days of acceptance of Obligor, and no service request has been made, the Contract Holder is entitled to a full refund of the contract proceeds. A ten percent penalty per month shall be added to a refund of the purchase price that is not paid or credited within thirty days after return of the service contract to the service contract provider. You are not required to wait sixty (60) days before filing a claim directly with the insurer. We may not cancel this Contract without providing You with written notice at least twenty-one (21) days prior to the effective date of cancellation. Such notice shall include the effective date of cancellation and the reason for cancellation.

Wisconsin Residents: In addition to Your cancellation rights listed above, You may cancel this Contract within 15 days of the date this Contract was delivered to You for a full refund less actual costs or charges needed to issue and service this Contract. This Contract shall not be canceled due to unauthorized repair of covered equipment.

Wyoming Residents: In addition to Your cancellation rights listed above and in accordance with Section 26-49-103 of the Wyoming Insurance Code, You may cancel this Contract within 20 days of the date this Contract was mailed to You or within 10 days of delivery if this Contract is delivered to You at the time of sale or within a longer time period permitted under this Contract and if You have not received any Service, You are entitled to a full refund of the amount paid by You under this Contract. A 10% penalty per month must be added to a refund that is not paid or credited to You within 45 days after the cancellation of this Contract. If this Contract is canceled by Obligor, Obligor shall mail a written notice to You at the last known address at least ten (10) days prior to cancellation by Obligor. Prior notice is not required if the reason for cancellation is nonpayment of the provider fee, material misrepresentation or substantial breach of duties by You.

E. The purchase of this coverage is not mandatory and similar coverage may be purchased through another residential service or insurance company.

F. *Florida Residents:* Sales representative is: 365 Home Warranty Corp.

G. *Iowa Residents:* The issuer of this contract is subject to regulation by the insurance division of the Department of Commerce of the state of Iowa. Complaints which are not settled by the issuer may be sent to the Insurance Division.

H. *Kentucky Residents:* You are entitled to make a direct claim against the insurer if We fail to pay any covered claim within 60 days after the claim has been filed.

I. *New Hampshire Residents:* In the event you do not receive satisfaction under this contract, you may contact the New Hampshire Insurance Department at 21 South Fruit St. Suite 14, Concord, New Hampshire, 03301 or by calling 800-852-3416.

J. *North Carolina Residents:* The purchase of this Contract is not required either to purchase or to obtain financing for a home appliance.

K. *Oklahoma Residents:* This Contract is not issued by the manufacturer or wholesale company marketing the product. This Contract will not be honored by such manufacturer or wholesale company. Coverage afforded under this Contract is not guaranteed by the Oklahoma Insurance Guaranty Association. [Lyndon Southern Insurance Company] is the obligor of this Contract. New Leaf Service Contracts, LLC is the administrator of this Contract.

L. *Texas Residents:* Obligor will provide You with written notification of any material changes to this Contract 45 day in advance of the implementation of such changes. Notice may not be provided to You when changes are favorable to You or when changes are mandated by a regulatory agency. After notice of a material change, You may terminate this Contract by providing written notice within the 45-day period prior to the effective date of the change. If You do not respond prior to the expiration of the 45-day period, the change will be deemed accepted by You. It is understood that OBLIGOR WILL NOT BE THE SERVICE PROVIDER and OBLIGOR WILL NOT BE PERFORMING the actual repair of any such systems or components.

NOTICE: THIS COMPANY PAYS PERSONS NOT EMPLOYED BY THE COMPANY FOR THE SALES, ADVERTISING, INSPECTION, OR PROCESSING OF A RESIDENTIAL SERVICE CONTRACT. UNDER TEXAS OCCUPATIONS CODE §1303.304.

NOTICE: THIS CONTRACT IS ISSUED PURSUANT TO A LICENSE GRANTED BY THE TEXAS REAL ESTATE COMMISSION, AND COMPLAINTS IN CONNECTION WITH THIS CONTRACT MAY BE DIRECTED TO THE COMMISSION AT P.O. BOX 12188, AUSTIN, TX 78711, (512) 936-3049.

NOTICE: YOU, THE BUYER HAVE OTHER RIGHTS AND REMEDIES UNDER THE TEXAS DECEPTIVE TRADE PRACTICES-CONSUMER PROTECTION ACT WHICH ARE IN ADDITION TO ANY REMEDY WHICH MAY BE AVAILABLE UNDER THIS CONTRACT. FOR MORE INFORMATION CONCERNING YOUR RIGHTS, CONTACT THE CONSUMER PROTECTION DIVISION OF THE ATTORNEY GENERAL'S OFFICE, YOUR LOCAL DISTRICT OR COUNTY ATTORNEY OR THE ATTORNEY OF YOUR CHOICE.

CUSTOMER'S SIGNATURE

DATE

M. *Utah Residents:* Coverage afforded under this Contract is not guaranteed by the Property and Casualty Guarantee Association. This Contract is subject to limited regulations by the Utah Insurance Department. To file a complaint, contact the Utah Insurance Department.

N. *Virginia Residents:* If you are unable to contact or obtain satisfaction from the home service contract provider then you may contact the Bureau of Insurance at PO Box 1157, Richmond, Virginia, 23218 or by calling 1-877-310-6560.

O. *Wisconsin Residents:* THIS CONTRACT IS SUBJECT TO LIMITED REGULATION BY THE OFFICE OF THE COMMISSIONER OF INSURANCE. Timeliness of notice. Provided notice or proof of loss is furnished as soon as reasonably possible and within one year after the time it was required by this Contract, failure to furnish such notice or proof within the time required by this Contract does not invalidate or reduce a claim unless We are prejudiced thereby and it was reasonably possible to meet the time limit.