



# THIS IS A SAMPLE PLAN AGREEMENT

## 1. What do capitalized and certain other words and phrases mean in this Plan Agreement?

Certain capitalized words and phrases, and other terms used in this Plan Agreement are defined in the Definitions Appendix located at the end of this Plan Agreement. Please see the Definitions Appendix for those definitions.

## 2. What Coverage is Provided by this Plan Agreement?

Coverage under this Plan Agreement is available when a Covered Item located at the Covered Home experiences a Covered Breakdown during the Plan Agreement Term, subject to the Initial Coverage Waiting Period and any applicable limits and exclusions listed in this Plan Agreement. Unless otherwise stated in this Plan Agreement, the Covered Breakdown must occur during the Plan Agreement Term and after the Initial Coverage Waiting Period. To the extent you may have non-covered costs associated with your Service Request, you will be required to pay those costs directly to the Service Contractor.

## 3. What qualifies as a Covered Home?

The Covered Home is the real property located at the Covered Home Address of the Covered Home Type, each as identified in the Plan Summary, provided the principal building structure is used as a single-family residential home (including any fully enclosed detached garage) and:

- (a) is 10,000 square feet or less (including any basement square footage);
- (b) is primarily used for residential purposes; and
- (c) includes other structures located on the property, such as guest houses (up to 750 square feet) and multiple residential units, if identified in the Plan Summary.

If the principal building structure contains multiple residential units, each of which is used as a single-family residence, the Covered Home Address in the Plan Summary must identify the specific unit(s) covered for the unit(s) to be a Covered Home and is subject to a total maximum of 10,000 square feet. Townhome, condominiums, and mobile homes must be 5,000 square feet or less.

## 4. What are Covered Breakdowns?

During the Plan Agreement Term, Covered Breakdowns are Breakdowns that occur due to the following Covered Causes:

- (a) Normal Wear and Tear;
- (b) Improper Installation or Repair (other than Mismatched HVAC Systems) that were not known or reasonably detectable by you;
- (c) Insufficient Maintenance;
- (d) Rust, Corrosion, or Sediment; or
- (e) Mismatched HVAC Systems that were existing in or on your Covered Home prior to the start date of the Plan Agreement Term.

## 5. What are your Covered Items?

Covered Items are listed in your Plan Summary and are more specifically identified and described below. **The coverage provided by this Plan Agreement is subject to certain limitations and exclusions, including the Covered Item Limit, Special Limits, the Initial Coverage Waiting Period, the Plan Agreement Aggregate Limit, and any applicable general limitation or exclusion. Please note that unless an item, system, or unit (including components and parts) of a Covered Item is specified in the Plan Summary as covered by this Plan Agreement, it is not covered. The items identified in the "What is Not Covered" section is not a fully exhaustive list of non-covered items, systems, or units (including components and parts) under your Plan Agreement, and general limitations and exclusions may still apply.** Subject to the applicable limits and exclusions identified in this Plan Agreement, if you have multiples of a specific Covered Item, each individual Covered Item is covered and is subject to its own Covered Item Limit.

**Please note, if your Plan Summary identifies Seller's Coverage as an Additional Coverage Option the Listing Period Limit is \$1,500. The Listing Period Limit supersedes any Covered Item Limit that may be in excess of the Listing Period Limit.**



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## A. SYSTEMS

If the Plan Summary identifies any of the following Systems as a Covered Item, the coverage listed below applies. Please note we will only provide coverage for access to a Covered Item through one layer of unobstructed drywall and return such access opening to a Rough Finish. If the Covered Item can only be accessed through a concrete (including cinderblock) wall, floor, or ceiling, we will provide coverage for access to the Covered Item and return such access opening to a Rough Finish, including any rerouting, up to \$1,000. This \$1,000 limit supersedes and replaces any Covered Item Limit listed below.

### Heating and Air Conditioning Category

Covered Item	What is Covered	What is Not Covered	Special Limits
<b>Air Conditioning Systems</b>	All parts and components of permanently installed air conditioning systems up to a 5-ton capacity, including the condensation line, of the following types: Ducted central and electric split and package units, geothermal, evaporative coolers, wall air conditioners; and mini-splits.	(i) All parts and components of geothermal systems located outside or under the Covered Home's main foundation; (ii) fuel storage tanks; (iii) window or portable air conditioning units; (iv) water towers and chiller systems; and (v) humidifiers; dehumidifiers; ultraviolet lights; home purification systems.	1. The Covered Item Limit is \$15,000. However, the Covered Item Limit for the following types of Air Conditioning Systems is \$2,000: glycol, hot water, or steam circulating heating system, any water heater which supplies heated water to such system(s), geothermal and/or water source heat pumps. 2. For ShieldEssential and ShieldPlus, included in the Covered Item Limit is a \$10 per pound refrigerant limit. For ShieldComplete, we will cover all costs of refrigerant. 3. When repairing or replacing an Air Conditioning System, if such repair or replacement requires component or part upgrades to maintain compatibility and/or compliance with SEER (Seasonal Energy Efficiency Ratio), HSPF (Heating Seasonal Performance Factor), or refrigerant standards, we will cover such upgrades and will also cover necessary associated upgrades to duct connections, plenums and indoor electrical lines up to and including the disconnect.
<b>Heating Systems</b>	All parts and components of permanently installed heating systems up to a 5 ton capacity of the following types: forced air (gas, electric, and oil), geothermal, wall-mounted heaters; floor furnaces, package units; heat pumps; mini-splits, hot water or steam circulating heat, and electric baseboard.	(i) All parts and components of geothermal systems located outside or under the Covered Home's main foundation; (ii) Fuel storage tanks; (iii) Window or portable heating units; (iv) Humidifiers; dehumidifiers; radiant cable heat; fireplaces; grain, pellet, coal, or wood heating units; ultraviolet lights; home purification systems.	1. The Covered Item Limit is \$15,000. However, the Covered Item Limit for the following types of Heating Systems is \$2,000: glycol, hot water, or steam circulating heating system, any water heater which supplies heated water to such system(s), geothermal and/or water source heat pumps. 2. When repairing or replacing a Heating System, if such repair or replacement requires component or part upgrades to maintain compatibility and/or compliance with SEER (Seasonal Energy Efficiency Ratio), HSPF (Heating Seasonal Performance Factor), or refrigerant standards, we will cover such upgrades and will also cover necessary associated upgrades to duct connections, plenums and indoor electrical lines up to and including the disconnect.
<b>Ductwork</b>	Leaks or breaks in ductwork connected to heating and/or air conditioning system(s) including leaks or breaks in vapor barriers, plenums, dampers, damper-only controls, registers, and grills.	Not Applicable.	The Covered Item Limit is \$15,000.



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Electrical Category		
Covered Item	What is Covered	What is Not Covered
Outlets	All parts and components.	Not Applicable.
Light Switches	All parts and components.	Not Applicable.
Ceiling Fans	All parts and components.	Not Applicable.
Built-In Exhaust Fan	All parts and components for all built-in exhaust, bathroom, attic, and whole house fans.	Not Applicable.
Doorbell Units	All parts and components of a hard-wired doorbell unit.	Any doorbell that is part of an intercom, video monitoring, or security system.
Other Electrical Components: Lines, Wiring, Breaker Box and Panel	Hard wired electrical lines, wiring, breaker box, and electrical panels that provide electrical power to the Covered Home.	<ul style="list-style-type: none"> <li>(i) Audio, video, computer, intercom, alarm, or security wiring or cable;</li> <li>(ii) Meter boxes;</li> <li>(iii) Lighting Fixtures;</li> <li>(iv) Direct current (D.C.) wiring or components and/or low voltage systems;</li> <li>(v) Any type of home generator (including back-up and portable or installed generators) and associated electrical wiring and switches; and</li> <li>(vi) Electrical panel boxes that solely provide electrical power to items or structures located outside the main foundation of the Covered Home.</li> </ul>

Plumbing Category		
Covered Item	What is Covered	What is Not Covered
Water Heater Units	All parts and components of the water heater unit including the tank, circulating pumps, mixing valves and thermal expansion tanks.	Tempering tanks (holding and storage tanks); or fuel storage tanks.
Toilets	All parts and components.	Toilet Seat and Lid; Toilet Tank Lid.
Faucets and Hose Bibs	All parts and components.	Not Applicable.
Shower Heads	All parts and components.	<ul style="list-style-type: none"> <li>(i) Any steam component of the shower head or shower; and</li> <li>(ii) Shower towers.</li> </ul>
Pressure Regulators	All parts and components.	Not Applicable.

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## B. APPLIANCES

If your Plan Summary identifies any of the following Appliances as a Covered Item, the following coverage applies. Please note we will only provide coverage for access to a Covered Item through one layer of unobstructed drywall, and return such access opening to a Rough Finish. If the Covered Item can only be accessed through a concrete (including cinderblock) wall, floor, or ceiling, we will provide coverage for access to the Covered Item and return such access opening to a Rough Finish, including any rerouting, up to \$1,000. This \$1,000 limit supersedes and replaces any Covered Item Limit listed below.

The Covered Item Limit for ShieldPlus is \$4,000. The Covered Item Limit for ShieldComplete is \$7,000.

Covered Item	What is Covered	What is Not Covered
Washers	All parts and components of clothing washers.	Accessories, such as stands and drawers.
Dryers	All parts and components of clothing dryers.	Accessories, such as stands and drawers.
Dishwashers	All parts and components of installed dishwashers.	Not applicable.
Garbage Disposals	All parts and components.	Not applicable.
Installed Instant Hot/Cold Water Dispensers	All parts and components.	Hot/cold water dispensers that are freestanding and portable, or otherwise not connected to the Covered Home's plumbing system.
Built-In Microwaves	All parts and components of built-in microwave ovens.	Not applicable.
Built-in Kitchen Exhaust Fans	All parts and components.	Not applicable.
Ranges, Ovens, and Cooktops	All parts and components of installed ranges, installed ovens, and installed cooktops.	Warming drawer not incorporated into the range or oven unit.
Refrigerators (including in-Refrigerator icemaker)	All parts and components.	(i) Freestanding freezers; (ii) Freestanding miniature refrigerators; and (iii) Specialty Refrigerators: bar refrigerators, wine-chillers, kegerators, and drawer refrigerators unless specific additional coverage option is purchased.

## C. ADDITIONAL COVERAGE OPTIONS

If your Plan Summary identifies any of the following Additional Coverages as a Covered Item, the coverage listed below applies. Please note we will only provide coverage for access to a Covered Item through one layer of unobstructed drywall, and return such access opening to a Rough Finish. If the Covered Item can only be accessed through a concrete (including cinderblock) wall, floor, or ceiling, we will provide coverage for access to the Covered Item and return such access opening to a Rough Finish, including any rerouting, up to \$1,000. This \$1,000 limit supersedes and replaces any Covered Item Limit listed below.

Covered Item	What is Covered	What is Not Covered	Special Limits
Specialty Built-in Refrigerators	All parts and components of built-in: bar refrigerators, wine chillers, kegerators, and drawer refrigerators.	Not Applicable.	The Covered Item Limit is \$1,000.



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## C. ADDITIONAL COVERAGE OPTIONS (CONTINUED)

Covered Item	What is Covered	What is Not Covered	Special Limits
<b>Roof Leak Repair*</b> *Not available for Covered Homes located in Hawaii.	We will provide coverage for the repair of non-structural roof leaks.	(i) Metal roofs, partial full or green (eco) roofs, mobile home roofs, condominium roofs, and townhome roofs; (ii) The following items and leaks caused by or associated with: (1) items penetrating the roof (such as skylights, chimneys, and vents), (2) roof - mounted installations (such as solar panels), and (3) gutters and downspouts.	The Covered Item Limit is \$1,000.
<b>Well Pump Unit</b>	The parts and components of the well pump unit that is utilized as the main source of water for the Covered Home regardless of where located as long as the well pump unit is located on the same property as the Covered Home.	(i) Any other component or part of the well pump system including but not limited to any type of piping, electrical or cable lines, well casings, pressure switches, and booster pumps than the well pump unit; (ii) Well drilling; and (iii) The well pump for geothermal and/or water source heat pumps.	The Covered Item Limit is \$1,500.
<b>Septic System Ejector Pump and Pumping</b>	(a) The sewage ejector pump for septic system only; and (b) Septic tank pumping one time during the Plan Agreement Term if a stoppage has occurred due a septic backup.	(i) Stoppages or roots that prevent the effective use of any externally applied sewer machine cable; (ii) Chemical treatment of the septic tank and/or sewage lines; (iii) Disposal of waste; and (iv) Tanks; leach lines; cesspool; any mechanical pump or systems (such as sewage grinder pumps and lift stations).	The Covered Item Limit is \$500 for any permanently installed sewage ejector pumps located inside or outside the main foundation of the Covered Home connected to either a sewer system or septic system.
<b>Pool &amp; Built-in Spa Equipment</b>	All above ground, accessible, and operationally necessary parts and components of the heating, pumping, and filtration system including pool sweep motor and pump, circulation pump motor, and plumbing pipes and wiring of a non-saltwater pool.	(i) Underground components (including pipes and wiring); lights; liners; structural defects; jets; ornamental fountains, waterfalls and their pumping systems; (ii) Heat pump pool heaters or any other type of pool heater that is powered by anything other than electricity or gas; (iii) Pool cover and related equipment; fill line and fill valves; built-in or detachable cleaning equipment including pool sweeps, pop-up heads, turbo valves, skimmers, chlorinators, and ionizers; (iv) Fuel storage tanks; disposable filtration mediums; saltwater generators and components; heat pump; and (v) Self-contained portable spas.	1. The Covered Item Limit is \$3,000. 2. Both pool and spa equipment are covered if they share equipment. If the pool and built-in spa do not share common equipment and have separate pump and filtration systems, then only one or the other is covered unless an additional fee is paid to cover both the pool and the built-in spa equipment.
<b>Self-Contained Portable Spa</b>	All above ground, accessible, and operationally necessary parts and components of the heating, pumping, and filtration system of a self-contained spa (defined as requiring no external plumbing, excavation, or electrical work) including pump motor, blower motor, and timer.	(i) Electrical; water and sewer lines leading to or away from self-contained spa; access to self-contained spa equipment; (ii) Lights; liners; structural defects; jets; ornamental fountains, waterfalls and their pumping systems; (iii) Fill line and fill valves; built-in or detachable cleaning equipment including, without limitation, pop-up heads, turbo valves, skimmers, chlorinators and ionizers; (iv) Fuel storage tanks; disposable filtration mediums; multi-media centers; dehumidifiers; salt water generators and components; heat pump.	The Covered Item Limit is \$3,000.

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**C. ADDITIONAL COVERAGE OPTIONS (CONTINUED)**

Covered Item	What is Covered	What is Not Covered	Special Limits
<b>Saltwater Pool &amp; Built-in Spa Equipment</b>	All above ground, accessible, and operationally necessary components and parts of the pool/spa heating, pumping, and filtration system including pool sweep motor and pump, pump motor, plumbing pipes and wiring, and saltwater cell and circuit board.	<p>(i) Underground components (including pipes and wiring); lights; liners; structural defects; jets; ornamental fountains, waterfalls and their pumping systems;</p> <p>(ii) Heat pump pool heaters or any other type of pool heater that is powered by anything other than electricity or gas.</p> <p>(iii) Pool cover and related equipment; fill line and fill valves; built-in or detachable cleaning equipment including pool sweeps, pop-up heads, turbo valves, skimmers, chlorinators, and ionizers;</p> <p>(iv) Fuel storage tanks; disposable filtration mediums; heat pump, salt, panel box, and dials; and</p> <p>(v) Self-contained portable spas.</p>	<p>1. The Covered Item Limit is \$3,000.</p> <p>2. Both pool and spa equipment are covered if they share equipment. If the pool and built-in spa do not share common equipment and have separate pump and filtration systems, then only one or the other is covered unless an additional fee is paid to cover both the pool and the built-in spa equipment.</p>

**6. Are Modifications, permits, testings, and inspections covered by this Plan Agreement?**

A. This Plan Agreement does not cover Modifications related to a Covered Breakdown of a Covered Item unless: Applicable Law expressly requires this Plan Agreement to provide coverage for the specific Covered Item Modification.

B. **Permit Limit.** This Plan Agreement provides coverage up to \$250 total to obtain any permits that are required to complete the approved repair or replacement of a Covered Item during the Initial Plan Agreement Term. This amount is in addition to any applicable Covered Item Limit, subject to the Plan Agreement Aggregate Limit of Liability. **Except as provided in this section, permits required to complete the repair or replacement of the Covered Item are not covered. This coverage does not apply if the Plan Type in the Plan Summary states this is a Renewal Plan.**

C. **Code Violations and Upgrade Limit.** This Plan Agreement provides coverage up to \$250 total during the Initial Plan Agreement Term to correct existing code violations and/or upgrade to current code requirements in order to complete an approved repair or replacement of a Covered Item. This amount is in addition to any applicable Covered Item Limit, subject to this Plan Agreement Aggregate Limit of Liability. **To the extent an existing code violation prevents us from diagnosing the Breakdown, you will be required to remedy the code violation before we proceed with your Service Request. Except as provided in this section, corrections of or upgrades required to meet code requirements for the Covered Item are not covered. This coverage does not apply if the Plan Type in the Plan Summary states this is a Renewal Plan.**

D. If your Plan is ShieldComplete, this Plan Agreement will provide coverage up to the Modifications Limit for any of the following: (i) duct, plenum, electrical, and/or plumbing Modifications that are necessary to complete the repair or replacement of the Covered Item provided that the duct, plenum, electrical, or plumbing item to which the Modification is being performed is identified by this Plan Agreement as a Covered Item; and (ii) permits, testing, the correction of existing code violations, and/or inspections required by Applicable Law that may be necessary to complete the approved repair or replacement of a Covered Item. The Modifications Limit is \$1,000 and is in addition to any applicable Covered Item Limit, subject to this Plan Agreement's Aggregate Limit of Liability. The Permit Limit and Code Violations and Upgrade Limit stated in this Section are included in the Modifications Limit, and are NOT in addition to the Modifications Limit. **Once the Modifications Limit has been met, the provisions in this section apply to any costs above the Modifications Limit.**

**7. What are the general limitations and exclusions that apply to your coverage?**

To the extent the following general limitations and exclusions apply, this Plan Agreement does not provide coverage for the following:

A. **Costs of Construction and Modifications Limitation.** Unless otherwise expressly stated in this Plan Agreement, we will not pay for the costs of construction, carpentry, restoration, or any other Modification(s) within the Covered Home. In addition, this Plan Agreement does not provide any coverage for any Modification to any item that is not identified as a Covered Item in the Plan Summary.

B. **Commercial Use Limitation.** Other than a Covered Home rented for residential use, if you use any portion of your Covered Home for commercial purposes in which the public is invited on or into your Covered Home, any Covered Items located or Covered Breakdowns that occur in that portion of your Covered Home are not covered. Also, if commercial use of your Covered Home causes a Covered Item to experience a Covered Breakdown (even if located in a portion of the Covered Home not used for commercial purposes), the Covered Breakdown is not covered.

C. **Shared Items and Systems Limitation.** If the Covered Home is identified as a multi-residential building on your Plan Summary, shared systems, items, and appliances are not covered unless: (i) all units in the multi-residential property are identified as part of the Covered Home as stated in the Plan Summary; or (ii) each unit is covered by its own home warranty plan agreement with us which provides the same coverage for the shared system, item, or appliance as this Plan Agreement.

D. **Inaccessible Location Limitation.** We will not cover the cost to access Covered Items in inaccessible locations, such as those that cannot be accessed safely or due to an obstruction.

E. **Non-Standard Equipment Limitation.** We will not cover the cost or otherwise provide for cranes, scaffolding, or non-industry-standard vehicles or equipment that is required to repair or replace a Covered Item or Covered Item part.

F. **Secondary Costs Limitation.** Other than the repair or replacement of the Covered Item, we are not responsible for, and will not pay or otherwise reimburse you for special, secondary, incidental, indirect, consequential, exemplary, or other related costs or damages resulting from the Breakdown or Covered Breakdown of any Covered Item, including but not limited to food







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## 9. How is service provided?

**A. General Information.** Subject to the terms and conditions of this Plan Agreement, we will repair the parts and components of any Covered Items that are part of the Covered Home, if a Covered Breakdown occurs on or after the Initial Plan Agreement Effective Date stated in your Plan Summary and while this Plan Agreement is in effect (including any renewal term(s)) up to the applicable Covered Item Limit. If we cannot repair, or elect not to repair in our sole discretion, the Covered Item, we will provide you with a replacement up to the Covered Item Limit, subject to our right to provide you with a Cash-in-Lieu Payment as described in this Plan Agreement.

Unless otherwise expressly stated in this Plan Agreement, the repair or replacement of the Covered Item for a Covered Breakdown includes the steps necessary for, and costs (including labor) associated with: (i) accessing the Covered Item; (ii) diagnosis of the Breakdown; (iii) repair or replacement of the Covered Item, and (iv) installation of a repair or replacement part, component or item. If a Covered Breakdown has occurred, we will decide to repair or replace the Covered Item based on the information provided to us by the Service Contractor. We will only authorize repairs and replacements of Covered Items that can be made in accordance with Applicable Law. Please note that we are not a service contractor, and do not perform repairs. Instead, we utilize a network of independent Service Contractors to perform repairs or replacements.

**B. Type of Repair or Replacement.** When repairing or replacing your Covered Item, we will use reasonable efforts to install Covered Items (or any parts or components thereof) of similar capacity, dimensions, capability, color, and finish at reasonable cost. In addition, we reserve the right to: (i) use rebuilt parts; (ii) determine which and how many repairs are necessary; (iii) determine when and if a replacement is necessary instead of a repair; and (iv) use an alternative refrigerant which has been approved by the Environmental Protection Agency ("EPA") for use in your Covered Item, when the refrigerant in your Covered Item is no longer readily available in the Covered Home's geographic location. Please note, if a repair or replacement is needed, there is no guarantee nor are we under any obligation to provide a replacement part, component, or item that is of the same brand, make, color, finish, or model of your Covered Item.

**C. Removal of Covered Item.** When we repair or replace a Covered Item, we will use reasonable efforts to dismantle and remove the Covered Item and, where applicable, recapture, reclaim, and/or dispose of refrigerant. The services provided by this subsection are included and not in addition to any applicable Covered Item Limit or Special Limit.

**D. Time to Complete a Repair or Replacement.** Our ability to diagnose, repair or replace your Covered Item may be impacted by events outside of our control, such as supply chain shortages impacting parts or item availability, labor shortages, and extreme weather events that create an increased demand for certain repair and replacement services. Because of these outside factors, we cannot guarantee that your Service Request will be completed within a certain period of time.

**E. Repair or Replacement Workmanship Guarantee.** Repairs and replacements performed on a Covered Item have a thirty (30) day workmanship guarantee, in addition to any applicable manufacturer's warranty that may be included with any replacement parts or equipment. If a particular repair or replacement under your Service Request fails within thirty (30) days after completion, we will send a Service Contractor to correct the Covered Breakdown and you will not be charged an additional Service Fee. We will determine, in our sole discretion, whether to use the same Service Contractor who performed the original repair or replacement.

**F. Costs that may not be Covered by this Agreement.** There may be items or services that are not covered by this Agreement but are necessary for the repair or replacement of the Covered Item (for example, special permits or Modifications). In this situation(s), you will be responsible for the costs of repairing or replacing the non-covered items and services. Your failure to agree to pay the costs of the non-covered items and services may result in a delay or otherwise prevent the repair or replacement of your Covered Item. We are not responsible for any delays, or additional costs you may incur, from your refusal to pay for non-covered items or services.

**G. Requesting a Second Opinion of a Breakdown Diagnosis.** If you have been informed that your Service Request includes a Breakdown that is not a Covered Breakdown, you have the right to request a second opinion within seven (7) days from the date you were informed of the coverage decision. You will be required to pay an additional Service Fee at the time you request the second opinion. If an alternative Service Contractor is reasonably available, we will assign an alternative Service Contractor to provide the second opinion. In addition, we reserve the right to request a second opinion at our cost. Upon receipt of the second opinion, we will determine, in accordance with this Plan Agreement, whether a Covered Breakdown has occurred, and if so, whether to repair or replace the Covered Item. If you requested the second opinion and we determine that the second opinion is different from the original diagnosis and the Breakdown is a Covered Breakdown, we will refund you the amount of the additional Service Fee.

**H. Circumstances Where you may Receive a Cash-in-Lieu Payment Instead of a Repair or Replacement.** If the Covered Item has experienced a Covered Breakdown, you may be offered Cash-in-Lieu Payment. If you agree to our offer, your Cash-in-Lieu Payment will be the amount we would have paid to repair or replace your Covered Item (including but not limited to any special discount pricing or rates, shipping, restocking charges or other fees or costs to complete your request), which means the amount will likely be less than the retail cost in your area to repair or replace the Covered Item.

In addition, there are certain situations where we may require you to accept a Cash-in-Lieu Payment instead of proceeding with a repair or replacement. These situations include, but are not limited to the following:

- i. Applicable Law prevents us from performing a repair or replacement of the Covered Item;
- ii. A breach of the "Be Respectful" section of this Plan Agreement;
- iii. Repair or replacement of the Covered Item is not reasonably feasible; or
- iv. The repair or replacement will exceed an applicable Covered Item Limit.

In these circumstances, your Cash-in-Lieu payment will be the amount equal to our reasonable estimate of retail cost in your area to repair or replace the Covered Item, subject to any applicable limit identified in this Plan Agreement.

Your Cash-in-Lieu Payment cannot be more than the applicable Covered Item Limit stated in this Plan Agreement. We will pay you no later than 30 days after we provide you with notice that you will receive Cash-in-Lieu Payment. We may issue, and you agree to accept, the Cash-in-Lieu Payment via electronic funds transfer, e-cards or check, at our discretion. **We will not provide future coverage for the impacted Covered Item until you give us documentation reasonably acceptable to us proving that you had the Covered Item appropriately repaired or replaced.**

## 10. Can you find your own Service Contractor?

We will provide you with a Service Contractor. In certain limited situations as determined by us, we may ask or permit you to find and contact your own service contractor to diagnose the Breakdown of the Covered Item at our cost. If we authorize you in advance to find your own Service Contractor, the service contractor will be required to contact us directly at the contact information we provide you with at the time we authorize you to use your own service contractor after diagnosing the Breakdown and prior to proceeding with any repair or replacement of the Covered Item. We will review the diagnosis, and if a Covered Breakdown has occurred, authorize the work and cost necessary for the repair or replacement of the Covered Item in accordance with this Plan Agreement. We may request that your service contractor invoice us directly for the cost of diagnosis and any authorized repair or replacement. If your service contractor will not invoice us directly, we will reimburse you the agreed upon price for the diagnosis and any authorized repair or replacement once you provide us with proof of payment. **Please note that the failure of either you or your service contractor to receive prior authorization from us for either (i) any authorized work necessary for the diagnosis and repair or replacement of the Covered Item, and (ii) the cost of such work, may result in no reimbursement provided to you.** The Workmanship Guarantee identified in this Plan Agreement applies to any work authorized by us.



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## 11. Are there additional benefits and maintenance services?

You may be eligible to receive or otherwise have access to additional services and benefits, including certain maintenance services, beyond those specified in this Plan Agreement that may be provided by third party organizations, us or our affiliates. In such cases, you may receive notification of the availability of one or more of these additional services and benefits and related communications via any of the communication methods identified in this Plan Agreement. Each of those services may be governed by their own separate terms and conditions that you may be required to agree to prior to the provision of such service or benefit. Unless otherwise specified in those additional terms, the terms and conditions of this Plan Agreement apply to those services. You may be charged an additional fee for such services if you elect to use such services.

## 12. What are your obligations under this Plan Agreement?

**A. Be Current on all Plan Fees.** In order to receive the benefits of your Plan and this Plan Agreement, you must be current on all required payments – including the Plan Price and any Service Fees that you may have incurred. We will not provide service under this Plan Agreement if any required payments are past due.

**B. Provide Required Information.** We may ask you for additional information in order to complete your Service Request. This may include confirmation of your information listed in the Plan Summary, a copy of your home inspection report, proof of repair, receipts or invoices, or any other information we reasonably determine will assist us in evaluating eligibility and coverage under this Plan Agreement. It is important that you provide us with this information as soon as possible, and in any event no later than thirty (30) days from the date we request such information. Failure to provide the information we request within thirty (30) days of the date of the request will result in the cancellation of your Service Request, and if your Plan Agreement subsequently expires, you will not be entitled to any coverage under the Plan Agreement for that Service Request.

**C. Timely Submission of Your Service Request.** The coverage provided by this Plan Agreement does not begin until the Plan Agreement Effective Date, subject to any applicable coverage waiting period. You must file your Service Request during the Plan Agreement Term. Any Service Request filed after the Plan Agreement Term will be denied, regardless of when the Covered Breakdown occurred.

**D. Update Your Contact Information.** Keep your contact information, and that of any Authorized Representatives, current and up to date. You can update your information by visiting [myaccount.ahs.com](http://myaccount.ahs.com) or calling us at 1-800-776-4663.

**E. Notify us if you no longer own the Covered Home.** If you no longer own the Covered Home during the Plan Agreement Term and wish to cancel the Plan Agreement, you must notify us within thirty (30) days from the date you no longer own the Covered Home. Failure to notify us within this thirty (30) day time period will result in a maximum refund of 1/12 of the annual Plan Price, as measured from the date you no longer owned the Covered Home.

**F. Be Respectful.** Treat our representatives and Service Contractors with respect. We know that requesting service can be stressful, but if you or anyone interacting with us on your behalf are verbally abusive or threaten the safety, well-being, or property of us, our employees or other representatives, or our Service Contractors, or if you fail to provide a reasonably safe environment for services to be performed, we may cancel your Plan in accordance with the terms of this Plan Agreement and Applicable Law.

## 13. What payments are required of you?

**A. Plan Price.** Your Plan Price is due and payable as stated in your Plan Summary, unless we have otherwise provided you with a different price in writing. If you have elected to pay your Plan Price on a monthly basis, the Plan Price is the annual Plan Price amount divided by twelve (12). After the Initial

Plan Agreement Term, the Plan Price is paid on a monthly basis unless we agree otherwise.

**B. Service Fee.** The non-refundable Service Fee is due and payable when you submit a Service Request. Please note, the Service Fee will not be refunded even if the Breakdown at issue is not covered by this Plan Agreement.

**C. Additional Costs.** There may be additional costs, including shipping, restocking, and cancellation administrative fees if stated in this Plan Agreement.

**D. Payment.** You authorize us, or third-party payment processors that we may use, to charge, collect, and process payments for fees you incur pursuant to this Plan Agreement to the credit card, debit card, or other approved method of payment you provided to us. Depending on the Plan Price payment method you selected, you may be charged a one-time fee or on a monthly recurring basis. To the extent you receive a replacement credit card, debit card, or other approved method of payment from your financial institution, you authorize us to receive and use such updated replacement information provided by your financial institution. Cancelling or otherwise changing your payment information without informing us will not cancel this Plan Agreement. In addition, depending on the type of payment method you use, there may be additional terms and conditions associated with that particular payment method that you will need to agree to prior to your use of that payment method. If you select monthly payment of your Plan Price, please note that you will be required to keep a payment method on file with us at all times during the Plan Agreement Term.

## 14. How long is your Plan Agreement in effect?

**A. Initial Plan Agreement Term.** The initial term of this Plan Agreement begins on the Initial Plan Agreement Effective Date indicated on the Plan Summary and continues for the time period stated in the Plan Summary subject to the cancellation and non-renewal provisions of this Plan Agreement. Please note that coverage under your Plan does not begin until the expiration of the Initial Coverage Waiting Period stated in your Plan Summary, which may be different than your Initial Plan Agreement Effective Date.

**B. Renewal.** This Plan Agreement will automatically renew on the Plan Agreement Renewal Date for the Plan Agreement Renewal Term stated in your Plan Summary provided that we have received payment of your Plan Price, unless we or you elect to non-renew your Plan Agreement in accordance with the provisions of this Plan Agreement. At least thirty (30) days in advance of the Plan Agreement Renewal Date, or as otherwise required by Applicable Law, we will provide you notice of any change to the Plan Price of your Plan Agreement, and any material changes to the terms and conditions of your Plan Agreement, if any. If you do not contact us at least three (3) days prior to the Plan Agreement Renewal Date and cancel your Plan your Plan Agreement will automatically renew and we will charge the payment method we have on file for you.

**C. Non-Renewal.** We reserve the right, in our sole discretion, not to renew your Plan Agreement. If we elect to non-renew your Plan Agreement, we will provide you with notice of such non-renewal at least thirty (30) days in advance of the date this Plan Agreement will terminate, or as otherwise required by Applicable Law. You may also provide us of your non-renewal of your Plan Agreement at least three (3) days in advance of the Plan Agreement Renewal Date.

## 15. How can your Plan be cancelled?

**A. Your right to cancel.** You may cancel your Plan Agreement at any time for any reason by contacting us via telephone. If you cancel this Plan Agreement, such cancellation will be effective immediately.

**B. Provider's right to cancel.** We may cancel your Plan Agreement or discontinue providing coverage under your Plan for the following reasons:

1. Your failure to pay the required Plan Price when due;
2. Breach of this Plan Agreement by you or your Authorized Representative, including but not limited to nonpayment of your Service Fee when due. If





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this Section will survive any termination or expiration of the Plan Agreement. In addition, if any portion of this Plan Agreement is found to be unenforceable, that portion will be severed, and you and we may enforce the remainder of this Plan Agreement.

## 17. Where can you find your Plan Agreement?

**A. Current Plan Agreement.** You may be provided with the initial Plan Agreement via hard copy or electronically. The current Plan Agreement in effect is always available by visiting your "MyAccount" at [www.ahs.com](http://www.ahs.com). After the initial term, your Plan Agreement may be updated from time to time in accordance with the provisions of this Plan Agreement, and such updated Plan Agreement is only available online at [myaccount.ahs.com](http://myaccount.ahs.com). To request a paper copy of the Plan Agreement in effect on the date of your request, please contact us at 1-800-776-4663. We will provide the paper copy of your Plan Agreement to you free of charge.

**B. Notice of Plan Agreement Changes.** We will provide to you, with thirty (30) days advance notice in writing, any material changes to the terms and conditions of this Plan Agreement, including but not limited to changes to the Plan Price, Plan Term, or the coverage provided. If you cancel your Plan Agreement due to a notice of Plan Agreement change, you will not be charged an administrative fee. We will provide this notice via any of the communication methods identified below. Your continued use of the Plan after we provide such notice constitutes your acceptance of the changes.

## 18. What else do you need to know? General Legal Provisions.

**A. Provider Information.** American Home Shield Corporation is the provider of this Plan Agreement for Covered Homes located in Alabama, Arkansas, Colorado, Connecticut, Delaware, District of Columbia, Georgia, Hawaii, Idaho, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maryland, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Vermont, West Virginia and Wyoming. American Home Shield of Florida, Inc. is the provider of this Plan Agreement for Covered Homes located in Florida. American Home Shield of Iowa, Inc. is the provider of this Plan Agreement for Covered Homes located in Iowa. American Home Shield of Maine, Inc. is the provider of this Plan Agreement for Covered Homes in Maine and Massachusetts. American Home Shield of Oklahoma, Inc. is the provider of this Plan Agreement for Covered Homes located in Oklahoma. American Home Shield of Virginia, Inc. is the provider of this Plan Agreement for Covered Homes located in Virginia. American Home Shield of Washington, Inc. is the provider of this Plan Agreement for Covered Homes located in Washington.

**B. Full Faith and Credit of Plan Agreement.** Our obligations under this Plan Agreement are backed only by the full faith and credit of the Provider and are not guaranteed under a service contract reimbursement insurance policy. Please note, **THIS PLAN AGREEMENT IS NOT A CONTRACT OF INSURANCE.**

**C. Transfer of this Plan Agreement.** This Plan Agreement provides coverage for the Covered Home listed in the Plan Summary. If ownership of the Covered Home changes during the term of this Plan Agreement, you must contact us at 1-888-682-1043 to transfer this Plan Agreement to the new owner of the Covered Home within thirty (30) days from the date the ownership of the Covered Home transfers.

**D. Governing Law.** This Plan Agreement is governed by the law of the state where the Covered Home is located.

**E. How We'll Communicate with You.** We may communicate with you via letter mailed to the last mailing address provided by you to us, by email, mobile phone text message, or via your Plan Summary. We may also post messages via your online "MyAccount." By entering into this Plan Agreement, you expressly agree

to such communication methods. All communications will be in English unless otherwise required by Applicable Law.

**F. Authorized Representatives.** You may designate Authorized Representatives to communicate with us on your behalf regarding a Covered Home or Service Request, provided such individuals are eighteen (18) years of age or older. You must provide us with such designation in writing, or as otherwise directed by us.

**G. Privacy Policy.** As part of the services provided to you by the Plan Agreement, we may collect, use and disclose personal information about you for the purposes of establishing, managing, and maintaining our relationship with you in accordance with our Privacy Policy, available at [www.ahs.com/privacy-policy](http://www.ahs.com/privacy-policy). Your information may be shared with our Service Contractors and other third parties as explained in our Privacy Policy.

## 19. State Specific Amendments.

**A. ALABAMA.** The second sentence of Subsection 15.C. is amended to read as follows: If we cancel this Plan Agreement for any other reason, we will provide you with notice of cancellation and the reason for such cancellation at least five (5) days prior to the stated effective date of the cancellation.

**B. COLORADO.** This contract may be governed by the provisions of the "Colorado Consumer Protection Act" or the "Unfair Practices Act," Articles 1 and 2 of Title 6 C.R.S., and homeowner may have a right of civil action under such laws, including obtaining the recourse or penalties specified in such laws. Section 9.B. is amended to include the following: If we have approved the replacement of your covered gas-fueled: furnace, HVAC system, boiler, water heater, or dryer, then you may elect to have the gas-fueled system or appliance replaced with an electric/heat pump-based alternative in place of a gas-fueled model. Similarly, if we have approved the replacement of your covered gas-fueled: range, oven, or cooktop, then you may elect to have the gas-fueled appliance replaced with an electric or induction model in place of a gas-fueled model. You are not required to choose an electric alternative. However, if you choose an electric alternative that costs more than our chosen gas-fueled replacement, then you will be required to pay the difference in the system's or appliance's price, which shall not exceed the retail cost of the replacement electric unit minus the retail cost of the replacement gas-fueled unit that we selected. In addition, if you choose an electric alternative, you are also responsible for any additional costs you may incur to install the electric replacement unit, including but not limited to costs relating to installation, permits, inspections, modifications, and testing. AHS is not responsible for and will not cover any costs associated with the installation of an electric system or appliance that would otherwise not have been required if you had opted to continue with a gas-fueled replacement. Please note that Covered Item Limits and general limitations and exclusions still apply.

**C. CONNECTICUT.** Section 16.A. is amended to include the following: If you have been unable to contact or obtain satisfaction from the provider, you may contact the State of Connecticut, Insurance Department at P.O. Box 816, Hartford, CT 06152-0816, Attn. Consumer Affairs. Your written complaint must contain a description of the dispute, the purchase or lease price of the product, the cost of repair of the product and a copy of the warranty contract. Section 16.B. is amended to include the following: Any mediation or arbitration must be handled in accordance with the procedures described in in Regs. Conn. State Agencies §42-260-1 - 5 and Regs. Conn. State Agencies §38a-8-2.

**D. DISTRICT OF COLUMBIA.** The second sentence of Subsection 15.C. is amended to read as follows: If we cancel this Plan Agreement for any other reason, we will provide you with notice of cancellation and the reason for such cancellation at least five (5) days prior to the stated effective date of the cancellation.

**E. FLORIDA. THIS HOME WARRANTY DOES NOT PROVIDE LISTING COVERAGE FREE OF CHARGE.** Subsection 15.D.1. is amended to read as follows: Cancellation by you or us within thirty (30) days of the mailing of the Initial Plan Agreement. Subsections 15.D.1.a-c. remain unchanged. Subsection 15.D.2.'s first two sentences are amended to read as follows: Cancellation by you or us after thirty (30) days from the mailing and during the Initial Plan Agreement Term. We will provide you with a 90% of pro rata refund of the unearned Plan Price





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**T. OKLAHOMA.** Coverage afforded under this Plan Agreement is not guaranteed by the Oklahoma Insurance Guaranty Association. The Mandatory Arbitration section of this contract is amended to include the following: While arbitration is mandatory, the outcome of any arbitration shall be non-binding on you and us, and either you or we shall, following arbitration have the right to reject the arbitration award and bring suit in a district court of Oklahoma. American Home Shield of Oklahoma, Inc., License No.: 44201065.

**U. SOUTH CAROLINA.** Section 16.A is amended to include the following: In the event of a dispute with the provider of this contract, you may contact the South Carolina Department of Insurance, Capitol Center, 1201 Main Street, Ste. 1000, Columbia, South Carolina, 29201 or by phone at (800) 768-3467.

**V. TENNESSEE.** Any Plan Agreement in this state and in effect when there is a failure of a Covered Item shall be extended as follows: (1) The number of days the consumer is deprived of the use of the product by reason of the product being in repair; plus (2) two (2) additional working days. Working days shall not include Saturdays, Sundays or legal holidays.

**W. WASHINGTON.** Section 15.C. is amended to read as follows: C. Notice of Cancellation. If we cancel this Plan Agreement for any reason, we will provide you with notice of cancellation and the reason for such cancellation at least twenty-one (21) days prior to the stated effective date of the cancellation. We will send notice of such cancellation to the electronic mail address we have on file for you. If we do not have an electronic mail address for you, we will mail the notice to the physical address we have on file for you. Subsection 15.D.1.c. is amended to read as follows: An additional 10% penalty per month will be added to any outstanding refund amount that is not provided to you within thirty (30) days after your Plan Agreement is cancelled.

**X. WYOMING.** The second sentence of Section 15.C. is amended to read as follows: If we cancel this Plan Agreement for any other reason, we will provide you with notice of cancellation and the reason for such cancellation at least ten (10) days prior to the stated effective date of the cancellation. The second sentence of Section 16.B. is amended and replaced with the following: Any dispute or claim between the parties (including our affiliates) relating to or arising from in any way to this Plan Agreement or the relationships between the parties will be resolved by binding arbitration, rather than in court, unless you decide to file a claim solely in your individual capacity in Wyoming small claims court and notify us in advance of your decision to do so. The first sentence of Section 16.B.2 is amended and replaced with the following: The arbitration will be conducted by Judicial Arbitration And Mediation Services ("JAMS") under its Streamlined Arbitration Rules and Procedures (the "JAMS Rules"), except as modified by this Section, and in accordance with the Wyoming Arbitration Act.



