# Achosa Home Warranty, LLC

5438 Lockwood Ridge Road, #301, Bradenton, FL 34203

### Standard Real Estate Seller's Terms and Conditions

PLEASE CAREFULLY READ THESE STANDARD REAL ESTATE SELLER'S COVERAGE TERMS AND CONDITIONS AND YOUR INVOICE (COLLECTIVELY, THIS "CONTRACT").

Throughout this Contract, the words (i) "we", "us", "our", and the "Company" refer to Achosa Home Warranty, LLC, and (ii) "you", "your" and "Real Estate Seller" refer to the person contracting for services covered by this Contract identified on the Company's invoice executed by you (the "Invoice") describing the real property (the "Property"), duration of this Contract, and amount owed by you in consideration for our agreement to provide the services. These terms and conditions apply to all Contracts between the Company and sellers of real estate who elect coverage as indicated on your invoice.

- General. This is a contract for the repair or replacement of the home appliances and systems specified in this Contract (the "Equipment") that break down due to normal wear and tear. This is not a contract for insurance. This Contract covers only the Equipment specifically identified as covered herein and excludes all other items, whether specifically identified as excluded or not.
- 2. <u>Customer Service; Procedure</u>. This Contract allows you to select your own licensed contractor to make covered repairs. All selected contractors must be licensed and insured. You must call our customer service department at (888) 509-2916 to initiate all claims prior to any repair or replacement of Equipment to be eligible for coverage with this Contract. At your request, the Company will provide you with names of licensed contractors in your area. If no covered defects or failures are discovered or repaired during a service call, you are responsible for the entire cost of the service call.
- 3. <u>Coverage</u>; <u>Coverage Period</u>; <u>Payment</u>. Subject to the Limitation of Liability set forth in Section 5 of this Contract:
  - a. This Contract covers only the Equipment located at the Property as specifically identified in Section 4 of the Contract for the service(s) on your Invoice. Repair or replacement of covered Equipment is subject to maximum annual dollar limits as provided in this Contract. In aggregate, and notwithstanding anything to the contrary as may be set forth in this Contract, the Company will pay no more than \$1,000 for covered Equipment in this Contract.

- b. The Company has the sole right to decide whether to repair or replace the Equipment. All replacements authorized by Company will be of a similar or equivalent quality to the covered Equipment. All replacements must be purchased from a licensed technician or licensed retailer. Should you decide to replace any Equipment with respect to which the Company has decided to cover the repair, the Company will only pay the amount the repair would have cost (less the applicable service fee), and you will be responsible for the difference in cost between repair and replacement.
- c. Coverage is available only in conjunction with your anticipated sale of the Property and the purchase of the Company's Standard Real Estate Buyer's coverage for the Property. Your coverage becomes effective the day the Invoice is received by the Company and continues until the earlier of (a) expiration of the initial listing period (up to 180 days), (b) close of sale of the Property, or (c) termination of your Property being listed for sale (the "Coverage Period"). At the Company's discretion, it will provide you options for continuation of service prior to the end of your Coverage Period.
- d. You will be required to pay the lesser of the applicable service fee (\$150) or the actual cost of the service to your selected contractor for each service request. Further, if your selected contractor repairs or replaces Equipment that is not covered by this Contract, or charges more for the service than our coverage limits, you will be required to pay the excess expenses.
- e. You continue to be responsible for normal maintenance on all covered Equipment. Equipment is not covered under this Contract unless it is in proper working order at the beginning of coverage. To be covered, Equipment must be installed and located within the interior of the main foundation of the primary dwelling (except for air conditioning) of the Property. This Contract provides coverage for unknown defects only if the defect is not detectable through visual inspection or simple mechanical test.

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### 4. Covered Equipment.

# a. Attic, Exhaust, & Ceiling Fans

<u>Included</u>: Motors, switches, controls, bearings, whole house

fan

Excluded: Shutters, filters and lights, range hoods

Maximum annual coverage: \$500

### b. Central Air Conditioning

<u>Included</u>: Ducted electric central air conditioning units and crane costs for replacements, clearing of condensate line <u>Excluded</u>: Window units, circulation/recirculation pumps, condensation pumps, ductwork, non-ducted wall units, humidifiers, chillers, zone controls, dampers, filters

Maximum annual coverage: \$1,000

# c. Central Heating System

<u>Included</u>: Ducted and water sourced primary central heating units (this equipment includes heat pump systems and packaged HVAC systems)

<u>Excluded</u>: Space heaters, circulation/recirculation pumps, ductwork, ductless systems, filters, humidifiers, electronic air cleaners, UV lights, registers, fuel storage tanks, grills, chimneys, flues, vents, zone controls, dampers

Maximum annual coverage: \$1,000

### d. Code Violations

<u>Included</u>: When the correction of code violation(s) is required for a covered repair or replacement, **the Company** will pay up to \$250 per term to correct it

# e. **Dishwasher**

Included: All, except specifically excluded below

Excluded: Racks, baskets, rollers, springs, removable trays,

interior lining, lock assemblies

Maximum annual coverage: \$500

# f. Electrical System

<u>Included</u>: Main electrical panel, outlets, switches, wiring,

subpanels, and doorbells

Excluded: Solar components, damage due to power surges,

inadequate capacity, low voltage systems

Maximum annual coverage: \$500

# g. Garage Door Opener

<u>Included</u>: All, including hinges and springs, except specifically excluded below

<u>Excluded</u>: Garage doors, sensors, chains, tracks, rollers, wiring, loss of remote devices, batteries, lights

Maximum annual coverage: \$500

# h. Garbage Disposal

Included: All, except specifically excluded below

Excluded: Problems or jams caused by bones, glass or non-

food objects

Maximum annual coverage: \$500

### Jetted Bathtub

<u>Included</u>: Mechanical parts such as accessible controls, accessible plumbing lines, air pumps, drains, gaskets, circulation pump motor

<u>Excluded</u>: Bathtub shell, caulking, grout, gaining access to equipment, tiles, tub enclosure, failures due to improper operation, rust

Maximum annual coverage: \$500

# j. Kitchen Refrigerator

<u>Included</u>: All for the refrigerator that is located in the kitchen, except specifically excluded

<u>Excluded</u>: Racks, shelves, lighting, handles, water line restrictions, insulation/interior thermal shells, wine coolers, mini refrigerators, door seals and gaskets, hinges, glass, AV equipment, internet connections, units moved out of the kitchen

Maximum annual coverage: \$500

#### k. Microwave

<u>Included</u>: For built in microwaves only, all, except specifically excluded below

<u>Excluded</u>: Interior lining, door glass, clocks, racks, knobs, meat probes, rotisseries, door handles

Maximum annual coverage: \$500

### Oven/Range/Cooktop

<u>Included</u>: All, including range hoods, except specifically excluded below

<u>Excluded</u>: Rotisseries, lights, knobs, dials, racks, baskets, removable trays, door glass, interior lining, meat probe assemblies and clocks, glass or ceramic cooktops, accessories, self-cleaning mechanisms

Maximum annual coverage: \$500

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# m. Plumbing & Drains

<u>Included</u>: Within the interior of the main foundation of the home: leaks to drains, leaks to water lines, leaks to sewer lines, assemblies within toilet tank, fixtures and faucets, valves to shower, pressure regulators, pressure relief valves, interior hose bibs, risers, clearing of stoppages

Excluded: Sinks, bathtubs, exterior hose bibs, filters, ejector pumps, grinders, shower pans or enclosures, tub enclosures, toilet bowl or tank, toilet flanges, caulking or grouting, root damage, outside or underground piping, loss due to chemical or mineral deposits, water softeners, whirlpool tub pumps, access through/restoration of water damaged areas, anything outside of the main foundation

Maximum annual coverage: \$500

## n. Primary Sump Pump (Ground Water Only)

<u>Included</u>: Mechanical parts and components that are permanently installed

Excluded: Ejector pumps, backup sump pumps, backup

power assemblies and portable units <a href="Maximum annual coverage">Maximum annual coverage</a>: \$500

#### o. Roof Leaks

<u>Included</u>: Asphalt or clay shingles, slate, metal roofing and flashing

Excluded: Skylights, acts of God, chimney caps, improper

in stall at ions

Maximum annual coverage: \$500

## p. Septic System & Ejector Pump

<u>Included</u>: Septic tank and line from house, baffles, sewage ejector pump and switches, grinders, aerobic pump, aerator <u>Excluded</u>: Drain field, tile fields, leach beds, clean out, insufficient capacity, blockages from tree roots or foreign objects, pumping, leach lines, field lines

Maximum annual coverage: \$500

### q. Washer & Dryer

<u>Included</u>: All for one washer and one dryer, except specifically excluded below

<u>Excluded</u>: Plastic mini-tubs, soap dispensers, filter/lint screens, knobs & Dials, venting and damage to clothing

Maximum annual coverage: \$500

### r. Water Heater

Included: All, except specifically excluded belowExcluded: Oil hot water tanks, auxiliary holding or storage/expansion tanks, circulation/recirculation pumps, losses from chemical or mineral deposits, insufficient capacity

Maximum annual coverage: \$500

#### s. Water Softener

<u>Included</u>: Mechanical parts & components of a single unit water softener and connecting water lines

<u>Excluded</u>: Water pressure issues, water purity or clarity, odor control, resin beds, salt replacement, corrosion, normal maintenance, purification systems, rented/leased equipment

Maximum annual coverage: \$500

# t. Well Water Pump

<u>Included</u>: Pump, valves and regulators for main dwelling <u>Excluded</u>: Holding or storage tanks, digging, locating pump, re-drilling of wells, well casings, pressure tanks, pressure switches or gauges, piping, electrical lines, screens, pumps used for lawn sprinklers or other like systems

Maximum annual coverage: \$500

- 5. <u>Limitation of Liability</u>. Notwithstanding anything to the contrary set forth in this Contract:
  - a. The Company will not cover any services performed on Equipment without Company's prior authorization or outside of the Coverage Period. Further, the Company will not cover costs related to previous improper installations of Equipment or the failure of Equipment to meet any code or legal requirements.
  - b. The Company will not cover any damage to Equipment due to failure to maintain Equipment as instructed by manufacturers. Further, the Company is not liable for repairing any Equipment with manufacturer's defects or under manufacturer's warranty. The Company is not liable for indirect, incidental, special, or consequential damages, fire damage, water damage, failures due to power/electrical surge, damage due to weather/acts of God, missing parts, lost or imputed profits or revenues, or personal injury from a covered item even if advised of the possibility.
  - The Company is not responsible for failure to provide reasonable service due to circumstances beyond its control. The Company will not be obligated to cover

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repairs to commercial grade or leased Equipment. Valuing systems beyond normal life expectancy will be at the sole discretion of the Company.

- 6. **Dispute Resolution.** Any controversy, dispute or claim arising out of or relating to this Contract, including whether the controversy, dispute or claim is arbitrable (each, collectively, a "Dispute"), shall be submitted to arbitration administered by the American Arbitration Association ("AAA") or its successor under the AAA rules in effect at the time the arbitration commences. The arbitration shall be conducted before a panel of three arbitrators selected and appointed in accordance with AAA rules, and will take place in the county in which the property is located. Each Party may be represented by one or more attorneys or other selected representative(s). Each Party will bear and pay equally the fees and expenses of AAA and each party will bear its own attorneys' fees, costs and other expenses in connection with arbitration. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction thereof.
- 7. Cancellation. If this Contract is cancelled, you shall be entitled to a pro rata refund of the paid Contract fee for the unexpired term, less an administrative fee equal to the lesser of 10% of the contract price or \$50 and less all service (claims) costs incurred by the Company. Cancellations within 30 days of contract initiation are not subject to the proration or administrative fee.
- 8. Multiple Units. If this contract is for a Property that is a duplex, triplex, or fourplex dwelling, the invoice must reflect said property type in order for all of the units to be covered. Equipment that serves multiple units will only be covered if all Property units are covered by a Contract as of the repair request date. When multiple units are covered, each individual unit is subject to its own maximum annual coverage limits as identified above. However, the overall contract coverage is limited to the amount stated in Section 3a.

# 9. Miscellaneous.

- a. <u>Personally Identifiable Information</u>. By submitting any of your personally identifiable information, such as your name, address, email address, phone number or fax number, to us, you consent to our privacy policy located at www.achosahw.com/terms.
- Severability. If any term or provision of this Contract is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not

- affect any other term or provision of this Contract or invalidate or render unenforceable such term or provision in any other jurisdiction.
- Headings. The headings in this Contract are for reference only and shall not affect the interpretation of this Contract.
- d. Governing Law. All matters arising out of or relating to this Contract shall be governed by and construed in accordance with the internal laws of the state in which the Property is located without giving effect to any choice or conflict of law provision or rule.
- e. <u>Entire Agreement</u>. This Contract (including the Invoice), constitutes the sole and entire agreement of the parties to this Contract with respect to the subject matter contained herein and therein, and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter.
- 10. Specific State Requirements. The following state specific requirements apply if your Contract covers a Property located in one of the following states and supersede any other provision within your Contract to the contrary.
  - a. <u>Montana</u>. Obligations of the Company under this service contract are backed by the full faith and credit of the Company.

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