

Achosa Home Warranty, LLC

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

Standard Real Estate Seller's Basic 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" and "our" refer to Achosa Home Warranty, LLC (the "Company"), 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.

1. **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. Further, this contract does not cover incidental or consequential damages.

2. **Customer Service; Procedure.** 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. At your request, the Company will provide you with names of licensed contractors in your area. If no covered defects are discovered or repaired during a service call, you are responsible for the entire cost of the service call.

3. **Coverage; Coverage Period; Payment.** 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 these term Contract. 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. 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 (\$100) 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 safe working order at the beginning of coverage. To be covered, Equipment must be installed and located within the confines of the perimeter of the 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.

4. Covered Equipment.

a. **Attic & Exhaust Fans**

Included: Motors, switches, controls, bearings

Excluded: Shutters, filters and lights

b. Dishwasher

Included: All, except specifically excluded below

Excluded: Racks, baskets, rollers, springs, removable trays, interior lining, lock assemblies

c. Electrical System

Included: Main electrical panel, outlets and switches

Excluded: Solar components, wiring, damage due to power surges, auxiliary or sub-panels, inadequate capacity, low voltage systems

d. Garage Door Opener

Included: All, except specifically excluded below

Excluded: Garage doors, hinges, springs, sensors, chains, tracks, rollers, wiring, loss of remote devices, batteries, lights

e. Garbage Disposal

Included: All, except specifically excluded below

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

f. Kitchen Refrigerator

Included: All for the refrigerator that is located in the kitchen, except specifically excluded

Excluded: Racks, shelves, lighting, handles, refrigerant, water line restrictions, interior thermal shells, wine coolers, mini refrigerators, door seals and gaskets, hinges, glass, AV equipment, internet connections

g. Microwave

Included: For built in microwaves only, all, except specifically excluded below

Excluded: Interior lining, door glass, clocks, racks, knobs, meat probes, rotisseries

h. Oven/Range/Cooktop

Included: All, except specifically excluded below

Excluded: 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

i. Plumbing & Drains

Included: Within the perimeter of the main foundation of the home: drains, leaks to water lines, leaks to sewer lines, assemblies within toilet tank, valves to shower, interior hose bibs, risers, clearing of stoppages

Excluded: Sinks, bathtubs, fixtures, exterior hose bibs, filters, ejector pumps, shower pans or enclosures, tub enclosures, toilet bowl or tank, caulking or grouting, root damage, loss due to chemical or mineral deposits, water softeners, whirlpool tub pumps, anything outside of the perimeter of the main foundation

j. Roof Leaks

Included: Asphalt or clay shingles, slate, metal roofing and flashing

Excluded: Skylights, acts of God, improper installations

k. Sump Pump

Included: Mechanical parts and components that are permanently installed

l. Water Heater

Included: All, except specifically excluded below

Excluded: Oil hot water tanks, losses from chemical or mineral deposits, insufficient capacity

5. Limitation of Liability. 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, lost or imputed profits or revenues, or personal injury from a covered item even if advised of the possibility

c. 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 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 where 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/Transfer.** 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.

9. **Miscellaneous.**

a. **Personally Identifiable Information.** 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.

b. **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.

c. **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. **Entire Agreement.** 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.**

a. 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.

b. **State of Georgia.** The Company’s obligations under this Contract for a Property located in the State of Georgia are insured by a Surety Bond issued by Philadelphia Indemnity Insurance Company, 4050 Crums Mill Road, Suite 201, Harrisburg, PA 17112. If a claim or refund for a Property is not paid within 60 days after a proof of loss has been filed, you shall be entitled to file a direct claim against the surety at the above address.

The Company may only cancel this Contract for fraud, material misrepresentation, or nonpayment. For cancellations by the Company, the Company will issue a pro-rata refund of the paid Contract fee for the unexpired term without any further deductions. For all other cancellations, the Company will issue a pro-rata refund of the paid Contract fee for the unexpired term less 10% of the refund amount due without any further deductions. Should the Company cancel this Contract, it will provide at least thirty (30) days written notice.

Arbitrations will be conducted in the county in which the Property is located. Arbitrations will be nonbinding.

**RESIDENTIAL SERVICE CONTRACT UNDER TEXAS
OCCUPATIONS CODE §1303.304.**

c. State of Texas.

This contract is issued by a Residential Service Company licensed by the Texas Real Estate Commission. Complaints about this contract or company may be directed to the Texas Real Estate Commission at P.O. Box 12188, Austin, TX 78711-2188, (512)936-3049. The purchase of a residential service contract or home warranty contract is optional and similar coverage may be purchased from other residential service companies or insurance companies authorized to conduct business in Texas.

NOTICE: THIS COMPANY PAYS PERSONS NOT EMPLOYED BY THE COMPANY FOR THE SALE, ADVERTISING, INSPECTION, OR PROCESSING OF A

Under normal circumstances, the company will initiate the performance of services within 48 hours after the contract holder requests the services.

d. Commonwealth of Virginia.

If any promise made in the contract has been denied or has not been honored within 60 days after your request, you may contact the Virginia Department of Agriculture and Consumer Services, Office of Charitable and Regulatory Programs at <http://www.vdacs.virginia.gov/food-extended-service-contractproviders.shtml> to file a complaint.