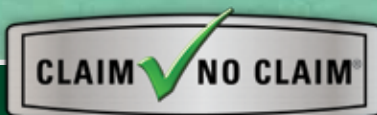




Base Plan  
**INCLUDES**  
Coverage for  
2015 Department of Energy  
Federal Regulations\*

**THE NEW STANDARD IN HOME WARRANTIES**



**WARRANTY**

Featuring: Unlimited HVAC Units, Emergency Lodging Reimbursement, Multi-Year Discount Pricing and Comprehensive Appliance Coverage



THE LEADING WARRANTY FOR HOME APPLIANCES AND SYSTEMS

Coverage for: New York, New Jersey, Connecticut,  
Maine, Massachusetts, New Hampshire, Rhode Island, Vermont,  
Alabama, Louisiana, Mississippi

# A Home Warranty Provides

repair or replacement coverage for mechanical failures of major systems and appliances. Whether the dishwasher suddenly stops washing or the A/C<sup>2</sup> stops cooling, you'll appreciate the savings, convenience and peace of mind that come with home warranty protection. Plus, you can enjoy the benefits of an HMS Home Warranty for as long as you own your home.<sup>3</sup>



## Plan to be Protected

You've thought about blinds versus drapes; you've planned where the sofa will go; but have you thought about your appliances and systems failing? Responsible homeowners often choose to have a home warranty, because homeowners insurance does not cover failures of appliances and systems.

**Plan for Savings** Typically, you'll pay one low deductible for covered components that need repair or replacement, saving you thousands of dollars.<sup>1</sup>

**Plan for Convenience** Call HMS 24/7, and we'll match you with a pre-screened licensed professional, so you won't need to waste time searching the internet and hope for the best.

**Plan for Peace of Mind** An HMS Home Warranty provides assurance that you won't have to worry when a covered appliance or system breaks down, and that you will be provided with a repair professional you can trust.



**Retail Repair or Replacement Costs** (without an HMS Home Warranty)

ITEM	AVERAGE REPLACEMENT	AVERAGE REPAIR
Central A/C	\$4,013	\$535
Heating System	\$3,000	\$685
Electrical	\$1,325	\$443
Refrigerator	\$1,025	\$308
Plumbing	\$1,100	\$363
Water Heater	\$1,000	\$213
Range/Oven	\$1,400	\$180
Dishwasher	\$600	\$180
Washer or Dryer	\$525	\$180

Source: Based on estimated ranges of retail costs for repairs and replacement of the listed items. Includes data from national independent service contractors. Pricing may vary in your geographical area.

## WHAT'S COVERED

-   
**A/C**  
 Air Conditioning System<sup>2</sup>
-   
**Heating System**<sup>2</sup>
-   
**Electrical System**
-   
**Plumbing System**
-   
**Oven/Range/Cooktop**
-   
**Refrigerator with Built-in Icemaker**
-   
**Built-in Dishwasher**
-   
**Built-in Microwave**
-   
**Built-in Trash Compactor**

# DARE TO COMPARE

## The Home Warranty You Can Count On

- Over 30 years of trusted experience
- No dollar limits in the base plan
- No age restriction on systems or appliances
- No square footage limitations
- Nationwide network of over 40,000 service partners
- Greater comprehensive coverage in the base plan
- New optional coverage for outside lines
- 2015 Department of Energy federal regulations coverage<sup>1</sup>

## HMS Provides the Confidence You Need to Buy or Sell

### Seller Benefits

- **Protect your budget** from unexpected repair or replacement expenses while your home is on the market.
- **Market your home** with a HMS Home Warranty - the perfect buyer incentive.
- **Avoid closing delays** due to a system or appliance failure.
- **No upfront costs** as the warranty is payable when the property closes. After closing, the buyer gets one full year of coverage.<sup>4</sup>

### Buyer Benefits

- **Multi-Year discount pricing is available:** Lock in the first year introductory rate for additional coverage years.
- **You don't have to worry about an unexpected repair expense** should a covered system or major appliance break down due to normal wear and tear.
- **Pay a standard deductible per service call**, per trade on covered components.<sup>1</sup>
- **Coverage available for many types of properties** including foreclosures, short sales and as-is properties.<sup>1,3</sup>
- **Save with Appliance Buyline<sup>®</sup>.** Take advantage of our buying power and get discounts off brand name appliances for remodeling projects or appliance upgrades.

### Premier Upgrade Package Option

When purchased, the Premier Upgrade Package will provide buyers with up to \$1,000 of coverage for non-covered charges associated with a covered repair or replacement. These charges are typically excluded under any home warranty. Some examples of these charges include: disposal, permits and upgrades necessary to meet the new Department of Energy Regulations. You can take advantage of this option twice per contract year.

### Emergency Lodging Reimbursement\*

This is the only home warranty that provides lodging reimbursement for buyers, up to \$1,200, when you have a qualifying event that leaves your home uninhabitable for 24 hours or more following a first service visit should there be a delay in acquiring repair parts, or delay of 24 hours or more in our provision of service for water removal from pipe breakage.



If a claim has not been filed after month nine, a buyer is eligible for one A/C or Heating maintenance visit valued at up to \$100.<sup>1</sup>

<sup>1</sup>See terms, conditions and limitations in your home warranty - non-covered charges may apply. <sup>2</sup>Optional coverage requires an additional fee. <sup>3</sup>Subject to underwriting criteria. <sup>4</sup>As governed by state law. \*Only 1 reimbursement claim per member, per 12-month period.



Water Heater



Garage Door Opener



Clothes Washer & Dryer



Garbage Disposal



Ceiling Fan



Central Vacuum System



Sump Pump



Jetted Bathtub





# Sample Home Warranty Plan\*

## HOME WARRANTY AGREEMENT

This Home Warranty Agreement, hereinafter referred to as the "Agreement", is marketed through HMS National, Inc. The Agreement is issued by the entity listed for your state in Section VI. of this Agreement. Such entity is hereinafter referred to as the "Issuing Company", or "we", "us", and/or "our". The owner of the home covered by this Agreement is hereinafter referred to as "you" and/or "your". This is a Home Warranty Agreement, not an insurance policy.

This Agreement is intended to provide protection against the cost of repairing certain items in your home due to mechanical failure. **Please read the Agreement carefully. Coverage includes only certain mechanical failures of the specific items listed as covered on your Agreement Coverage Summary and excludes all other failures and/or items. The Agreement Coverage Summary is attached to and made a part of this Agreement.** Coverage is subject to the limitations and conditions specified in this Agreement

This Agreement has provisions for the use of final and binding arbitration to resolve disputes and otherwise limits the remedies available to you. Please see DISPUTE RESOLUTION section for more information about arbitration.

## I. BASIS FOR COVERAGE

We agree to pay the covered costs to repair or replace the items listed as covered in your Agreement Coverage Summary if any such items become inoperable during the term of this Agreement due to mechanical failure caused by routine wear and tear, subject to the terms and conditions of this Agreement. Determination of coverage for any claim will be made solely by us, considering but not limited to, our independent contractor's diagnosis.

This Agreement covers only mechanical failures relating to the mechanical parts and components of those domestic-grade items that were in the home and in proper operating condition on the Agreement effective date. "Mechanical failure" occurs when a covered item becomes inoperable and unable to perform its designed function, subject to the limitations and conditions set forth herein. We will cover an unknown pre-existing mechanical failure provided the failure could not have been detected by visual inspection or simple mechanical test. A visual inspection of the covered item is considered to mean the viewing of an item to verify that it appears structurally intact and without damage or missing parts that would indicate inoperability. A simple mechanical test means the ability to turn the unit off and on verifying the item operates without irregular sounds or smoke that may indicate a problem. In certain instances, we may require documentation from you during a claim review.

Mechanical failure due to rust and corrosion is not covered in the Seller Home Warranty. Mechanical failure due to rust and corrosion is covered after the Agreement effective date in the Buyer Conversion, Buyer Direct, Open Direct or New Home Warranty. The covered item will be deemed to have been in "proper operating condition" on the Agreement effective date if it was correctly located within the home, was properly installed to code at the time of installation, was fully connected, was capable of successfully performing all operations commensurate with the manufacturer's original design intention, and did not pose any hazard to life or property. Determination of the operating condition as of Agreement effective date, and the nature of any failure, will be made by us based upon the professional opinion of our direct employees, considering but not limited to, our independent contractor's diagnosis.

## II. DEFINITION OF ITEMS

This Agreement provides coverage only for those items specifically listed as covered in your Agreement Coverage Summary. **An additional fee may be required for certain systems, appliances or optional coverages. Coverage of some items may not be available under all plans or in every state. This Agreement defines precisely what mechanical systems and appliances, and which of their parts and components, are covered; only those items specifically so described are covered, subject to the limitations and conditions herein.** Covered items must be "Domestic-grade" items which are designated by the manufacturer, manufactured and marketed solely for installation and use in a residential single family dwelling. The items listed in this section as "Examples of Items/Conditions Not Covered" are not meant to be all-inclusive and are provided for illustration. They do not limit our right to decline coverage for items not on the lists and should not in any way be deemed an expansion of items specified as Covered.

### Premier Upgrade Package Option (Buyer Only)

Adding this package to your Home Warranty Agreement provides additional benefits, including mismatched systems and components having incompatible capacity ratings\* on a covered claim. Certain repairs or replacements may require additional fees that are not normally covered under your Home Warranty Agreement, such as, but not limited to, disposal of equipment; duct, electrical and/or plumbing modifications; reclamation of refrigerant; code upgrades; permits; condenser pads; etc. We will provide up to \$1,000 towards typically excluded non-covered charges when repairing or replacing a covered item. In no event shall we be liable to cover fees and/or disposal arising from hazardous and/or toxic materials or asbestos. Package limits apply to one (1) covered item, per claim. Each claim event is capped for up to \$1,000; any unused portion of the benefit cannot be applied towards a future claim. In no event shall we be liable for more than two (2) claims per agreement term, for an aggregate amount of up to \$2,000. This benefit does not apply to equipment; items; or failures deemed ineligible for coverage.

\*For mismatched systems or incompatible capacity failures, you are responsible for the cost difference between the replacement value of the original part or system and the cost of the upgrade.

### 1. Central Air Conditioning/Cooling System (Seller Requires Additional Fee)

**Description of Covered Items:** Mechanical parts and components of all centrally ducted air conditioning systems, heat pump system or evaporative (swamp) cooler unit (excluding geothermal and water source heat pump systems), as follows: accessible ductwork from the air conditioning unit to the point of attachment at registers/grills; air handler; blower fan motors; capacitors; compressors; condensers; condenser fan motors; condenser coils; evaporator coils; fan blades; internal system controls; internal wiring; motors (excludes dampers); primary/secondary condensate drain pans; refrigerant; refrigerant filter dryer; refrigerant piping interior to the unit (excluding interconnecting line sets and geothermal piping); relays; reversing valves; switches and controls; and thermostats. We cover all centrally ducted air conditioning systems, each with maximum of five (5) ton capacity, and designed for residential application. If the primary cooling system in the home is comprised of wall units, all wall units located within the home will be covered. **Examples of Items/Conditions Not Covered:** Primary/secondary condensate pumps, and lines; asbestos

insulated ductwork or piping; ductwork insulation; concrete encased or inaccessible ductwork; dampers; filters (including electronic/electrostatic and de-ionizing filter systems); fossil and dual fuel control systems and other energy management systems and controls; geothermal heat pump systems; geothermal piping; heat recovery unit; humidifiers; interconnecting Freon lines (external of the equipment); panels and/or cabinetry; registers and grills; recapture-reclaim of refrigerant; structural components; water source heat pump systems; 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.

### 2. Central Heating System (Seller Requires Additional Fee)

**Description of Covered Items:** Mechanical parts and components of all heating systems, either hot water and steam heating system or centrally ducted forced air gas/electric/oil heating system or electric baseboard units, if providing the primary source of heat in 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 (programmable and electronic set back units will be replaced only with standard units); heat exchangers; heating elements; ignitor and pilot assemblies; internal system controls; wiring and relays; motors (excludes dampers); and switches. If the primary heating system in the home is comprised of wall units, all wall units located within the home will be covered. Electric baseboard units are covered if they are the primary source of heating for the property.

**Examples of Items/Conditions Not Covered:** Chimneys, flues, and liners; cleaning and re-lighting of pilots; concrete encased or inaccessible ductwork; concrete encased or inaccessible steam or radiant heating coils or lines; conditions of water flow restriction due to scale, rust, minerals and other deposits; fossil and dual fuel control systems and 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; radiant heating systems built into walls, floors or ceilings; registers and grills; secondary units; solar heating devices and components; and structural components.

### 3. Plumbing System/Plumbing Pipes

**Description of Covered Items:** Mechanical parts and components of the following: garbage disposal; interior hose bibs; point of service water system/instant hot; pressure regulating devices; shower and tub valves; toilet tanks, bowls, and toilet mechanisms within the toilet tank. The clearing of plumbing stoppages using standard snake/auger systems, drain, waste or vent lines up to 125 feet from point of access where accessible ground level cleanout is existing, and which can be cleared with standard cable. Request to clear the same line(s) after fourteen (14) days' time has elapsed will be considered a new claim and require a new deductible. Leaks and breaks of water, gas, drain, waste and vent lines/pipes within the perimeter of the main foundation are also covered. Repair and finish of any walls or ceilings where it is necessary to break through to effect repair is not covered under the Seller Home Warranty; under all other warranty types it is covered only to the following extent: repair of walls or ceilings to rough finish up to \$1,000 per claim. Rough finish is defined to include hanging of drywall, patching of drywall, stucco, and lath. Repair to rough finish does not include supplies or labor for paint, sanding, wall texture, wallpaper and/or tile work.

**Examples of Items/Conditions Not Covered:** All plumbing in or under the ground, foundation or slab; all piping and plumbing outside of the perimeter of the foundation; any piping or plumbing in a detached structure; stoppage of concrete encased lines; any fees for locating, accessing or installing cleanouts; removal of water closets/toilets in order to clear stoppages, any fees for photo/video equipment, hydro-jetting equipment; jet or steam clearing; chemicals; stoppages caused by root invasion; stoppages caused by foreign objects, such as but not limited to, toys, bottle caps, etc; bath tubs; bidets; caulking or grout; color or purity of the water in the system; concrete encased plumbing; conditions of insufficient or excessive water pressure; conditions of water flow restriction due to scale, rust and sediment (scale, minerals and other deposits); exterior hose bibs; faucets; freeze damage; holding and pressure tanks; jet pumps; laundry tubs; lawn sprinkler systems; repair and finish of any floors where it is necessary to break through to effect repairs; septic tanks and systems in or outside of the home; sewage ejector pumps; sewer and water laterals; shower enclosures and base pans; shower heads; sinks; solar systems; toilet tank lids and toilet seats; water damage; water filters; water purification systems; wells.

### 4. Water Heater

**Description of Covered Items:** Mechanical parts and components of one (1) water heater/tankless, including circulatory pumps and domestic hot water coils attached to boilers, but excluding solar and heat recovery units. Includes mechanical failures resulting from sediment build-up.

**Examples of Items/Conditions Not Covered:** 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; racks; straps; timers; and solar heaters, including all parts and components.

### 5. Sump Pump

**Description of Covered Items:** Mechanical parts and components of the pump assembly located within the home and hard piped installed.

**Examples of Items/Conditions Not Covered:** Any unit located outside the covered property and/or within crawl spaces; back-up power assemblies; portable or non-hard piped installed unit.

### 6. Electrical System

**Description of Covered Items:** Standard mechanical parts or components located within the perimeter of the outer load bearing walls consisting of ceiling fan motors and their controls (excluding transmitters and remotes); attic/whole house exhaust fans; door bells and chimes; interior standard light switches, smoke detectors including battery and hardwire systems; main breaker or fuse, panel/box receptacles and general line voltage wiring.

**Examples of Items/Conditions Not Covered:** Bathroom exhaust fans; 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; exhaust fans; fire, carbon monoxide alarm and/or detection systems; batteries; intercom or speaker systems; lighting fixtures; load control devices; low voltage systems including wiring and relays; 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, power failure/shortage or surge, and corrosion caused by moisture are not covered.

### 7. Kitchen/Laundry Appliances

**Description of Covered Items:** Mechanical parts and components affecting the proper operation of one (1) of each of the following appliances: refrigerator or combination refrigerator/freezer; built-in dishwasher; built-in microwave

\* See Terms and Conditions of actual contract available at [www.hmsnational.com/agreement](http://www.hmsnational.com/agreement).

# Sample Home Warranty Plan\* (continued)

oven; range/oven/cook-top; self-contained range exhaust unit located above the range; built-in trash compactor located in the primary kitchen; and clothes washer; clothes dryer. Covered mechanical parts and components include only the following: automatic soap and rinse dispensers; belts; compressor; condensers; control timers (oven/range clock-timers are excluded unless failure prohibits normal cooking function); defrost heaters; clothes dryer heating elements; clothes dryer drum; clothes dryer drum rollers; electronic components; evaporators; fan motors; gas valves; hinges; hoses; ignitor and pilot assemblies; ice maker and ice and water dispensers built into the primary refrigerator (excluding water supply lines); internal wiring; latch assemblies (excluding self-cleaning latch mechanisms); motors; power cords; pulleys; pumps; ram assembly; range/cooktop/heating elements/burners (sensi-temp elements/burners will be replaced only with standard elements/burners); solid state control boards; switches and relays; thermostats; touch pads; tracks; transmissions; wash arm assemblies (dishwasher only); washing machine tubs and agitators; and water valves (dishwasher and clothes washer only).

**Examples of Items/Conditions Not Covered:** Automatic deodorizers; buckets; commercial units; damage to clothing; doors; door cables; door glass; door seals; drawers; drip pans; exhaust fan not solely for venting range/cooktop fumes; independent telescoping range exhaust; filters and screens; food spoilage; self-contained icemakers; water supply lines; reclaim of refrigerant; interior lining; internal shelves; knobs and handles; light bulbs and fixtures; lock and key assemblies; panels and/or cabinetry; racks; removable minitubs; rollers other than clothes dryer drum rollers; rooftop exhaust units; rotisseries and probes; secondary units; shelves; springs; stand-alone freezers; structural components; timers and clocks; self-cleaning mechanisms including door latches; trays; venting; conditions of water flow restriction due to scale, rust, minerals and other deposits.

## 8. Central Vacuum System

**Description of Covered Items:** Motor; relay; switches; wiring.

**Examples of Items/Conditions Not Covered:** Attachments; hoses; handles; knobs; panels and/or cabinetry; powerhead assemblies; secondary units; structural components.

## 9. Garage Door Opener

**Description of Covered Items:** Mechanical parts and components of a single primary unit as follows: drive trains; motor; receiver board; relays; switches and sensors. If there is no attached garage, we will cover one (1) opener if installed in a detached garage.

**Examples of Items/Conditions Not Covered:** Batteries; damage caused by door malfunctions; all door assemblies including door panels, tracks, rollers, hinges, cables and springs; frequency interference; lights; sending units; touch pads and/or key pads; transmitters and remotes.

## 10. Jetted Bathtub

**Description of Covered Items:** Mechanical parts and components as follows: accessible electrical controls; accessible plumbing lines; air pumps; drains; gaskets; and primary circulation pump and motor.

**Examples of Items/Conditions Not Covered:** Bathtub shell; caulking and grout; jets; conditions of water flow restriction due to scale, rust, minerals and other deposits; failures due to dry operation of equipment; gaining access to electrical, component parts, and/or piping; tiles and marble; and tub enclosure.

## 11. Water Softener (Buyer Option Only)

**Description of Covered Items:** Mechanical parts and components of basic single water softener unit, including central head assembly; multi-level/twin softeners; piping to and from unit(s) and system tanks.

**Examples of Items/Conditions Not Covered:** Any and all treatment, purification, odor control, iron filtration components and systems; discharge drywells; failure due to excessive water pressure or freeze damage; failures due to mineral and/or sediment; resin bed replacement and salt.

## 12. Septic Tank/Septic Tank Pumping (Buyer Option Only)

**Description of Covered Items:** This plan covers the mechanical parts and components of one (1) sewage ejector pump (located within the perimeter of the main foundation). The clearing of stoppages within the connecting waste line (leading from the house to the primary septic tank) which are attributable to normal wear and tear and can be accessed through an existing clean out without excavation. In the event the septic tank needs to be pumped or replaced, you may be responsible for locating an independent contractor to perform the necessary repairs or replacement. In no event shall we be liable for claims in excess of \$500 to pump the septic tank or \$1,000 to replace the septic tank, per agreement term.

**Examples of Items/Conditions Not Covered:** Broken or collapsed sewer lines; tile fields; leach beds; leach lines; lateral lines; insufficient capacity; seepage pits; cesspools and sewage ejector pumps not associated with the septic system. We do not cover the cost associated with locating or gaining access to the septic tank or sewer hook-ups nor do we cover the cost of installing cleanouts or hook-ups if they do not already exist; disposal of waste; chemical treatments of the septic tank or sewer lines, stoppages caused by root invasion and/or stoppages caused by foreign objects, such as but not limited to, toys and bottle caps.

## 13. Swimming Pool (Buyer Option Only)

**Description of Covered Items:** Mechanical parts and components as follows: above ground accessible piping lines leading to and from the unit; filters (housing, laterals, pressure gauges, back flush valves); gaskets; primary circulator pump and motor; and relays and impellers.

**Examples of Items/Conditions Not Covered:** Automatic feeders and chemicals; chlorinators; "creepy crawlers" and similar cleaning units; electrical lines; filter elements or media (i.e., cartridges, grids and sand); jets; lighting; pop-up heads and turbo valves; secondary/auxiliary cleaning equipment and accessories including built-in or detachable cleaning equipment; skimmers; solar heaters and related components; conditions of water flow restriction due to rust and sediment (scale, minerals and other deposits); structure, liner or shell of the pool; timer and remote control systems and their components; and inaccessible underground and/or concrete encased plumbing.

## 14. Spa (Buyer Option Only)

**Description of Covered Items:** Mechanical parts and components as follows: above ground accessible plumbing lines leading to and from unit; air pumps; blower motor; filters (freestanding housing body, laterals, pressure gauges, back flush valves); gaskets; impellers; internal spa pack heater; internal switches; primary circulator pump and motor; and relays.

**Examples of Items/Conditions Not Covered:** Automatic feeders and chemicals; chlorinators; "creepy crawlers" and similar cleaning units; electrical lines; external heaters; filter elements or media (i.e., cartridges, grids and sand); inaccessible underground and/or concrete encased plumbing; jets; lighting; portable spas or spas without hard pipe or hard wire installation; pop up heads and turbo valves; secondary/auxiliary cleaning equipment and accessories

including built-in or detachable cleaning equipment, skimmers; solar heaters and related components; conditions of water flow restriction due to rust and sediment (scale, minerals and other deposits); structure, liner or shell of the spa; timer and remote control systems and their components.

## 15. Combination (shared equipment) Swimming Pool and Spa (Buyer Option Only)

**Description of Covered Items:** Mechanical parts and components as follows: above ground accessible plumbing lines leading to and from unit; air pumps; blower motor; filters (freestanding housing body, laterals, pressure gauges, back flush valves); gaskets; impellers; internal spa pack heater; internal switches; primary circulator pump and motor; and relays.

**Examples of Items/Conditions Not Covered:** Automatic feeders and chemicals; chlorinators; "creepy crawlers" and similar cleaning units; electrical lines; filter elements or media (i.e., cartridges, grids and sand); heaters; inaccessible underground and/or concrete encased plumbing; jets; lighting; pop-up heads and turbo valves; secondary/auxiliary cleaning equipment and accessories including built-in or detachable cleaning equipment, skimmers; solar heaters and related components; structure, liner or shell of the pool and spa; timer and remote control systems and their components.

## 16. Heater for Swimming Pool and/or Spa (Buyer Option Only)

**Description of Covered Items:** Mechanical components and parts of gas, electric, oil, and heat pump units. In no event shall we be liable for claims in excess of \$1,000 in the aggregate per Agreement term, per covered property with respect to pool or spa heaters.

**Example of Items Not Covered:** Cabinetry and structural components; recapture/reclaim of refrigerant; timer and remote control systems and their components.

## 17. Well Pump System or Well Pump System with Booster Pump (Buyer Option Only)

**Description of Covered Items:** Mechanical components and parts of the submersible or above ground well pump and booster pump utilized as the sole source of water supply only for the main dwelling, excluding irrigation system, as follows: controls; impellers; motor; pump and seals. For units that also supply water for use outside the main dwelling, only the capacity required to supply water to the main dwelling, excluding irrigation system, is covered.

**Examples of Items/Conditions Not Covered:** Contamination or lack of water; excavation or other charges necessary to gain access to, or to remove, or to reset the pump; failure attributed to well impurity; joint wells; piping and electrical lines leading to and from the unit; pressure, holding or storage tank(s); re-drilling of wells; auxiliary/secondary; and well casings.

## 18. Outside Gas Line (Buyer Option Only)

**Description of Covered Items:** Outside gas service line is defined as a natural gas supply line from the curb box to the inlet valve of the meter for one single family residential home – it is the most direct line between the curb box and the inlet valve of the meter. It includes the gas supply line between the outlet of the meter and the exterior of the foundation. It does not include any connections or extensions such as, but not limited to, gas lines to grills, lights and pool heaters.

**Limitations of Coverage:** For the repair or replacement of the outside line, we will pay a maximum of \$2,000 in the aggregate per Agreement term. After the outside gas service line is repaired or replaced, our independent service provider will provide basic site restoration to the affected area, limited to backfill of excavated soil, raking and reseeded.

**Examples of Items/Conditions Not Covered:** Any gas service lines in excess of 500 feet in length; high pressure gas lines and the high pressure service line which is defined as a natural gas supply line with a pressure rating of 60 psi or greater; natural gas meter including connections; appliances or appliance connectors or burner tips; any gas service line not measuring between 1/2" and 1 1/4" in diameter; utility meters; any interior gas piping.

## 19. Outside Sewer Line (Buyer Option Only)

**Description of Covered Items:** Outside sewer service line failures as a result of normal wear and tear.

**Limitations of Coverage:** For covered repairs, we will pay a maximum of \$3,000 in the aggregate per Agreement term. We will pay up to an additional \$1,500 in aggregate per Agreement term to cut, excavate or repair sidewalks located in a public easement or public roads that were damaged solely due to outside sewer service line covered repair or replacement work performed by our independent contractor(s). Only expenses related to repair or replacement of sidewalks are covered under this additional limit.

**This additional limit, when applicable, does not add any additional coverage to the sewer service line \$3,000 Agreement maximum. Should sidewalk or public road repair expenses exceed \$1,500, it is your responsibility to pay any additional costs.** You will be notified of the estimated additional expenses before work is completed. After the outside sewer service line is repaired or replaced, our independent service provider will provide basic site restoration to the affected area, limited to backfill of excavated soil, raking and reseeded.

**Examples of Items/Conditions Not Covered:** Any outside sewer line in excess of 500 feet in length any outside sewer service line not connected to a public sewer system, including but not limited to sewer lines connected to a septic system or leach field; outside holding tanks; ejector pumps; service or damage related to the back-up of sewers and drains or any other damage caused directly or indirectly by sewer main lines; any outside sewer service line connected to a lift station; utility meters; stoppages or blockage caused by root invasion and/or by foreign objects, such as but not limited to, toys and bottle caps; any interior water or sewer lines.

## 20. Outside Water Line (Buyer Option Only)

**Description of Covered Items:** Outside water line repair or replacement if the failure is a result of normal wear and tear. This Agreement covers only the portion of the service line which extends from the curb box shut off valve to the meter or exterior load bearing wall of the covered property.

**Limitations of Coverage:** For covered repairs, we will pay a maximum of \$2,000 in the aggregate per Agreement term. The Plan will pay up to \$500 in aggregate per Agreement term to cut, excavate or repair sidewalks located in a public easement or public roads that were damaged solely due to outside water service line covered repair or replacement work performed by our independent contractor(s). These expenses will apply toward the \$2,000 Agreement maximum. Should sidewalk or public road repair expenses exceed \$500, it is your responsibility to pay any additional costs. You will be notified of the expected additional expenses before work is completed. After the outside water service line is repaired or replaced, our independent service provider will provide basic site restoration to the affected area, limited to backfill of excavated soil, raking and reseeded.

# Important Items

To File A Claim: 1.888.432.1033 • Coverage Questions? 1.800.843.4663 • [www.hmsnational.com](http://www.hmsnational.com)

- ▶ Please do not call a contractor yourself. You will not be reimbursed for work performed without prior company approval.
- ▶ Upon receipt, please review your contract, which includes the full and complete terms and conditions.
- ▶ We may elect to replace a covered item rather than repair it. The decision to replace rather than repair items is solely our option.
- ▶ Additional charges may apply to certain repairs or replacements.

**Examples of Items/Conditions Not Covered:** This Agreement does not cover the following: any outside water line in excess of 500 feet in length; any costs in excess of **\$2,000 in aggregate per Agreement term**; any outside water service line not connected to a public water system, including but not limited to water lines connected to a well system; lead piping; utility meters; stoppages or blockages caused by root invasion and/or by foreign objects, such as but not limited to, toys and bottle caps; sprinkler and/or any irrigation lines or systems; any interior water or sewer lines.

## III. GENERAL EXCLUSIONS AND LIMITATIONS

Examples include:

- Incompatible or mismatched items
- Items outside the perimeter or below the foundation of the home (unless specifically stated, i.e., swimming pool)
- Improper installation or defects caused by manufacturer design
- Misuse, neglect, missing parts or improper installation
- Acts of God, terrorism, fire or natural disaster
- Animal and pest damage
- Power surges or lightning related failures
- Mold, mildew or wet/dry rot
- Vandalism or intentional acts
- Upgrades or modifications for any reason
- Removal or disposal of equipment, hazardous or toxic material (i.e. asbestos or Freon)
- Commercial grade equipment
- Fees associated with gaining access for diagnosis, repair or replacement
- Energy management systems or devices
- Inaccessible ductwork, underground ductwork
- Ductwork damaged by pests, animals, moisture
- Registers, grills, dampers or insulation
- Fees associated with gaining access to a covered item
- Delays caused by material shortages or circumstances beyond our control
- Charges associated with transportation of service professional or materials related to the claim
- Consequential damage, additional living expenses
- Food spoilage, loss of income or other property damage
- Items covered by other insurance, warranty or guarantee (i.e., manufacturer warranty)
- Items that have been modified or adjusted in ways that prevent inspection and/or diagnosis (i.e., self-attempted repair)
- Improperly installed or repaired items, items damaged during remodeling
- Routine maintenance
- Damages or delays resulting from the service provider

## IV. CANCELLATION

1. You may void this Agreement within thirty (30) days of the coverage effective date for a full refund of the contract fees paid if no claim has been made. The right to void this Agreement as provided in this paragraph is not transferable. A ten (10) percent penalty per month will be added to any refund required under this paragraph, including any accrued penalties, that is not paid or credited within thirty (30) days after termination of this Agreement pursuant to this paragraph.
2. You may cancel this Agreement within thirty (30) days of the coverage effective date if a claim has been made, or at any time thereafter, at which time you may be entitled to a refund of unearned contract fees paid based on the short rate schedule less a processing fee of twenty-five dollars (\$25) and less the cost of any services performed pursuant to the Agreement, where permitted by law. If the refund calculation results in you owing us payment for services provided, we may bill you for the lesser of the net amount due to us or the unpaid annual term contract

fee. We will bill or charge you any balance owed to us through the same mechanism as any previous installment billings, or we will direct bill you if such a mechanism is not available.

## V. DISPUTE RESOLUTION

1. **ARBITRATION:** All disputes, controversies or claims of any sort, arising out of or in any way relating to this Agreement, its negotiation, and the Services provided pursuant to it, whether based in contract, tort, regulation, or any other legal or equitable theory (collectively "Disputes"), shall be resolved at the consumer's choice by settlement or final and binding arbitration or in and through a small claims court having jurisdiction over such Disputes. Arbitration shall be conducted within the geographical limits of the applicable federal district court where the Covered Property is located, or such other location upon which both parties mutually agree. The Commercial Arbitration Rules and Supplementary Procedures for Consumer-Related Disputes of the American Arbitration Association (the "Arbitration Rules") in effect at the time arbitration is demanded by either party shall govern the arbitration proceeding and the selection of one neutral arbitrator to preside over the proceeding. The arbitrator is empowered to decide all Disputes and all questions related to the enforceability and scope of these Dispute Resolution provisions, including but not limited to the validity, interpretation and applicability of these Dispute Resolution provisions. Additionally, this transaction involves interstate commerce, and these Dispute Resolution provisions shall be governed by the Federal Arbitration Act, as amended (9 USC 1). No arbitration may proceed on a class or representative basis, and the arbitrator may not consolidate any arbitration proceeding governed by these Dispute Resolution provisions with any other person's arbitration proceeding, and may not otherwise preside over any form of a representative or class proceeding. Under the Arbitration Rules, although each party is required to pay certain administrative and arbitrator fees, the amount the consumer may be required to pay is limited. Each party to arbitration is responsible for its own attorney's fees, if the party chooses to be represented by an attorney.
2. **CLASS ACTION AND JURY TRIAL WAIVER:** Each party to this Agreement may bring a Dispute against the other only in its individual capacity and not as a plaintiff or class member in any purported class or representative proceeding. Each party gives up or waives any right it may have to have any Disputes between them resolved by a jury.

## VI. OTHER CONDITIONS

**Issuing Company.** The HMS Home Warranty Agreement is issued by HomeSure Services, Inc., except in the following states where it is issued by the identified entity: in Alabama, Arizona, Florida, Illinois, Iowa, Massachusetts, Nevada, New Hampshire, New Mexico, New York, North Carolina, Oklahoma, South Carolina, Texas, Utah, Vermont, Washington, Wisconsin and Wyoming by HomeSure of America, Inc.; in California by HomeSure Protection of California, Inc.; and in Virginia and Oregon by HomeSure of Virginia, Inc. Services are provided by independent tradespeople/contractors.

**Marketing.** This Agreement is marketed through HMS National, Inc. HMS is a registered trademark of HMS National, Inc., P.O. Box 551299, Fort Lauderdale, FL 33355-1299; Telephone 954-845-9100.

**Corporate/Administrative Office.** Cross Country Home Services, Inc., P.O. Box 551540, Fort Lauderdale, FL 33355-1540; Telephone: 954-835-1900.

## VII. PREVENTIVE MAINTENANCE BENEFIT

1. **Eligibility (Buyer Only):** During the first year of your HMS Home Warranty Agreement ("Agreement"), if you have not placed any claims, you will be eligible for one (1) air conditioning and/or heating system maintenance visit, up to \$100, at the completion of month nine (9) of your contract. The maintenance visit is available on an active Agreement from month ten (10) and through the end of the contract term. The maintenance visit must be scheduled and occur between months ten (10) and twelve (12) before the first term of the Agreement expires.
2. **Process:** For information on how to use this benefit, call HMS National at 866-607-9925. If you fail to schedule a maintenance visit during the Eligibility period you may not "make-up" the maintenance visit during any subsequent period. No make-up will be given for a missed maintenance visit. Based on the Eligibility qualifications noted above, you must schedule and complete the maintenance service between months ten (10) and twelve (12) of the Agreement period.

**Coverage is subject to a Trade Service Call fee up to your deductible of \$100 per service call, per trade agent unless the optional lower deductible is purchased. Additional charges may apply to certain repairs or replacements.**

**Claims Can Be Filed 24/7 By Calling: 1.888.432.1033**





COVERED ITEMS/CONDITIONS	SELLER	BUYER
Central Air Conditioning – Unlimited Units	OPTIONAL <sup>1</sup>	YES
Heating System – Unlimited Units	OPTIONAL <sup>1</sup>	YES
Ductwork	YES	YES
Electric	YES	YES
Plumbing	YES	YES
Plumbing Stoppages (up to 125')	YES	YES
Hot Water Heater	YES	YES
Attic Exhaust/Whole House Fan	YES	YES
Ceiling Fan	YES	YES
Central Vacuum System	YES	YES
Clothes Washer	YES	YES
Clothes Dryer	YES	YES
Dishwasher, Built-in	YES	YES
Door Bell Chimes	YES	YES
Refrigerator with Built-in Icemaker & Water Dispenser	YES	YES
Garage Door Opener	YES	YES
Garbage Disposal	YES	YES
Jetted Bathtub	YES	YES
Microwave Oven, Built-in	YES	YES
Oven/Range/Cooktop	YES	YES
Range Exhaust	YES	YES
Sump Pump	YES	YES
Trash Compactor, Built-in	YES	YES
Locksmith Service	YES	YES
Unknown Pre-Existing Condition	YES	YES
Failure due to Lack of Maintenance	YES	YES
Appliance Buyline Program	YES	YES
Failure due to Rust & Corrosion	–	YES

OPTIONAL ITEMS (BUYER) <sup>2</sup>	COST
Deductible Buy Down (to \$50)	\$50
Outside Gas Line	\$60
Outside Sewer Line	\$60
Outside Water Line	\$60
Outside Gas/Sewer/Water Line (combo)	\$120
Pool and/or Spa without Heater	\$150
Pool and/or Spa with Heater	\$205
Septic Tank/Pumping	\$45
Water Softener	\$50
Well Pump System	\$75
Well Pump System w/Booster Pump	\$150
Premier Upgrade Package	\$89 <sup>3,4</sup>

SINGLE FAMILY HOME, TOWNHOME & CONDOMINIUM	
Seller and/or Buyer	\$599
Seller Air and Heat (Optional)	\$75 <sup>1</sup>
Deductible Per Service Call	\$100
Multi-Year Discount Pricing - Lock in the first year introductory rate for additional coverage years	\$599 per contract term

<sup>1</sup>Additional fee required for seller coverage.

<sup>2</sup>Optional coverage requires an additional fee.

<sup>3</sup>See terms, conditions and limitations in your home warranty. Non-covered charges may apply.

<sup>4</sup>Some examples of excluded items are disposal of equipment, duct, electrical and/or plumbing modifications, reclamation of refrigerant, code upgrades, permits, and condenser pads.