

**SERVICE AGREEMENT TERMS & CONDITIONS**  
**SUPERIOR HOME WARRANTY**  
**(Gold Plan)**

1. **Obligations.** In consideration for your payment to Superior Home Warranty LLC, and subject to the terms of this Service Agreement (this “Agreement”), Superior Home Warranty (“SHW”) will arrange for a qualified service contractor and/or technician to repair or replace the systems and appliances covered under this Agreement when they become inoperable due to normal wear and tear (this “Warranty”). SHW shall have the sole discretion to determine, in good faith, whether a particular covered system or appliance requires repair or replacement. Furthermore, the coverage extended under this Warranty is secondary to any manufacturers’ or other third party warranty that is active with regard to any system or appliance covered under this Agreement.

2. **Covered Homes.** This Agreement only covers systems and appliances in single-family and multi-family dwellings, individual condominium units, town houses and modular homes. Only those systems and appliances properly and permanently installed and located within the perimeter of the main foundation of the home will be covered.

3. **Limitations.** This Agreement will not cover systems or appliances within (i) commercial properties; (ii) residential properties used for business purposes, including, but not limited to, dwellings used for rest homes, day care centers, schools and/or professional offices; and (iii) common areas of condominiums, multi-family houses and/or cooperatives. This Agreement will not cover any system or appliance designated by the manufacturer as being used for commercial use. The coverage provided under this Agreement is secondary to any manufacturers’ warranty on any covered system or appliance or any warranty purchased with any covered system or appliance.

4. **Term.** The term of your Warranty coverage, as set forth in this Agreement, shall begin upon receipt of your payment. Your Warranty coverage will begin upon receipt of full payment of the premium associated with this Warranty and remain in effect for 12, 24 or 36 months as specified by your Warranty certificate/contract.

**5. Claims Procedure.**

5.1. Before Making a Claim. Prior to making a claim you should:

- (i) Immediately contact the proper authority in the event the malfunctioning appliance or system has the potential to cause injury to you or anyone else present in or near your home;
- (ii) Shut down the malfunctioning appliance or system to prevent further damage;
- (iii) Determine if the malfunctioning appliance or system is covered under this Agreement, and

(iv) Contact the manufacturer or third party warranty provider to the extent that the appliance or system is covered by a manufacturer's or third party's warranty (other than SHW).

5.2. If Covered. If this Agreement covers the malfunctioning appliance or system, you MUST contact SHW PRIOR to obtaining service on the malfunctioning appliance or system. Your failure to contact SHW prior to obtaining service shall render your claim invalid. SHW will not reimburse you if you use your own service technician without first obtaining SHW's prior authorization.

5.3. Contact Information. A SHW representative can be reached 24 hours a day, 7 days a week, by telephone at 1-800-785-3019 or by e-mail at info@superiorhomewarranty.com

5.4. Non-Emergency Claims. To make a claim for repair you must contact SHW immediately following discovery of the malfunctioning and/or inoperability of the system or appliance. The SHW Service Technician will be instructed to provide repair or replacement of the appliance or system within two (2) days and four (4) days on weekends and holidays following submission of the claim. If covered by this agreement, the system and/or appliance repaired or replaced will be paid for by SHW within a reasonable time following submission of the claim. SHW will not be liable for any delay in the repair and/or replacement of the inoperable appliance or system.

5.5. Emergency Claims. In the event of an emergency, in order for SHW to make a determination whether the system and/or appliance causing the emergency is covered under this Agreement, you must contact SHW prior to having the repair or replacement work performed. In the event the emergency pertains to gas, fire or has the potential to cause injury to you or anyone else present in or near your home, you should take all reasonable steps, including, but not limited to, vacating the premises and contacting the proper authority to ensure the safety of you and those present. Once the determination is made by the proper authority that your home is safe to re-inhabit, you must contact SHW immediately and advise them of this claim.

## **6. Covered Systems and Appliances.**

### **6.1. Generally.**

6.1.1. *Proper Working Order.* All systems and appliances must be in proper working order on the Effective Date of the Warranty coverage. Any pre-existing conditions or defects causing the malfunction of system or appliance during the term will not be covered by this Agreement. For example, if a defective or malfunctioning system or appliance is discovered by an inspection company prior to the transfer of ownership of the property or by a utility company at the time of the transfer of ownership, said condition shall be deemed a pre-existing condition and shall not be covered under this Agreement.

6.2. Appliances Covered. Subject to the terms and limitations herein, this Agreement covers the following appliances:

6.2.1 *Refrigerator.*

This Agreement covers the primary refrigerator including its integrated ice maker located within the kitchen of the covered home, including all modules, components and parts of the refrigerator necessary to the functionality of the refrigerator.

6.2.2 *Oven/Range/Stove Top.*

This Agreement covers one (1) gas or electric oven, range and stove top located within the kitchen of the covered home including all modules, components and parts of the gas or electric oven, range and stove top necessary to the functionality of the oven, range and/or stove top.

6.2.3. *Built-In or Stand Alone Microwave Oven.*

This Agreement covers one (1) built-in or stand alone microwave oven located within the kitchen of the covered home, including all modules, components and parts of the microwave oven necessary to the functionality of the microwave oven.

6.2.4. *Dishwasher.*

This Agreement covers one (1) dishwasher located within the kitchen of the covered home, including all modules, components and parts of the dishwasher necessary to the functionality of the dishwasher.

6.2.5. *Garbage Disposal/Trash Compactor.*

This Agreement covers one (1) garbage disposal and one (1) trash compactor located within the kitchen of the covered home including all modules, components and parts of the garbage disposal and trash compactor necessary to the functionality of the garbage disposal and trash compactor.

6.2.6. *Clothes Washer/Clothes Dryer.*

This Agreement covers one (1) clothes washer and clothes dryer located within the covered home, including all modules, components and parts of the clothes washer and clothes dryer necessary to the functionality of the clothes washer and clothes dryer.

6.3. Systems Covered. This Agreement covers the following systems:

6.3.1. *Plumbing.* This Agreement covers the following plumbing system components: (i) line leaks in gas, water, drain, waste or vent lines not caused by damage resulting from freezing or from roots; (ii) line breaks in gas, water, drain, waste or vent lines not caused by damage resulting from freezing or from roots; (iii) cleanout of stopped or clogged drains and vents; (iv) cleanout of stopped sewer lines (not to exceed 100 feet from access point); (v) toilet bowls; (vi)

toilet tanks; (vii) toilet flushing mechanisms; (viii) tub and shower valves; (ix) angle stops; (x) risers; (xi) gate valves; (xii) permanent ground water sump pumps; (xiii) built-in bathtub whirlpool motor and pump components; (xiv) line shutoff valve.

This Agreement does NOT cover the following list of modules, components and parts relating to the plumbing system: (i) faucets; (ii) fixtures; (iii) sinks; (iv) showers/shower stalls/shower modules; (v) shower heads/arms; (vi) bathtubs; (vii) bath/shower doors; (viii) tub and shower base pans; (ix) water conditioning equipment; (x) line leaks/breaks/stoppages caused by freezing, root damage or foreign objects; (xi) line leaks/breaks/stoppages caused by collapsed, damaged or broken drain, vent or sewer lines outside the main foundation of the covered home; (xii) access to drain or sewer lines from the vent or removal of the water closet; (xiii) septic tanks; (xiv) costs associated with locating, accessing or installing a ground level cleanout; (xv) toilet lids; (xvi) toilet seats; (xvii) caulk/sealants; (xviii), water softeners; (xix) pressure regulators; (xx) inadequate or excessive water pressure, water flow/capacity restrictions caused by rust, calcification and/or mineral/chemical deposits; (xxi) water discoloration; (xxii) septic tanks; (xxiii) holding/storage tanks; (xxiv) sewage ejector pumps; (xxv) plumbing components relating to hose bibs, landscaping sprinkler systems, fire suppression systems, saunas and/or steam rooms; (xxvi) lead drain lines/pipes; (xxvii) tile; and (xxviii) grout.

6.3.2. *Plumbing Stoppages.* This Agreement covers stoppages in drain, vent and sewer lines up to 100 feet from the access point provided that it is accessible, except if caused by roots. Mainline stoppages are only cleared when there is an accessible ground level cleanout. This Agreement does NOT cover securing such accessibility.

This Agreement does NOT cover stoppages caused by collapsed, damaged or broken drain, vent or sewer lines outside the confines of the main foundation of the home or roots or foreign objects. In addition, if the lines are broken or infiltrated by roots, other foreign objects or are otherwise stopped by roots, even if the break, infiltration or stoppage is within 100 feet from the access point, it is not covered. Likewise, securing access to drain or sewer lines from the vent, the removal of the water closet, the costs to locate, access or install a ground level clean out or to repair or replace of septic tanks is not covered by this Agreement.

6.3.3. *Water Heating.* This Agreement covers all modules, components and parts of the water heating system necessary to the functionality of the water heater system.

This Agreement does NOT cover solar water heating systems or the components thereof. This Agreement does NOT cover the following list of modules, components and parts relating to the water heating system: (i) holding tanks; (ii) storage tanks; (iii) fuel storage tanks; (iv) vents; (v) flues; (vi) drain pans; (vii) drain piping; (viii) pressure reducing valve; (ix) internal flue; (x) draft hood; (xi) flue baffle; and (xii) tempering valve.

6.3.4. *Heating System (Primary).* This Agreement covers all module, components and parts of the heating system necessary to the functionality of the heating system. This Agreement

covers the primary heating system of the covered home, provided that the heating system does not exceed a five (5) ton capacity. Coverage will include repairs only, not replacement.

6.3.5. *Electrical*. This Agreement covers the following electrical system components: (i) wiring; (ii) service panels; (iii) sub-panels (iv) switches; (iv) breakers; (v) outlets; (vi) junction boxes; (vii) ground fault interrupters; and (viii) exhaust fans.

This Agreement does NOT cover damage to the electrical system caused by flood, fire, water, rust, corrosion and lightning. This Agreement does NOT cover the following list of modules, components and parts relating to the electrical system: (i) fixtures; (ii) alarm equipment; (iii) doorbells; (iv) intercom equipment; (v) inadequate wiring capacity; (vi) damage caused by double or triple tapping; (vii) inadequate wiring capacity; (viii) ceiling fans; (ix) attic fans; (x) damage caused by a power surge; (xi) damage caused by a power failure; (xii) central vacuum systems; and (xiii) garage door openers.

6.3.6. *Air Conditioning (Central)*. This Agreement covers the primary air conditioning system of the covered home, provided that the air conditioning system does not exceed a five (5) ton capacity. This Agreement covers the following air conditioning components: (i) motors; (ii) compressors; (iii) condensers; and (iv) thermostats. Coverage will include repairs only, not replacement. This Agreement does not cover refrigerant, recapture, reclaim and disposal.

6.3.7. *Sump Pump*. This Agreement covers all components of the sump pump for ground water, provided the pump is within the foundation of the covered home.

**7. SHW Service Technicians.** SHW has the exclusive right to select a service technician to perform the necessary repair and/or replacement services. SHW will not reimburse you in the event a service technician performs, or attempts to perform, any repair and/or replacement services without first being authorized by SHW. If you experience any difficulties or have any disputes with a SHW Service Technician, you must contract SHW immediately. A service/trade call fee of \$49.00 is due and payable to SHW, or to the service technician, at or before the time of the scheduled service request.

**8. SHW's Option.** SHW shall have the sole and exclusive option to: (i) Select the SHW Service Technician to perform repair and/or replacement services; (ii) In the event a covered system or appliance is deemed irreparable or it is not cost effective to repair, SHW may replace the system or appliance with a new system or appliance of like kind and quality, the price of which shall not exceed the current retail cost of the system or appliance being replaced;(iii) In lieu of replacing a system or appliance that is deemed irreparable, said determination being made by SHW, SHW may choose to pay a cash settlement for the irreparable component of the system or appliance. The cash settlement shall be in an amount not to exceed the current retail cost of the component being replaced; (iv) Select the manufacturer, make and model of any replacement parts used in the repair of the defective system or appliance; and (v) Obtain a second opinion with regard to the cost of replacement without any additional cost to you.

**9. Exclusions to Coverage; Limitation of Coverage Generally.**

9.1 Exclusions Generally. The following is a list of systems and/or appliances that are NOT covered by this Agreement. In the event this paragraph conflicts with any other provisions in this Agreement, this paragraph shall be controlling.

9.1.1. *Hazardous Material*. This Agreement does not cover any systems, appliances and/or services relating to hazardous or toxic material including, but not limited to, acids, asbestos, lead and lead based products and any other hazardous contaminants.

9.1.2. *Improper Installation/Previous Repair*. This Agreement does not cover any systems or appliances that require repair or replacement as a result of improper installation, previous repair, damage caused by any construction activity, improper wiring, inadequate or lack of capacity, power failures, power surges, overloads, missing parts, failure to properly maintain, failure to properly clean, neglect, misuse, corrosion, rust and any modification to the system or appliance. You are responsible for providing maintenance and cleaning on covered items as specified by the manufacturer to ensure continued coverage on such items. SHW reserves the right to request maintenance records. For example: heating and A/C systems require periodic cleaning and/or replacement of filters and cleaning of evaporator and condenser coils. Water heaters require periodic flushing.

9.1.3. *Acts of God and other exclusions*. This Agreement does not cover systems or appliances that require repair or replacement as a result of an Act of God, including, but not limited to, storms, earthquake, war, riot, fire, flood, mold, pests, freezing damage, roots and settlement of earth; or nuclear incidents, vandalism, theft and pets .

9.1.4. *Foundation/Structure*. This Agreement does not cover any damage and/or defects to the structural components of the covered home, including, but not limited to, the foundation and any beams of the covered home.

9.1.5. *Manufacturer's Defect*. This Agreement does not cover any system or appliance that has malfunctioned as a result of the manufacturer's defect, recall and/or defective materials or parts.

9.1.6. *Solar/Smart House*. This Agreement does not cover any systems, appliances, equipment and components, utilized in connection with solar heating or solar power systems. This Agreement does not cover electronic, computerized or energy management systems or devices, or lighting and appliance management systems, including, but not limited to, systems such as a "Smart House".

9.1.7. *Limitation of Coverage*. SHW will pay a maximum of One Thousand (\$1,000.00) Dollars for access, diagnosis and repair and/or replacement of any single system, appliance, or other covered item during each consecutive twelve (12) month period beginning on the Effective Date and continuing until the term of this Warranty ends whether by cancellation or non-renewal ("Termination Date").

## 10. SHW's Liability.

10.1 Dimensions, Brand and Color. SHW will not be responsible for matching a system or appliance's brand, color or dimensions and only is responsible for repairing and/or installing replacement systems or appliances of similar capacity and efficiency.

10.3. Local/State/Federal Government Violation. SHW will not be responsible for repair or replacement of any system or appliance if said repair or replacement would violate any local, state and/or federal laws, rules, codes or regulations. If a system or appliance cannot be repaired or replaced without violating a local, state or federal law, rule, code or regulation, then SHW's liability will be limited to a cash settlement which shall be in an amount not to exceed the current retail cost of the product in need of repair or replacement. If a violation of any local, state and/or federal law, rule, code or regulation is discovered before or during the repair or replacement service, SHW will not be required to initiate and/or complete the repair or replacement service until the violation and/or potential violation is corrected by you. SHW will not be responsible for any additional costs associated with the correction of the violation and/or potential violation. SHW will not be responsible for any improvements, services and/or costs required to comply with any local, state and/or federal laws, regulations, and ordinances.

10.4. Access. It is your responsibility to provide access to the system or appliance in need of repair or replacement. In the event that the system or appliance cannot be accessed without causing damage to a wall, floor, cabinet or ceiling, SHW will not cover and will not be responsible for any wall coverings, floor coverings, cabinets, counter tops, tiling, paint, or for the repair of any structural or cosmetic defects, including, but not limited to, reconfiguring space to accommodate replacement components. In the event the SHW Service Technician must open a surface to gain access to a component, the surface will be restored to a rough finish. In the event the SHW Service Technician is required to access a component, appliance or system, either to diagnose, repair or replace the component/appliance, that is encased, covered or embedded in concrete, SHW will not pay more than Five Hundred Dollars (\$500.00) total for accessing, diagnosing and repairing/replacing the component/appliance.

10.5 No Requirement to Enter Home. SHW will not be responsible in the event a qualified service contractor and/or technician deems the home unsafe to enter due to the presence of vermin, dangerous animal(s), noxious gases or other unsafe airborne conditions ("dangerous conditions"), and said qualified service contractor and/or technician will have no obligation to enter the Home until such time the dangerous condition(s) has been remedied.

10.6. Delay. SHW will not be responsible for delays in repairing or replacing a system or appliance resulting from events beyond its control, including, but not limited to, weather conditions, labor disputes, strikes, delivery problems, war or availability of parts.

10.7. Upgrades. This Agreement does not cover upgrades to any system or appliance.

**11. Hold Harmless.** To the extent permitted by law, You shall keep, save and hold harmless SHW from all damages and liability arising out of: (i) any fault or negligence by you or any failure on your part to comply with any of the covenants terms and conditions herein contained; or (ii) any damages or injuries suffered by you as a result of any third party repair service, contractor, subcontractor or services provider of any kind that provides warranty services to you under this Agreement. In case SHW shall, without fault on its part or as a result of injury or damage suffered by you as a result of the actions of a third party repair service, contractor, subcontractor or service provider that provided warranty services to you under this Agreement, be made a party to any litigation commenced by or against you, you shall protect and hold SHW harmless and shall pay all costs, expenses and reasonable attorneys' fees incurred or paid by SHW in connection with such litigation. You shall also pay all costs, expenses and reasonable attorney's fees that may be incurred or paid by SHW in enforcing the covenants and terms of this Agreement. In other words, to the extent permitted by law, if any third party repair service, contractor, subcontractor or service provider of any kind provides warranty services to you under this Agreement and you are injured or damaged as a result of the delivery of such warranty services, You agree to seek a remedy against such third party directly and agree to hold SHW harmless for such injury or damages.

**12. Consequential Damages.** This Agreement does not provide coverage for damage caused by a malfunctioning or inoperable appliance or system, including, but not limited to, water, fire and mold spores. SHW, its employees, agents, shareholders or parent company shall in no way be responsible for any damages, whether in contract or tort, for any malfunctioning or inoperable appliance or system.

**13. Cancellation.**

13.1. Cancellation by SHW. SHW may cancel this Agreement, therefore voiding this Agreement, if SHW determines that you have: (i) engaged in fraudulent conduct or making misrepresentations related to the subject matter of this Agreement; or (ii) failed to make required payments in a timely fashion to SHW. SHW may also prospectively terminate this Agreement in its sole discretion. Claims submitted prior to the Termination Date shall be treated in accordance with the policy's terms and conditions contained herein. In the event this Agreement is terminated as a result of fraud or misrepresentation by you, you shall forfeit all payments made to SHW. In the event the Agreement is terminated in SHW's sole discretion for any other reason, you shall be entitled to a pro-rata refund equal to the amount of the cost of the cancelled coverage, less the cost to SHW for any claims paid prior to the Termination Date.

13.2. Cancellation by You. You may cancel this Agreement within three (3) days from the Effective Date of this Agreement. For purposes of this Agreement, the phrase "Effective Date" shall refer to the date that SHW issues a certificate of coverage to you or, if no such certificate has been issued, the date that SHW receives payment of the premium from you or your authorized representative. In the event you cancel within the three (3) day period, you shall be entitled to a full refund of the paid contract fee less a fifty (\$50.00) dollar administrative fee, if and only if no service has been provided under the contract. After the third day, this Agreement shall be non-cancelable by you, unless otherwise agreed by SHW.

14. **Renewal-Transfers.** In the event you wish to renew this Agreement for an additional term, as set forth in the schedule page accompanying this Agreement, You must contact a SHW representative prior to the expiration of your current term. You will be notified by a SHW representative as to the new rates and the new terms of coverage. SHW reserves the right to deny your request for renewal for any reason and change the rate and terms of coverage for the renewed term. If the covered property changes ownership during the contract term, please call 1-800-785-3019 for further information to transfer coverage to the new owner.

15. **Dispute Resolution.** Any disputes resulting from this Agreement or any dispute related to SHW's home warranty service shall be construed and enforced under the laws of the State of Maryland without regard to its conflicts of laws provisions and resolved by binding arbitration in the City of Baltimore, Maryland under the rules of the American Arbitration Association ("AAA Rules"), by one arbitrator appointed according to the AAA Rules. The decision of the arbitrator is final any may be entered as judgment by any competent court of law.

16. **Severability.** If any provision of these Terms and Conditions is held invalid, illegal, or unenforceable, the validity, legality, or enforceability of the remaining provisions shall in no way be affected or impaired thereby.