



## AmeriGuard

### *Extended Warranty Service Agreement Coverage*

Please read all of these terms and conditions carefully. This **AmeriGuard** Extended Warranty Service Agreement ("Agreement") is between the Administrator, **USHP, LLC** and the purchaser identified on the accompanying application form, or approved transferee ("Purchaser"). Based on the Program Option(s) selected and paid for on the application, this Agreement covers only the components, appliances, systems, structural components and other items stated as covered ("Covered Items") and excludes all others. This Agreement provides coverage for specific failures resulting from normal wear and tear, or from manufacturing defects in material and workmanship occurring under normal use, and which prevent the Covered Item from performing its primary intended function ("Covered Failures"). Coverage is limited to the Agreement term selected by the Purchaser on the application form and is subject to all of the limitations, conditions and exclusions specified in this Agreement. Coverage is only valid after the receipt and acceptance of the application form by **USHP**, including the Inspection Report if required.

#### Summary of Program Options:

**Home Inspection\*:** Thorough home inspection evaluating mechanical systems and structural components.

**Appliances and Systems Coverage:** Coverage for major household appliances and systems.

**Structural Coverage:** Coverage for load-bearing structural components of the home. Home Inspection *MUST* also be selected for this plan.

Purchaser must select the desired program and any optional coverage requested on the application at time of purchase. A confirmation receipt will be returned to the Purchaser within 60 days confirming the selection(s) and expiration date.

**Repair Coverage:** If only the *Appliance and Systems Coverage* is selected, the Effective Date is: the Agreement purchase date for home buyers; 7 days after the application is received and approved by USHP for home sellers during the listing period or 30 days after receipt and approval for existing homeowners. If the *Structural Coverage* is also selected, the Effective Date is: the Agreement purchase date for home buyers provided the inspection has been completed and approved; or 7 days after the inspection has been completed and approved for home sellers during the listing period and existing homeowners. USHP reserves the right to inspect the home and all covered components prior to issuance of the Agreement.

**Term:** The term of this Agreement shall be one year from the Effective Date as noted above, unless the Purchaser has selected and paid for the 2 year option on the application. Coverage during the listing period for the Seller shall not exceed 180 days.

**Renewal:** This Agreement may be renewed at the option of USHP, who will contact the Purchaser with renewal rates and terms.

**Cancellation:** This Agreement applies only to the Purchaser and the home listed on the Agreement application. In the event the Purchaser cancels this Agreement within 30 days of the Effective Date, USHP agrees to cancel the Agreement and, if the Purchaser has made no claim under this Agreement, issue a full refund. If the Purchaser cancels the Agreement beyond 30 days from the Effective Date, USHP agrees to calculate and make a pro rata refund (minus any claims pending and cancellation fee) based on the time remaining in the Agreement. The cancellation fee is \$40. USHP may cancel this Agreement for non-payment of Agreement charge, for a substantial breach of duties by the Purchaser under this Agreement, or for material misrepresentation or fraud in obtaining the Agreement or in submitting a claim. Only the original Purchaser and USHP may cancel this Agreement.

**Transfer:** This Agreement may be assigned only upon sale of the dwelling. Notice of the transfer shall be given to USHP and coverage under this Agreement shall not apply until USHP approves such assignment in writing. The Purchaser must send to USHP a \$25 transfer fee within 15 days of transfer of ownership. An inspection of the home by USHP may be required PRIOR to any subsequent renewal by the transferee.

#### Purchaser's Obligations:

1. The purchaser is obligated to perform normal periodic maintenance and minor repairs on Covered Items in conformance with applicable owner's manuals. Receipts supporting any service should be maintained by the Purchaser.
2. When a failure occurs, protect the Covered Item from further damage.

3. Pay the Service Fee to the Repairer for each repair or replacement.

4. Failure to pay the Service Fee will result in suspension of coverage until the Service Fee is paid. At that time, coverage may be reinstated, but the Agreement period will not be extended. USHP will not respond to a new request for service when any previous Service Fee is outstanding.

5. If payments are made under this Agreement and the Purchaser has a right to recovery from another party, the Purchaser's rights shall become USHP's rights up to the amount paid by USHP. The Purchaser shall assign all rights against third parties to USHP.

**Administrator's Obligations:** USHP will reimburse the Purchaser for reasonable costs to repair or replace any of the Covered Items listed in this Agreement if required as a result of a Covered Failure. USHP reserves the right to offer cash in lieu of repair or replacement in the amount of USHP's actual cost to repair or replace such Covered Item subject to the terms of this Agreement.

**Service Fee:** In the event of a Covered Failure, the Purchaser must pay either the Service Fee of \$85 or the actual cost of repairs, whichever is less, per trade call. For roof repairs or major structural defects, the Service Fee is \$250 per trade call. Service Fees for different trades will be charged separately.

**Limit of Liability:** With respect to access, diagnosis, and repair or replacement, in no event shall USHP be liable for any claims in excess of:

- **\$1500** aggregate for any Cooling or Heating System;
- **\$500** aggregate for Ductwork or Plumbing Systems, including closing the access opening and returning to a rough finish only;
- **\$1000** aggregate for any Pool and/or Spa System

or for any Septic System;

- **\$500** aggregate for any Roof Leak.

The maximum aggregate liability for USHP for all claims under the *Appliance & Systems Coverage* is **\$25,000**. If the *Structural Components Coverage* has been selected and paid for, the maximum aggregate liability for all claims is **\$100,000**.

#### Conditions:

1. This Agreement does not cover all defects and may not necessarily cover the entire cost of repair but is subject to specific limits, conditions and exclusions as stated in this Agreement. Coverage is provided for Covered Failures to Covered Items only.
2. This Agreement covers only those Covered Items which are located within the perimeter of the main foundation or the attached garage of the dwelling, owned by the Purchaser, in place and fully operational on the Effective Date of this Agreement.
3. Replacement will be made with like kind and quality. USHP decides whether to repair or replace. "Like kind" for appliances and plumbing fixtures means equal or better quality equipment. "Like kind" for heating and air conditioning equipment means equal or better energy efficiency rating. Better quality equipment or better energy efficiency rating will be provided at the option of USHP.
4. If a covered appliance or system is rendered inoperable due to non-availability of a component part, USHP shall not be responsible for replacing the entire appliance or system but shall be required only to make a reasonable allowance based on the value of comparable parts or labor which are then currently available.
5. Additional fees may apply to dispose of an old appliance, system or component including but not limited to: condensing units, evaporator coils, compressors, capacitors, refrigerators, freezers, hot water heaters, and any system or appliance which contains dangerous or hazardous material.
6. If work performed under this Agreement fails within 30 days for labor and 90 days for parts, subsequent Service Fees for the same work will be waived.
7. USHP is not responsible for matching color or brand or upgrading replaced appliances or equipment or for cost of construction or carpentry made necessary by different dimensions due to replacement of defective equipment or appliance.
8. USHP is not responsible for code compliance with any building, fire, zoning or other local ordinances or state and federal laws or regulations.
9. When necessary to open walls, floors or ceilings to perform a covered service, USHP will authorize repairs to restore surfaces to a rough finish only.
10. USHP reserves the right to obtain a second opinion regarding either the estimated cost of repair or the determination of a Covered Failure at its own cost.
11. This Agreement provides coverage only in excess of coverage provided by other warranties or insurance, whether collectible or not.
12. This Agreement is limited to single-family dwellings unless otherwise amended by USHP to include multiple units contained in one building. If this Agreement is for a unit within a multiple-family dwelling, then only Covered Items within the actual unit named will be covered.
13. Common areas and facilities of condominiums are not covered.
14. This Agreement shall be interpreted and enforced in accordance with the laws of the state in

which the home is located.

#### Exclusions Applicable to both *Appliance and Systems Coverage* and to *Structural Components Coverage* - The following are not covered by this Agreement:

1. Covered Failures repaired without prior authorization from USHP.
2. Losses covered by original equipment manufacturer's recall, service contract or other insurance.
3. Losses to any item not owned by the Purchaser.
4. Loss resulting from failure to comply with the owner's manual instructions, misuse, accident, abuse, failure to clean or maintain, missing parts, structural changes or leased equipment.
5. Loss caused by alteration or modification of the dwelling.
6. Loss, damage, or injury to persons or property resulting from failure of a Covered Item.
7. Loss caused by, contributed to, or aggravated by moisture, wet or dry rot, mold, mildew, or fungus.
8. Any Covered Item that has not actually failed to perform its intended function.
9. Any defect in any hot or cold water delivery service utilizing polybutylene tubing.
10. Damage caused by water leakage or seepage in any form.
11. Consequential or incidental damages of any kind.
12. Loss resulting from accidents, collision, glass breakage, riots, theft, vandalism, civil commotion, nuclear hazards, acts of God or nature, fire, flood, explosion, blasting, smoke, water escape, windstorm, hurricanes, tornadoes, hail, lightning, ice, snow, frost, freezing, condensation, falling trees, aircraft, vehicles, flood, mudslides, sinkholes, mine subsidence, faults, crevices, earthquake, land shock, waves or tremors occurring before, during or after a volcanic eruption, power failure.
13. Items used for commercial or business purposes.
14. Pre-existing defects or deficiencies in otherwise Covered Items.
15. Damage caused by insects, vermin, birds, bats, rodents, reptiles, wild or domestic animals.
16. Failure to minimize or prevent loss or damage in a timely manner.
17. Repairs requiring removal or transportation of hazardous materials (including asbestos) or costs for freon recovery.
18. Failure due to design, improper installation, inadequacy or capacity, or previous repair of otherwise Covered Items.
19. Additional charges to remove or install non-related equipment in order to make a covered repair.

#### Claim Reporting Procedures for *Appliance & Systems Coverage*:

1. Contact a reputable repairing facility ("Repairer") in your area to arrange repair service.
2. The Repairer must contact USHP Service Agreement Dept. toll free at **866-394-5135** **PRIOR** to starting repairs and provide diagnosis of problem, estimate of repairs costs and Agreement number. Service will be initiated within 48 hours after the Purchaser requests the service.
3. Non-emergency calls should be placed to USHP Monday through Friday between 8 a.m. and 5 p.m. ET. Emergency calls will be accepted 24 hours a day, 7 days a week. An "Emergency" is defined as a loss of all cooling or heating during extreme temperatures, the loss of all toilet or shower/tub

facilities, water leaks that cannot be shut off, total sewer stoppage, loss of electrical system or dangerous condition which threatens the safety of the residents. Emergency calls will receive priority attention. Safety considerations do not allow work on rooftops in dark or storm conditions.

4. The Purchaser must ensure that USHP has issued an authorization number to the Repairer before repairs begin.
5. USHP will pay the Repairer for authorized repair costs.
6. The Purchaser assumes all liability for unauthorized repairs and Service Fees.
7. If the Repairer requires immediate payment, the Purchaser must pay the Repairer the entire cost and submit a detailed receipt within 90 days of the approval date to USHP for reimbursement for authorized repair costs.
8. The detailed receipt must be sent to:

**USHP, LLC**

**Administrator, Service Agreement Dept.**

**5300 Derry Street, Harrisburg, PA 17111-3598**

9. The Purchaser must keep a copy of all receipts submitted to USHP for their own files.
10. The detailed receipt must include: Purchaser's name, address and phone number; Repairer's name, address and phone number; Description of failure and repair; Authorization number; Part names, numbers and costs; Labor rate and hours; and Purchaser's signature.
11. All claims on otherwise Covered Items that are under the original equipment manufacturer's warranty must be reported directly to that manufacturer's authorized repair facility as they are not covered by this Agreement.
12. For potential structural claims, follow the procedures outlined in the **Claims Reporting Procedures for Structural Components Coverage** section, provided this coverage has been selected and paid for by the Purchaser.

**Arbitration:** Any controversy or claim arising out of or relating to this Agreement, or breach thereof, will be resolved by binding arbitration. The arbitration is in lieu of court proceedings, the right to which is hereby waived, and the findings of the arbitrator are final and binding on all parties. The Purchaser must provide written notice requesting arbitration. Notice must be sent by Certified Mail, Return Receipt Requested to: USHP, LLC, Administrator, 5300 Derry Street, Harrisburg, PA 17111-3598, Attention: Service Agreement Department.

The arbitration will be conducted by an independent arbitration service upon which the Purchaser and USHP agree. This binding arbitration is governed by the procedures of the Federal Arbitration Act, 9 U.S.C. Sections 1 *et seq.* The arbitration will be conducted in accordance with this Agreement and the arbitration rules and regulations to the extent that they are not in conflict with the Federal Arbitration Act.

**\*For Texas only:** This inspection will be performed in accordance with the standards of practice of the National Academy of Building Inspection Engineers, not in accordance with the standards of practice for real estate inspectors as set forth in § 1102, Texas Occupations Code, and Commission Rules 535.227-232.

**AmeriGuard**