

I. YOUR COVERAGE

1. This contract is the coverage agreement between Allied Warranty, LP (“Allied”) and the purchaser (“You”). There are many items and risks that this contract does not cover, and Allied’s liability under this contract is limited. You may cancel this contract in writing at any time. Allied may cancel this contract for non-payment of any fees. If canceled, the party that paid for the contract will receive a refund for the unexpired term less a \$25 fee and any service costs. If You make monthly or semi-annual payments using a third party, credit card or ACH bank draft, Allied will continue to process recurring payments, and this contract will automatically renew until payments stop or a cancellation notice is received in writing from You. Coverage begins upon effective date and continues for a coverage period described in Your Plan Summary.
2. Allied will arrange for an affiliated (such as Lone Star Repair) or unaffiliated Service Contractor to repair or replace Your systems or appliances if they (unless otherwise noted): (a) are located at the covered property, (b) become inoperative due to normal wear and tear and (c) are accessible. In addition, Your coverage includes malfunctions that: (a) pre-existed the coverage period if they are not detectable by visual inspection or a simple test, (b) are caused by lack of maintenance, rust or corrosion or (c) are caused by improperly installed or mismatched equipment. For multiple unit dwellings, common systems and appliances are excluded. Please see the Exhibit for Your covered systems and appliances and Allied’s limitations of liability.

II. YOUR SERVICE

866-791-1200 // www.AlliedWarranty.com

1. A “claim” is a problem that You believe is covered by this contract. You must notify Allied of a claim during the coverage period. Normally, Allied will initiate service within 48 hours. Service work is guaranteed for 30 days. For each claim, You are responsible for paying the Service Contractor a service call fee noted in Your Plan Summary. If the claim exceeds the limitation of liability that applies to it, You agree to complete the Service Contractor’s recommended repair or replacement, otherwise coverage will not apply to the affected system or appliance.
2. Allied will determine the scope of each claim, whether the claim is covered, and whether to repair or replace. Two or more problems that occur concurrently within a single system or appliance constitute a single claim. Problems that occur concurrently in different systems or appliances constitute different claims. Allied, at its option, may offer cash instead of repair or replacement in the amount of Allied’s estimated cost, which may be less than the retail price. **Allied will provide replacement systems or appliances with similar (not exact) features, capacity and efficiency up to the applicable limitation of liability, but will not be responsible for matching dimensions, brand or color. Allied will not reimburse You for work You perform or have performed by another without Allied’s prior written consent.** Allied is not responsible for upgrades, emergency fees, failure to provide timely service, under-sized systems, restoration, cosmetic defects, hazardous materials, living expenses, pre-existing conditions or for any incidental, indirect or consequential damages, injuries or losses.
3. **ARBITRATION:** Any dispute related to this contract will be decided by final, binding and mandatory arbitration conducted pursuant to the Federal Arbitration Act, except as noted below. The arbitration must be initiated within six months from when the dispute began. The non-prevailing party shall pay the other party’s reasonable costs and attorneys’ fees. This contract, its construction and all substantive aspects of the dispute, shall be governed by the laws of the State of Texas, but no state arbitration laws shall apply. **BY AGREEING, YOU ARE WAIVING ALL RIGHTS TO A TRIAL BY JURY.**
4. This contract is issued pursuant to a license granted by the Texas Real Estate Commission, and complaints about Allied may be directed to the Commission at P.O. Box 12188, Austin, TX 78711, 512-936-3049. ***The purchase of a residential service contract is optional and similar coverage may be purchased through other residential service companies or insurance companies authorized to transact business in Texas.***

NOTICE: YOU, THE BUYER, HAVE OTHER RIGHTS AND REMEDIES UNDER THE TEXAS DECEPTIVE TRADE PRACTICES-CONSUMER PROTECTION ACT THAT ARE IN ADDITION TO ANY REMEDY THAT MAY BE AVAILABLE UNDER THIS CONTRACT. FOR MORE INFORMATION CONCERNING YOUR RIGHTS, CONTACT THE CONSUMER PROTECTION DIVISION OF THE ATTORNEY GENERAL’S OFFICE, YOUR LOCAL DISTRICT OR COUNTY ATTORNEY OR THE ATTORNEY OF YOUR CHOICE.

Please sign and keep for your records.

Signature _____

EXHIBIT

Allied's **LIMITS OF LIABILITY** are (whichever You select): (i) up to \$250 per claim and \$2,500 per contract, (ii) up to \$500 per claim and \$5,000 per contract, (iii) up to \$750 per claim and \$7,500 per contract, (iv) up to \$1,000 per claim and \$10,000 per contract or (v) up to \$1,500 per claim and \$15,000 per contract, unless otherwise noted.

Your covered systems and appliances are (whichever You select):

1. **A/C, HEATING & DUCTWORK (HVAC) SYSTEMS** covers two HVAC systems (for evaporative coolers, includes only pump, casing, motor, belts, pulleys and float-assembly) – Leaks in refrigerant lines and ductwork – Seasonal tune-ups – 13 SEER and 410a regulatory standards.
2. **PLUMBING SYSTEM & STOPPAGES** covers leaks in water, drain, gas or vent lines (excludes dryer vents, sprinkler systems and damage caused by freezing or by roots) – Toilets – Faucets, showerheads – Valves – Stoppages in drain lines using an existing ground level access point without excavation (24hr guaranty) – Up to \$500 for access to encased plumbing.
3. **WATER HEATER** covers two gas, electric or tankless water heaters.
4. **EXTERIOR WATER, SEWER & GAS LINES** covers leaks in water, drain, or gas lines starting outside the perimeter of the home to, but not including, the utility owned connection – Up to \$500 to excavate or repair sidewalks. **LIMITATION:** (i) up to \$1,000 per contract or (ii) up to \$2,000 per contract.
5. **ELECTRICAL SYSTEM** covers breaker panel, breakers, electrical wiring (excludes aluminum and knob/tube), doorbells, ceiling fans, outlets and switches. **LIMITATION:** (i) up to \$500 per contract or (ii) up to \$1,000 per contract.
6. **SURGE PROTECTION** covers major kitchen appliances and consumer electronics owned by You and damaged by power surge or lightning. **LIMITATION:** (i) up to \$500 per contract, (ii) up to \$1,000 per contract, (iii) up to \$2,000 per contract or (iv) up to \$4,000 per contract.
7. **KITCHEN APPLIANCES** covers one Primary Refrigerator, Stand Alone Icemaker, Built-in Wine Cooler (up to 100 btl), Washer & Dryer, Oven, Range/Cooktop, Dishwasher, Built-in Microwave, Garbage Disposal and Trash Compactor.
8. **GARAGE DOOR OPENER** covers the wiring, motor, switches, receiver unit, track assembly and springs only.
9. **POOL/SPA EQUIPMENT** covers the primary heating, pumping and filtration equipment only (excludes cleaning equipment, fountains, jets and disposable filtration mediums or grids).
10. **WELL PUMP** covers one well pump used for main source of water.
11. **SEPTIC TANK PUMPING & PUMP** covers one sewage ejector, jet or aerobic pump for septic system only – One time septic pumping if stoppage is due to tank backup.