



The following is a general representation of your coverage. Please consult your contract for specific coverage details, your obligations, and exclusions.

Toll Free #: [TOLL FREE CLAIMS #]
DECLARATIONS PAGE

Claims Administrator:

Armis, LLC
1597 Cole Blvd, Suite 200 Lakewood, CO 80401

CONTRACT #: [CONTRACTNUM]

CONTRACT HOLDER (YOU & YOUR)
[CUSTOMERNAME]
[CUSTOMERFULLADDRESS]
[CUSTOMERPHONEEMAILADDRESS]

PROPERTY ADDRESS FOR COVERAGE:

SELLER
[SELLERNAME SELLERADDRESS SELLERPHONE]

OBLIGOR (WE, US, OUR)
Armis, LLC
1597 Cole Blvd, Suite 200 Lakewood, CO 80401 [toll free#]

PLAN INFORMATION
Coverage Plan: [PLAN NAME]
Contract Effective Date: [CONTRACTEFFECTIVE]
Deductible Amount: [\$\_.\_.]
Initial Expiration Date: [MM/DD/YYYY] \*Renews in Monthly increments
Property size: <2,500 sq. ft. 2,501-5,000 sq. ft. 5,000-10,000 sq. ft. >10,000 sq. ft.
WAITING PERIOD: YOUR BREAKDOWN COVERAGE begins 20 days after the Contract Effective Date.
Initial PLAN FEE: [\$\_.\_.] + Sales Tax: [\$\_.\_.] = Total Initial Price: [\$\_.\_.]
Monthly PLAN FEE: [\$\_.\_.] + Sales Tax: [\$\_.\_.] = Total Monthly Price: [\$\_.\_.]
Cancel Fee: [\$xx.00] (unless otherwise specified on Individual State Requirements Endorsement)

- Optional Coverages: Wine Chillers and/or Wine Room Equipment, Pool and/or Spa Equipment, Well Pump, Water Softener, Septic System, Guest Unit, Guest Home
Mandatory Surcharges: Rental Property if Contract Purchased by Property Owner, Homes larger than 2,500 sq. ft.

LIMIT OF LIABILITY
Total 12 Month Aggregate Limit of Liability: \$10,000.00
Home Systems Plan 12 Month Aggregate Limit of Liability\* for each equipment group listed on YOUR Breakdown Coverage Endorsement: \$3,000.
Appliance Plan 12 Month Aggregate Limit of Liability for each equipment group listed on YOUR Breakdown Coverage Endorsement: \$2,000.
Optional Coverages 12 Month Aggregate Limit of Liability for each equipment group marked in the Optional Coverages box above: \$3,000

## WHAT TO DO WHEN YOU RECEIVE YOUR CONTRACT

- Read the entirety of this CONTRACT. **Check YOUR CONTRACT and endorsements for COVERAGE. Not every part of YOUR HOME is covered by this CONTRACT.**
- Verify that the information about YOU and YOUR HOME as provided on the DECLARATIONS PAGE is accurate.
- Immediately contact the SELLER listed on the DECLARATIONS PAGE if any information is incorrect.

## HOW TO FILE A CLAIM

1. **STARTING A CLAIM: In the event of a BREAKDOWN, take immediate action to prevent further damage to YOUR COVERED EQUIPMENT. This CONTRACT will not cover repairs for damage caused by continued operation after a BREAKDOWN has occurred.**
2. **CONFIRMATION OF COVERAGE:** Contact US using the Claims Phone Number provided below and in the DECLARATIONS PAGE, or file online at armishome.com as soon as a BREAKDOWN is discovered and prior to expiration of the CONTRACT PERIOD. WE will provide for the repair or replacement of COVERED EQUIPMENT, owned by YOU, after the WAITING PERIOD, resulting from BREAKDOWN, subject to the limits of liability.
  - a. WE will not provide service unless all PLAN FEES are paid in full.
  - b. WE will not provide service if YOU are in the WAITING PERIOD.
  - c. **WE must authorize repairs before any service is performed. Costs for any repairs that are not authorized by US are YOUR responsibility.**
3. **AUTHORIZED SERVICE PROVIDER:** Once COVERAGE has been confirmed by US, WE will direct YOU to contact an AUTHORIZED SERVICE PROVIDER subject to the limitations described in this section. WE will provide payment directly to the AUTHORIZED SERVICE PROVIDER for any authorized repair or replacement services, in accordance with the CONTRACT terms and the applicable limits of liability on YOUR DECLARATIONS PAGE and in the Limit of Liability endorsement.
  - a. WE will determine what services constitute an emergency and will make reasonable efforts to expedite emergency service requests.
  - b. WE will accept YOUR request to expedite scheduling of non-emergency service. If the AUTHORIZED SERVICE PROVIDER agrees to expedite scheduling of a non-emergency service request, YOU may be required to pay an additional fee to the AUTHORIZED SERVICE PROVIDER.
  - c. WE reserve the right to obtain a second opinion at OUR expense. If WE inform YOU that the BREAKDOWN is not covered under this CONTRACT, YOU have the right to request a second opinion. YOU must ask US for a second opinion from another AUTHORIZED SERVICE PROVIDER within seven (7) days from OUR informing YOU the BREAKDOWN is not covered. If the outcome of the second opinion is different than the first opinion, WE may decide whether to provide COVERAGE under this CONTRACT. If YOU request a second opinion, YOU will be responsible for the payment of any additional service fees if the outcome of the second opinion is the same as the initial opinion.
  - d. WE have the right, **but not the responsibility**, to select the AUTHORIZED SERVICE PROVIDER to perform the service.

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- i. If WE choose the AUTHORIZED SERVICE PROVIDER, they will contact YOU to schedule YOUR service appointment. The appointment will be scheduled for service to be performed during normal business hours.
  - ii. All AUTHORIZED SERVICE PROVIDERS must be properly licensed and/or certified according to State law for the type of service being provided. Payment will only be made to legally registered businesses that are routinely engaged in repairs of like COVERED EQUIPMENT and/or systems.
4. **REPAIRS AND REPLACEMENTS:** Anytime YOUR COVERED EQUIPMENT is to be repaired or replaced according to the terms of this CONTRACT, WE have the option of:
  - a. Repairing the COVERED EQUIPMENT. Replacement parts for repair service will be, at OUR sole discretion, new, refurbished, rebuilt, or non-manufacturer's parts that perform to factory specifications.
  - b. Replacing the COVERED EQUIPMENT with like kind and quality and of comparable performance. If WE replace YOUR COVERED EQUIPMENT, the following may apply:
    - i. Technological advances may result in a replacement equipment with a lower selling price than the original;
    - ii. Replacement equipment and parts may be new or refurbished, at OUR sole discretion, which meet the manufacturer's specifications. WE are not responsible for matching dimensions, brand, or color; and
    - iii. COVERED EQUIPMENT and parts which are replaced become OUR property except where prohibited by law. Reimbursing YOU for replacement of the COVERED EQUIPMENT's current market value, as determined by US, not to exceed the original purchase price including taxes.
  - c. Reimbursing YOU for replacement of the COVERED EQUIPMENT's current market value, as determined by US, not to exceed the original purchase price including taxes.
5. **PAYMENT:** OUR cash payment policies and procedures:
  - a. YOU will pay the DEDUCTIBLE amount listed on the DECLARATIONS PAGE to the AUTHORIZED SERVICE PROVIDER.
  - b. If the combined cost of diagnosis and repair or replacement is estimated to exceed CONTRACT limit of liability, WE will not provide repair or replacement services, but will pay an amount equal to the limit of liability minus any amounts paid by US to AUTHORIZED SERVICE PROVIDERS to diagnose the BREAKDOWN.
  - c. Instances beyond OUR control may prevent US from providing a repair or replacement of a COVERED EQUIPMENT. In these instances, WE will provide YOU a cash payment in lieu of the repair or replacement services. The amount will be based on what a consumer without this CONTRACT would pay after negotiating the best price for such services in YOUR area. These instances are when, including, but not limited to:
    - i. following a response to a covered BREAKDOWN, COVERED EQUIPMENT would remain non-compliant with applicable laws, regulations or code requirements;
    - ii. COVERED EQUIPMENT is subject to a manufacturer's recall for a defect unrelated to the covered BREAKDOWN; or
    - iii. COVERED EQUIPMENT is not repairable, and a replacement COVERED EQUIPMENT is no longer available.
  - d. In some instances, WE may offer YOU the option of accepting cash in lieu of repair or replacement services. This offered amount is based on what WE would expect to pay (which may be substantially less than retail cost) for parts and labor for COVERED

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EQUIPMENT less the incurred cost of the AUTHORIZED SERVICE PROVIDER'S diagnosis. WE are not obliged to extend such an offer, and YOU are under no obligation to accept such an offer. If YOU accept such an offer, YOU are required to repair the COVERED EQUIPMENT or provide a new replacement and send the acceptable proof of YOUR actual itemized costs to US before any reimbursement will be paid.

- e. Payment for taxes related to parts and/or labor shall be determined by the tax code(s) where the repairs are performed.
  - f. In the event of an approved COVERED EQUIPMENT repair or replacement, WE will pay, subject to the limit of liability, the cost to:
    - i. Dismantle and remove defective COVERED EQUIPMENT; and
    - ii. Recapture, reclaim and dispose of refrigerant, when applicable.
6. **YOUR RESPONSIBILITIES:** To receive service under this CONTRACT, YOU agree to comply with the following conditions.
- a. **YOU are responsible for providing maintenance of COVERED EQUIPMENT as specified by the manufacturer local regulations, ordinances, and statutes. If requested by US, YOU will provide records of maintenance and repair.**
  - b. Provide a copy of original purchase receipts when requested.
  - c. Provide information about the symptoms and causes of any issues with the COVERED EQUIPMENT, including pictures when requested.
  - d. Respond to requests for information about the COVERED EQUIPMENT, including, but not limited to, serial number, model, any error messages displayed, any actions taken before the BREAKDOWN occurred and any steps taken to resolve the BREAKDOWN.
  - e. YOU will be in breach of this CONTRACT if YOU threaten to harm or actually harm:
    - i. The safety or well-being of either an ADMINISTRATOR or AUTHORIZED SERVICE PROVIDER employee; or
    - ii. Any property of OUR's or the AUTHORIZED SERVICE PROVIDER.

## DEFINITIONS

The following terms have specific meaning when capitalized and used within this CONTRACT:

1. **ADMINISTRATOR, WE, US, OUR:** the party that administers this CONTRACT. The ADMINISTRATOR'S contact information is provided on the DECLARATIONS PAGE of this CONTRACT. This is who YOU contact for all BREAKDOWNS, CONTRACT cancellation requests and any other questions regarding YOUR CONTRACT.
2. **AUTHORIZED SERVICE PROVIDER:** a legally registered business who is routinely engaged in the repair of COVERED EQUIPMENT for the type of service required.
3. **BREAKDOWN:** inoperability of YOUR COVERED EQUIPMENT due to defects in material or wear and tear from proper use.
4. **CONTRACT:** service CONTRACT COVERAGE YOU have purchased from the SELLER, as listed on the DECLARATIONS PAGE, and includes the DECLARATIONS PAGE, General Contract Information and Endorsements.
5. **CONTRACT HOLDER, YOU, YOUR:** the CONTRACT purchaser named as the CONTRACT HOLDER on the DECLARATIONS PAGE
6. **COVERAGE:** the COVERAGE YOU have purchased as provided by the CONTRACT.
7. **COVERAGE PERIOD:** The CONTRACT begins on the CONTRACT Effective Date as indicated on the DECLARATIONS PAGE and will continue until the expiration date as shown

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on the DECLARATIONS PAGE. Please refer to the Contract Period and Coverage Eligibility Period endorsement for details. This CONTRACT is not guaranteed to be renewable.

8. **COVERED EQUIPMENT:** Home appliances or systems covered by the CONTRACT and listed on the Breakdown Coverage endorsement and installed for within the confines of the of the HOME or a primary garage.
9. **DECLARATIONS PAGE:** the page of this CONTRACT, titled "DECLARATIONS PAGE," that specifies YOUR information, SELLER information, COVERED EQUIPMENT, and other key information specific to YOUR CONTRACT.
10. **DEDUCTIBLE:** a portion of the BREAKDOWN YOU are required to pay per covered claim as listed on the DECLARATIONS PAGE of this CONTRACT.
11. **GUEST HOME:** a detached non-commercial secondary structure that is less than 750 square feet with its own living area, kitchen, bathroom, and separate entrance that shares the same land lot of a larger, primary dwelling HOME, that is designed for the sole use of guest accommodation and not rented or otherwise used as a separate dwelling.
12. **GUEST UNIT:** an internal non-commercial structure within a HOME that is less than 750 square feet and includes its own independent living facilities. These living facilities include areas for sleeping, cooking, and sanitation, and is designed for the sole use of guest persons on the premises and not rented or otherwise used as a separate dwelling. The GUEST UNIT may have a separate exterior entrance or an entrance to an internal common area accessible to the outside.
13. **HOME:** A permanent primary dwelling residence that is designed for the habitation and occupancy by a single family or individual and is inhabited and owned by YOU.
14. **INITIAL TERM:** one month from the CONTRACT Effective Date as listed on the DECLARATIONS PAGE.
15. **OBLIGOR or SERVICE CONTRACT PROVIDER:** the party listed on the DECLARATIONS PAGE as the OBLIGOR that is responsible for meeting the obligations provided to perform under this CONTRACT.
16. **PLAN FEE:** the amount due to US for this CONTRACT and listed on the DECLARATIONS PAGE.
17. **PRE-EXISTING CONDITION:** any defects or mechanical failures of YOUR COVERED EQUIPMENTS in existence prior to the purchase of this CONTRACT.
18. **RENEWAL TERM:** Means each succeeding month for which payment has been received after the INITIAL TERM. Each renewal CONTRACT shall have a Series Number one digit higher than the Series Number of the previous one month CONTRACT.
19. **SELLER:** the company from whom YOU purchased this CONTRACT. SELLER information is provided on the DECLARATIONS PAGE.
20. **WAITING PERIOD:** the period specified on the DECLARATIONS PAGE.

## GENERAL EXCLUSIONS

The following items and conditions are not covered by this CONTRACT:

1. Routine maintenance: YOU are responsible for providing maintenance of COVERED EQUIPMENT as specified by the manufacturer, local regulations, ordinances, and statutes. If requested by US, YOU will provide records of maintenance and repair.
2. Any dwelling on a property that is not the HOME and primary garage is not covered, including, but not limited to: additional garages, sheds, out buildings.

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3. GUEST UNITS and GUEST HOMES unless purchased as an optional coverage and is listed on an Optional Coverage endorsement.
4. Flues, venting, chimneys, and exhaust lines.
5. Repair or remediation of cosmetic defects.
6. Home management systems.
7. Radon monitoring systems, fire sprinkler systems, and solar systems and components.
8. Repair, replacement, installation, or modification of any component or part thereof, that has been, or is, determined to be defective by the Consumer Equipment Safety Commission or for which a manufacturer has issued, or issues, a warning, recall, or determination of defect.
9. Systems or appliance upgrades, or repairs or replacements required because of:
  - a. malfunction due to missing components, parts, or equipment;
  - b. malfunction due to lack of capacity in the existing system or appliance;
  - c. malfunction due to under or oversized systems in relation to the square footage of the area being heated or cooled;
  - d. changes in any federal, state, or local laws, regulations or ordinances, utility regulations, or building or zoning code requirements, except as otherwise specified in this CONTRACT;
  - e. Rust, corrosion, or sediment;
  - f. Improper installations, repairs, or modifications; or
  - g. Mismatched systems where the indoor and outdoor units were not properly matched to each other in capacity or efficiency for proper operation. (e.g. if you buy an air conditioner, it must operate within the same specifications as your existing systems.)
10. BREAKDOWNS covered by an AUTHORIZED SERVICE PROVIDER, manufacturer, distributor, builder, homeowners' policy, extended warranty or other service contract.
11. WE are not responsible or liable for performing service, or paying remediation costs, involving hazardous or toxic materials.
12. Mold, mildew, bio-organic growth, rot, fungus, or pest damage. WE are not responsible or liable for:
  - a. Damages from such causes;
  - b. Diagnosis, removal or remediation of such conditions; or
  - c. Repairs or replacements necessitated by such causes.
13. WE are not responsible or liable for repairs or replacements when the BREAKDOWN is due to:
  - a. Misuse, abuse, or mistreatment, including but not limited to: removal of parts and damage by people, pests, or pets;
  - b. Accidents, fire, freezing, water damage, electrical failure or surge, or excessive or inadequate water pressure;
  - c. Lightning, mud, earthquake, soil movement, storms, or acts of God;
  - d. A manufacturer's improper design, improper materials or formulations, a defective manufacturing process, or other manufacturing defects.
  - f. Computer hardware, software and data caused by viruses, application programs, network drivers, source code, object code or proprietary data, or any support, configuration, installation or reinstallation of any software or data.
14. Repair or replacement of commercial grade equipment, systems, or appliances.
15. Repair or replacement of rental or leased equipment, systems, or appliances.
16. Known or unknown to YOU PRE-EXISTING CONDITIONS.
17. Providing access to or closing access from any covered item which is concrete-encased or otherwise obstructed or inaccessible.
18. Cosmetic defects.
19. Repair or replacement due to noise.
20. Shared systems and appliances.

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21. YOU may be charged an additional fee by the AUTHORIZED SERVICE PROVIDER if cranes or lifting equipment are needed to install or remove any equipment; WE are not responsible for such expenses.
22. Except as otherwise specified in this CONTRACT, WE are not responsible or liable for:
  - a. Providing or closing access to COVERED EQUIPMENT;
  - b. Costs of construction, carpentry, or other modifications necessary to remove, relocate, or install equipment; or
  - c. Restoration of any wall or floor coverings, cabinets, counter tops, tiling, paint, or any other collateral fixtures.
  - d. Any violations of federal, state and local laws, regulations or guidelines prior to the beginning of the CONTRACT PERIOD and will not perform repairs or replacements that violate any current federal, state and local laws, regulations or guidelines.
  - e. Secondary, incidental, and/or consequential loss or damage resulting from the malfunction of any COVERED EQUIPMENT, or an AUTHORIZED SERVICE PROVIDER'S neglect or delay in providing, or failure to provide, repair or replacement of such COVERED EQUIPMENT, including, but not limited to: food spoilage, loss of income, utility bills, additional living expenses, personal and/or property damage.
  - f. Damages that result from an AUTHORIZED SERVICE PROVIDER'S service, materials, labor, delay in providing service, delay in parts availability, failure to provide service, negligence, errors, unlawful acts or omissions. WE do not ensure quality and are not liable for the service, labor, workmanship, or materials of the AUTHORIZED SERVICE PROVIDER.

## GENERAL PROVISIONS

### TRANSFER OF OWNERSHIP

If the COVERED EQUIPMENT changes ownership during the CONTRACT PERIOD, YOU are required to call US using the Customer Service Phone Number on the DECLARATIONS PAGE to transfer COVERAGE to the new owner. Failure to do so may result in no COVERAGE. The following information and documentation is required:

1. Proof of ownership transfer
2. A completed transfer application, provided by US upon request
3. An administrative processing fee of fifty dollars (\$50.00)

### SUBROGATION

YOU agree that WE, after honoring a claim on YOUR CONTRACT, have all rights of subrogation against those who may be responsible for YOUR BREAKDOWN. YOU shall do whatever is necessary to secure such rights. YOU shall do nothing to prejudice such rights, and **YOU shall execute and deliver to US instruments and papers required to either secure or maintain such rights.** All amounts recovered by YOU for which YOU were previously reimbursed under YOUR CONTRACT shall become OUR property or the property of OUR designee and shall be forwarded to the same by YOU, up to the total amount paid by US under YOUR CONTRACT

## CLAIM REVIEW ESCALATION

YOUR experience matters to us. If YOU believe YOUR claim was wrongfully denied or not properly resolved, YOU may have YOUR claim further reviewed by completing the online form at <https://armishome.com/dispute-resolution> within ninety (90) days of the ADMINISTRATOR'S claim

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decision. WE will review YOUR concerns and attempt to contact YOU as soon as possible but no later than three (3) business days to discuss YOUR claim.

## ALTERNATIVE DISPUTE RESOLUTION

**Please read this section carefully. It limits certain rights YOU have including YOUR right to obtain relief or damages through court action.**

Any legal dispute between YOU and ADMINISTRATOR relating to this CONTRACT may be resolved by arbitration. To begin arbitration, either YOU or WE must make a written demand for arbitration within sixty (60) days of ADMINISTRATOR'S final decision. The arbitration will take place before a single arbitrator. It will be administered in keeping with the Conditionally Binding Arbitration Rules

("Rules") of the Better Business Bureau ("BBB") in effect when the claim is filed. YOU agree that any arbitration proceeding or litigation will only consider YOUR claims. Claims by, or on behalf of, other individuals will not be arbitrated or litigated in any proceeding that is considering YOUR claims. In the event of litigation involving this CONTRACT, venue shall be in the courts of Jefferson County, Colorado. YOU and the ADMINISTRATOR understand and agree that these are the only dispute resolution options available to either YOU or US regarding any disputes under this CONTRACT. YOU and the ADMINISTRATOR further agree that any lawsuits brought in any venue other than the courts of Jefferson County, Colorado shall be promptly dismissed by the associated court for improper venue.

YOU and the ADMINISTRATOR also specifically agree to waive the right to trial by jury in any lawsuit brought under this provision, unless prohibited by law.

Please refer to the "Individual State Variance Requirement" Endorsement of this CONTRACT for any added requirements in YOUR state.

YOU agree that YOU shall not participate in any class arbitration proceedings or class action lawsuits regarding this CONTRACT against US, the SELLER, or the insurer, unless specifically permitted to do so under applicable law. WE do not agree to participate in any class arbitration proceedings or class action lawsuits, unless required to do so under applicable law or specific court order.

YOU may employ an attorney to represent YOU in any arbitration or lawsuit brought under this CONTRACT but are not required to do so. WE will not pay YOUR attorney's fees, court filing fees, service fees, or any other litigation-related expenses.

Any arbitration must be brought within ninety (90) days or within the time period specified by the pertinent statute of limitations for the jurisdiction under which a lawsuit could be brought under this CONTRACT or the arbitration shall be barred, unless prohibited by law.

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## BREAKDOWN COVERAGE

### HOME SYSTEMS PLAN

#### Endorsement

#### THIS ENDORSEMENT ATTACHES TO YOUR CONTRACT

**WE will pay up to the listed amount on the DECLARATIONS PAGE during the most recent twelve (12) months for any required repair or replacement of any of the covered home system categories below. YOU are responsible for payment of any costs in excess of the limit of liability for any required repair or replacement of a system in a home systems category and for YOUR DEDUCTIBLE listed on the DECLARATIONS PAGE.**

#### 1. AIR CONDITIONING INCLUDING DUCTWORK:

##### a. COVERAGE INCLUDES: The following Air Conditioning Systems:

- i. Ducted Central Electric Air Conditioners; Ducted Electric Wall Air Conditioners; Mini-Splits. All components and parts including but not limited to: Air Handler; Blower; Compressor; Condenser and Coil; Evaporator and Coil; Expansion Valve; Fan(s); Plenum; Switches; Thermostat; Valves.
- ii. Ductwork including but not limited to: Plenums, Dampers, Damper Controls, Leaks or Breaks in Sheet Metal, Duct Board, and Flex Duct including Vapor Barrier from heating and/or air conditioning unit(s) including registers or grills.
- iii. Refrigerant: up to \$10 per pound per occurrence. YOU are responsible for payment of any costs in excess of \$10 per pound.

##### b. COVERAGE DOES NOT INCLUDE: Humidifiers; Condensate Pumps; Electronic Air Cleaners; Outside or Underground Piping, Well Pump, and Well Pump Components for Geothermal and/or Water Source Heat Pump; Window Units; Water Towers; Chillers; Chiller Components; Water Lines; Refrigerant Line Sets. Expenses related to Legally mandated diagnostic testing when replacing cooling equipment.

NOTE: COVERAGE is available on air conditioning units up to a five (5) ton capacity and designed for residential use. WE will cover access, diagnosis, and replace air conditioning systems that are necessary or required upgrades for system efficiency except: (1) costs associated with modifications or upgrades of plenums and refrigerant line sets and (2) any other air conditioning specific limitations and exclusions in this CONTRACT. A “necessary or required upgrade” is a replacement improving manufacturer specification energy efficiency or system performance due to circumstances beyond the control of YOU or US (such as availability of parts/equipment or government mandated system modifications).

#### 2. HEATING INCLUDING DUCTWORK:

##### a. COVERAGE INCLUDES: The following Heating Systems:

- i. Forced Air (gas, electric, oil); Geothermal; Wall Mounted Heaters; Floor Furnaces; Package Units; Heat Pumps; Mini-Splits; Hot Water or Steam Circulating Heat; Electric Baseboard; Permanently Installed Room Heaters; Cable Heat (only if it is main source of heat to the home or room). All components and parts including but not limited to: Fan(s); Furnace; Gas Lines; Heat Exchanger; Heat Pump; Limit Switch; Pilot/Ignitor; Thermostat; Valves.

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- ii. Ductwork including but not limited to: Plenums; Dampers; Damper-only Controls; Leaks or Breaks in Ductwork (sheet metal, duct board, and flex duct including vapor barrier) from Heating Unit(s) including Registers or Grills.

**b. COVERAGE DOES NOT INCLUDE:** Humidifiers; Condensate Pumps; Electronic Air Cleaners; Outside or Underground Piping, Well Pump, and Well Pump Components for Geothermal and/or Water Source Heat Pump – Fuel Storage Tanks, Portable Units, Fireplace, Grain, Pellet, or Wood Heating Units (even if only source of heating). Expenses related to: Legally Mandated Diagnostic Testing when replacing Heating Equipment.

NOTE: COVERAGE is available on heating units, as the main source of heat to the HOME, up to a five (5) ton capacity (maximum 90,000 BTU) and designed for residential use. WE will cover access, diagnosis, and replace Heating Systems that are necessary or required upgrades for system efficiency except: (1) costs associated with modifications or upgrades of plenums and (2) any other heating specific limitations and exclusions in this CONTRACT. A “necessary or required upgrade” is a replacement improving manufacturer specification energy efficiency or system performance due to circumstances beyond the control of YOU or US (such as availability of parts/equipment or government mandated system modifications).

3. **ELECTRICAL:**

**a. COVERAGE INCLUDES:** All components and parts including but not limited to: Breaker Box; Built-in Exhaust/Vent/Attic Fans; Direct Current (D.C.) Wiring; Lighting Fixtures; Outlets; Switches.

**b. COVERAGE DOES NOT INCLUDE:** Free Standing or Permanently Installed Generators; Televisions; Audio Systems; Video Systems; Computers and Related Equipment; Intercoms and Units Connected to Intercoms; Alarms and Security Systems and Components; Telephone and Fax Equipment and Wiring; Face Plates; Any damage caused by circuit overload.

4. **PLUMBING:**

**a. COVERAGE INCLUDES:** Leaks and Breaks of Water, Drain, Gas, Waste or Vent Lines. Toilets and related mechanisms; Toilet Wax Ring Seals; Faucets, Shower Heads, Shower Arms, Valves for Shower, Tub, and Diverter; Angle Stops, Risers and Gate Valves (similar features of finish and style used when replacement is necessary); Hose Bibs; Basket Strainers; Permanently Installed Sump Pumps (ground water only); Built-in Bathtub Whirlpool Motor, Pump, and Air Switch Assemblies; Pressure Regulators; Expansion Tanks; Sewage Ejector Pump (septic system sewage ejector are not covered); Clearing of Mainline Drain and Sewer Stoppages through an accessible cleanout up to 100 feet from an access point; Clearing of Lateral Drain Line stoppages up to 100 feet from an access point including accessible cleanout, p-trap, drain or overflow access points.

**b. COVERAGE DOES NOT INCLUDE:** Stoppages caused by collapsed, damaged or broken drain, vent or sewer lines outside the home’s main foundation, lines broken, infiltrated, or stopped by roots or foreign objects, even if within the home’s main foundation. Jetting of lines. Bathtubs; Sinks; Showers; Shower Enclosures and Base Pans; Toilet Lids and Seats; Jets; Caulking or Grouting; Septic Tanks; Water Filtration and/or Purifications Systems; Holding or Storage Tanks; Saunas or Steam Rooms. Costs to locate or access cleanouts not found or inaccessible, or to install cleanouts; and access through roof vents.

NOTE: Where covered repairs require access to plumbing, WE will provide COVERAGE for access to plumbing only through unobstructed walls, ceilings, or floors, and will return access openings to a rough finish.

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5. **WATER HEATERS (GAS AND/OR ELECTRIC ONLY UP TO 80 GALLONS):**
  - a. **COVERAGE INCLUDES:** All internal components and parts including but not limited to: Tankless Water Heaters and Circulating Pumps; Water Heaters installed twelve (12) years or less from the manufacture date until the failure report date. All Water Heaters have a rating plate that lists the model and serial numbers which act as decoders to the year of manufacture.
  - b. **COVERAGE DOES NOT INCLUDE:** Auxiliary and Secondary Holding or Storage Tanks; Noise; Fuel Storage Tank and Energy Conservation Unit; Vents and Flues; Solar Components; Drain Pans and Drain Lines; Anode Rods (these are considered maintenance items and should be replaced every 5 years. If they fail and are not replaced, it will cause the tank to rust at a much faster rate); Damage caused by: Rust. YOUR failure to replace the Anode Rod as specified by the Manufacturer. Water heaters need regular routine maintenance, Manufacturers generally recommend annual or semi-annual maintenance by a licensed service provider or follow YOUR manufacturer's recommendations.
6. **GARBAGE DISPOSALS:**
  - a. **COVERAGE INCLUDES:** All internal components and parts including but not limited to: Flanges; Drain Tubes; Hopper; Housing; Impeller; Motor; Shredder; Stopper; Switches.
  - b. **COVERAGE DOES NOT INCLUDE:** Damage, including jams, caused by bones, glass, grease, or foreign objects other than food.
7. **INSTANT HOT/COLD WATER DISPENSERS:**
  - a. **COVERAGE INCLUDES:** All internal components and parts including but not limited to: Tank; Switches; Tubing; Wiring.
  - b. **COVERAGE DOES NOT INCLUDE:** Filters; Knobs/Dials.
8. **DOORBELLS:**
  - a. **COVERAGE INCLUDES:** All internal components and parts including but not limited to: Button; Chime Unit; Transformer; Wiring.
  - b. **COVERAGE DOES NOT INCLUDE:** Doorbells that are part of an Intercom System.
9. **SMOKE DETECTORS:**
  - a. **COVERAGE INCLUDES:** All internal components and parts including but not limited to: Battery operated and hardwired units; Button; Wiring.
  - b. **COVERAGE DOES NOT INCLUDE:** Batteries.
10. **CEILING FANS:**
  - a. **COVERAGE INCLUDES:** All internal components and parts including but not limited to: Blades; Canopy; Control Switches; Down Rod; Housing; Hub; Light Fixture; Motor; Yoke.
11. **CENTRAL VACUUMS:**
  - a. **COVERAGE INCLUDES:** All internal components and parts including but not limited to: Blower; Control Panel; Dust Collector; Exhaust; Motor; Non-Removable Tubing.
  - b. **COVERAGE DOES NOT INCLUDE:** Removable or In-wall Hoses and Accessories. Costs associated with access and closing through floors, walls, and ceiling when locating or repairing a malfunction.

**NO CLAIMS WILL BE PAID WITHOUT PRIOR AUTHORIZATION  
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## BREAKDOWN COVERAGE

### OPTIONAL COVERAGES

#### Endorsement

#### THIS ENDORSEMENT ATTACHES TO YOUR CONTRACT

Optional coverage may be purchased at the beginning of the CONTRACT without inspection. After a CONTRACT is purchased, optional coverage may be purchased given OUR approval. An inspection may be required, at YOUR expense, before optional coverage is approved.

1. **WINE ROOM AND WINE CHILLERS:**

a. **COVERAGE INCLUDES:** Wine Chillers; Wine Room Refrigeration and Humidification Equipment.

b. **COVERAGE DOES NOT INCLUDE:** Damage to Contents; Water Line Blockage.

2. **POOL AND/OR INGROUND SPA EQUIPMENT:**

a. **COVERAGE INCLUDES:** Above ground components and parts of the heating, pumping, and filtration system including: Pool Sweep Motor and Pump; Pump Motor; Blower Motor and Timer; Plumbing Pipes and Wiring; Plumbing; Electrical; Heat Pump. Pool/Spa combined equipment is covered, and if the equipment is not combined, then each Pool/Spa will be covered separately.

b. **COVERAGE DOES NOT INCLUDE:** Portable or above ground Spas or Hot Tubs; Costs of gaining access to Pool and Spa Equipment; Lights; Liners; Jets, Ornamental Fountains and Waterfalls including their Pumping Systems; Auxiliary Pumps; Pool Cover and Related Equipment; Fill Line and Fill Valves; Built-in detached Cleaning Equipment including: Pool Sweeps, Pop-up Heads, Turbo Valves, Skimmers, Chlorinators, and Ionizers; Fuel Storage Tanks; Disposable Filtration Mediums; Multi-media Centers; Dehumidifiers; Salt Water Generators and related components.

3. **WELL PUMP:**

a. **COVERAGE INCLUDES:** All components and parts of Well Pump utilized as a source of water to the HOME, including access, diagnosis and repair.

b. **COVERAGE DOES NOT INCLUDE:** Above or underground Piping, Cable or Electrical Lines leading to or from the Well Pump, including those that are located within the Well Casing; Well Casings; Pressure Switches not located on the Pump; Holding or Storage Tanks; Pressure Tanks; Booster Pumps; Re-drilling of Wells; Well Pump and all Well Pump components for Geothermal and/or Water Source Heat Pumps; Radon or other water quality issues (e.g. Radon sediment); Well Pumps installed more than 12 years from the manufacture date until the failure report date. Date of manufacture can be found within the COVERED EQUIPMENT serial numbers and decoded based upon the manufacturer.

4. **WATER SOFTENER:**

a. **COVERAGE INCLUDES:** All components and parts not specifically excluded.

b. **COVERAGE DOES NOT INCLUDE:** Leased or Rented Units; Softening Agents.

5. **SEPTIC SYSTEM:**

a. **COVERAGE INCLUDES** Sewage Ejector Pump; Jet Pump; Aerobic Pump; Septic Tank Line from the HOME.

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**CALL [toll free #]**

**b. COVERAGE DOES NOT INCLUDE:** Leach, Lateral and Field Lines; Tile Fields; Leach Beds; Capacity Insufficiency; Clean Out; Pumping.

6. **GUEST UNIT:**

**a. COVERAGE INCLUDES:** All applicable Appliances in the Appliance Category or Systems in the Home System Category included in YOUR CONTRACT.

**b. COVERAGE DOES NOT INCLUDE:** All exclusions listed in the applicable Appliance category or Home System category.

7. **GUEST HOME:**

**a. COVERAGE INCLUDES:** All applicable Appliances in the Appliance Category or Systems in the HOME System Category included in YOUR CONTRACT.

**b. COVERAGE DOES NOT INCLUDE:** All exclusions listed in the applicable Appliance category or Home System category.

SAMPLE

**NO CLAIMS WILL BE PAID WITHOUT PRIOR AUTHORIZATION  
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## CONTRACT PERIOD AND COVERAGE ELIGIBILITY PERIOD

### Endorsement

#### THIS ENDORSEMENT ATTACHES TO YOUR CONTRACT

The COVERAGE PERIOD for YOUR CONTRACT:

**Claims incurred during the WAITING PERIOD or prior to the CONTRACT Effective Date are not covered under this CONTRACT.**

**COVERAGE:** Begins after the WAITING PERIOD time listed on YOUR DECLARATIONS PAGE and continues until the CONTRACT expiration date. Subsequent CONTRACT renewals will not be required to meet the WAITING PERIOD conditions.

**MONTH TO MONTH PROVISIONS:** This CONTRACT is optionally renewable on a monthly basis by US or YOU. YOU may renew by paying the PLAN FEE as shown on the DECLARATIONS PAGE. Either WE or YOU may choose not to renew a CONTRACT, in such case, WE will provide YOU with a minimum of sixty (60) days written notice; YOU are not required to provide prior notice. The WAITING PERIOD shall not apply for RENEWAL TERMS. RENEWAL TERMS begin upon expiration of the previous CONTRACT term and continue for one (1) month provided the PLAN FEE is received by US within thirty (30) days after expiration. The series number of YOUR CONTRACT changes every month to reflect the renewal effective date. If YOU wish to receive a DECLARATIONS PAGE for subsequent months, please contact YOUR SELLER. This CONTRACT may be non-renewed by US for any reason provided.

**NO CLAIMS WILL BE PAID WITHOUT PRIOR AUTHORIZATION  
CALL [toll free #]**



## LIMIT OF LIABILITY

### Endorsement

#### THIS ENDORSEMENT ATTACHES TO YOUR CONTRACT

OUR liability shall be limited to the reasonable costs for repairs or replacement of any COVERED EQUIPMENT. YOU will be responsible for the cost of all repairs that exceed the total limit of liability under this CONTRACT. WE are not required to authorize or pay for any repair amounts if all needed or covered repairs are not performed on YOUR COVERED EQUIPMENT. The total limit of liability for the CONTRACT PERIOD for all claims and benefits shall be governed by the amounts and other terms provided on the DECLARATIONS PAGE:

**Total twelve month aggregate limit of liability – all equipments:** the maximum amount WE will pay during the most recent twelve (12) months from the BREAKDOWN date for any required repair or replacement of all COVERED EQUIPMENTS.

**Total twelve month aggregate limit of liability – each equipment group:** the maximum amount WE will pay during the most recent twelve (12) months from the BREAKDOWN date for each of the COVERED EQUIPMENT groups covered by YOUR CONTRACT.

**NO CLAIMS WILL BE PAID WITHOUT PRIOR AUTHORIZATION  
CALL [toll free #]**

## CANCELLATION

### Endorsement

#### THIS ENDORSEMENT ATTACHES TO YOUR CONTRACT

1. YOU may cancel this CONTRACT by contacting the ADMINISTRATOR, in writing, at 1597 Cole Boulevard, Suite 200, Lakewood, CO 80401-3418 and submitting a request to cancel the CONTRACT, or as otherwise required by law.
  - a. If cancelled within the INITIAL TERM of the CONTRACT, which is **one (1) month** from the original CONTRACT Effective Date, and if no claim has been made, YOU will receive a full refund of the amount paid for the INITIAL TERM. If a claim has been made, the refund amount shall equal the greater of the amount paid for the INITIAL TERM, minus the amount of the claim paid or zero.
  - b. If cancelled within a RENEWAL TERM, YOU will receive a pro rata refund based upon the number of days in force compared to the total number of days in that RENEWAL TERM, less claims paid and less the cancellation fee listed on YOUR DECLARATIONS PAGE, subject to state specific information provided in the “Individual State Variance” Endorsement.
2. YOU may non-renew this CONTRACT by either notifying US or by failing to make YOUR RENEWAL TERM payment within forty-five (45) days of the CONTRACT payment due date.
3. The ADMINISTRATOR may immediately cancel this CONTRACT for fraud or misrepresentation by YOU when purchasing this CONTRACT or misrepresentation by YOU when submitting a claim. If the ADMINISTRATOR cancels this CONTRACT, the refund will be calculated according to section 1.b of this Cancellation Endorsement.
4. Notwithstanding anything to the contrary contained in this CONTRACT, in the event YOU do not accept or cash any refunds or payments related to this CONTRACT within ninety (90) days of OUR payment, that dollar amount will be applied to extend YOUR COVERAGE one (1) month at a time with COVERAGE extending in full month increments even if such dollar amount applied toward an extended month only provides for a portion of the stated monthly payment.

**NO CLAIMS WILL BE PAID WITHOUT PRIOR AUTHORIZATION  
CALL [toll free #]**