

SAMPLE CONTRACT



Universal Home Protection Warranty Terms And Conditions

DO NOT CALL A CONTRACTOR YOURSELF

UHP may NOT reimburse you for work performed without prior UHP approval.

FOR CLAIMS CALL: 608-831-0285, Toll Free: 1-877-225-5847, Fax Toll Free: 1-888-321-6355

A. Coverage

UNIVERSAL HOME PROTECTION, (hereinafter UHP, WE, or OUR) agrees to arrange for a qualified service contractor to repair or replace a COVERED component or appliance in the event of malfunction or mechanical failure which occurred during the term of the warranty contract as a result of normal wear and tear. This contract covers only single-family dwellings under 5,000 square feet, unless coverage on a home in excess of 5,000 square feet or a multiple unit dwelling is authorized by UHP and the appropriate fee is paid.

PLEASE CONTACT US AT 1-877-225-5847 FOR PRICE QUOTES FOR HOMES 5,000 SQUARE FEET OR MORE AND MULTIPLE UNITS.

This warranty covers only those items that are:

1. Listed as COVERED under Section C. and Section D. if applicable. The list of NOT COVERED components and appliances is not meant to be all-inclusive. Certain components and appliances listed as NOT COVERED are specified for illustration and not limitation. Certain limitations apply to covered systems and appliances. See Section L., Limitations On Liability.
2. Located in an owned or rented residential property. Any dwelling used in whole or in part for commercial purposes (including, but not

- limited to, day care centers, fraternity/sorority houses, and nursing/care facilities) is NOT eligible for coverage.
3. Located within the perimeter of the main foundation or the attached garage.
4. Correctly installed and operating properly on the effective date of this contract.

B. Warranties Available/Terms

Seller Home Warranty, Basic or Elite plan, which is placed on a home by a home seller at the time of listing and is effective immediately upon receipt and acceptance by UHP and continues for the remaining term of the listing contract, not to exceed one hundred and eighty (180) days provided the listing is being actively marketed and has not terminated, expired, or been withdrawn. By application and acceptance of a seller warranty, the appropriate fee is required to be paid to UHP at closing. The seller warranty may be extended at the sole discretion of UHP. The Seller Home Warranty will terminate upon transfer of title or cancellation of the listing contract. Upon transfer of title, the seller home warranty will transfer, at no additional fee, to the purchaser for a term of one (1) year, provided payment is received by UHP within ten (10) days of the date of closing. During the listing period, if the Seller vacates the property, the property must be maintained with all utilities (i.e. water, electric, and gas service) on, or the home must be properly winterized/safeguarded to protect against frost or other damage that might occur when vacant. If these requirements are not met, coverage may be terminated.

Buyer Home Warranty, Basic or Elite plan, which is purchased by or on behalf of a home buyer at the time of closing and is effective on the date of closing for a term of one (1) year provided UHP has received the proper payment within ten (10) days of the closing. Buyer home warranties expire one year from the date of closing.

Homeowner Direct Warranty, Basic or Elite plan, which is available to homeowners not currently selling or buying a home (not listed for sale or it is more than ten (10) days from closing). It is effective thirty (30) days after we receive proper payment and remains in effect for a term of one (1) year.

New Construction Warranty, Basic plan, which is purchased by or on behalf of a home buyer at the time of closing of a newly constructed single family home. The warranty will go into effect on the first anniversary date of the closing, provided we receive proper payment within ten (10) days of the closing, and remains in effect for a term of three (3) years.

C. Components and Appliances Eligible For Basic Plan Coverage

PRIMARY HEATING SYSTEM

Covered—Central Warm Air Heat System, Central Hot Water or Steam Heat System, thermostats, all accessible ductwork. See Limitations On Liability for specific limitations that may apply.

Note: UHP shall be responsible for an aggregate of up to \$2,000 for repair or replacement costs to the primary heating system.

Not Covered—Any heating units that are portable or free standing; humidifiers; individual space heaters; electronic air cleaners/filters of any type; cleaning or replacing air filters; blockages in air intake for furnace; fuel storage tanks or removal of; regulating and cleaning of burners; radiant heating systems built into walls, ceilings or floors; damper motors; fireplaces and associated gas lines and plumbing; chimney liners; handling of asbestos and other toxic materials; steam or radiant heating lines or coils encased in concrete; inaccessible ductwork or any ductwork encased in concrete; solar heating systems; any conditions that existed prior to Agreement effective date; routine care and maintenance; misuse; the presence of rust, corrosion, scale or lime build-up when no mechanical failure exists; units converted from coal to gas, coal to oil, oil to gas, and wood burning converted units; source pipes for geothermal heating/cooling units; heating capability due to inadequate or undersized equipment or ductwork.

ELECTRICAL

Covered—All general wiring that is contained within the boundaries of the main foundation; the circuit breaker panels and fuse box; receptacles; bathroom exhaust fans; ceiling fans (replaced with like quality, \$500 limit); chimes/door bells; garage door openers (repair or replacement for all units combined not to exceed \$600). See Limitations On Liability for specific limitations that may apply.

Not Covered—Intercom systems; telephone and speaker systems and associated wiring; fire alarms; security systems; lighting fixtures; attic wall fans or exhaust fans; the sending units, light/light bulb, springs, cables and pulleys used by garage doors and openers; all power failures or shortages; any inadequate wiring capacity or wiring overload conditions; wiring encased in concrete; any conditions that existed prior to Agreement effective date; routine care and maintenance; misuse; the presence of rust, corrosion, scale or lime build-up when no mechanical failure exists.

PLUMBING

Covered—Within the boundaries of the main foundation, any gas, water, waste, drain or vent lines; faucets (replace with like quality, \$500 limit); motors and blowers for jetted bathtubs; tub or shower valves; primary water heater; toilets and associated components (replace with like quality, \$500 limit). See Limitations On Liability for specific limitations that may apply.

Note: UHP shall be responsible for an aggregate of up to \$1,000 for repair or replacement costs to a water heater, including vented systems, or the mechanicals of a jetted bathtub.

Not Covered—The cost to access and/or repair breaking through walls, ceilings or floors to make repairs; spas and any related mechanical or plumbing components; lawn sprinkler systems; swimming pools; water softeners; water purification systems/water filters; instant hot water systems/dispensers; shower base pans; sinks; bath tubs; shower enclosures; grouting or caulking; any excessive, or insufficient water pressure conditions; all piping outside the boundaries of the foundation;

exterior hose-bibs; drain blockages caused by root growth; water flow restrictions because of rust, mineral deposits, or any other deposits; noises in systems; all plumbing located in, or under the slab or foundation; any plumbing encased in concrete; sewage ejector pumps; wells and well pumps; purity, color, or odor of the water system; handling of asbestos and other toxic materials; pressure tanks; holding tanks; solar plumbing systems; sump pumps and all associated piping; jet pumps; septic tanks (or systems) inside or outside of the home; water and sewer laterals; frozen pipes; any conditions that existed prior to Agreement effective date; routine care and maintenance; misuse; the presence of rust, corrosion, scale or lime build-up when no mechanical failure exists. (Note: some items may be eligible for optional BUYER or BUYER/SELLER coverage—if appropriate plan is selected and the additional fee is paid at closing.)

PRIMARY AIR CONDITIONING SYSTEM

Covered—Thermostats; compressors; air handler; interior refrigerant gas lines and accessible ductwork; condenser fan motors; blower fan motors; condensers; evaporator cooler units; permanently installed wall air conditioning units; central air conditioning systems (a system which utilizes ductwork for the distribution of air). See Limitations On Liability for specific limitations that may apply.

Note: UHP shall be responsible for an aggregate of up to \$2,000 for repair or replacement costs to the air conditioning system.

Not Covered—Filters; exterior refrigerant lines; registers; condenser grille guards; deionizers; humidifiers; portable air conditioning units; window air conditioning units; gas air conditioning units; source pipes for geothermal heating/cooling units; cooling capability due to inadequate or undersized equipment or ductwork; electronic air cleaners/filters of any type; any conditions that existed prior to Agreement effective date; misuse; routine care and maintenance; the presence of rust, corrosion, scale or lime build-up when no mechanical failure exists.

PRIMARY APPLIANCES

Covered—Primary kitchen refrigerator; built-in oven; garbage disposal; microwaves designed by the manufacturer to be installed into a wall, cabinet, or over the range; range; built-in dishwasher (those that do not sit on wheels and use temporary connectors); range exhaust fan; built-in trash compactor; clothes washer/dryer; central vacuum system. See Limitations On Liability for specific limitations that may apply.

Note: UHP shall be responsible for an aggregate of up to \$1,000 for repair or replacement costs per appliance.

Not Covered—Coin operated appliances; cabinets; doors or related parts; hinges; self-cleaning oven feature; refinishing or replacing of counter tops; any cosmetic repairs—dents, scratches, etc.; lock and key assemblies; meat probes; rotisseries; clocks/timers unless necessary to the operation of the appliance; racks; baskets; exterior/interior trim; multi-media centers on refrigerators; free standing ice makers or ice makers in refrigerators/freezers; water and ice dispensers and associated piping/plumbing; wine chillers/secondary refrigerators; free standing freezers; knobs; gaskets; interior/exterior appliance lights/indicator lights; instant hot water systems/dispensers; odors; the presence of rust, corrosion, scale or lime build-up when no mechanical failure exists; any conditions that existed prior to Agreement effective date; misuse; routine care and maintenance. (Note: some items may be eligible for optional BUYER/SELLER coverage if appropriate plan and/or package is selected and the appropriate/additional fee is paid at closing.)

D. Components and Appliances Eligible For Elite Plan Coverage

(Elite Plan Includes all covered items listed in Sections C. & D. Excludes SECONDARY SET OF APPLIANCES unless optional package is selected and the appropriate fee is paid at closing.)

Covered—Water softener; stand-alone freezer; permanently installed sump pump; wine chiller. See Limitations On Liability for specific limitations that may apply.

Note: UHP shall be responsible for an aggregate of up to \$1,000 for repair or replacement costs to a water softener, and an aggregate of up to \$500 for repair or replacement costs to a wine chiller.

Not Covered—Cabinets; doors or related parts; hinges; any cosmetic repairs—dents, scratches, etc.; racks; baskets; exterior/interior trim; ice makers in freezers; gaskets; piping utilized by sump pump; the presence of rust, corrosion, scale or lime build-up when no mechanical failure exists; any conditions that existed prior to Agreement effective date; misuse; routine care and maintenance; resin bed; ion exchange resin.

PLEASE PRESENT TO THE BUYER / SELLER

OPTIONAL COVERAGE For Home BUYER/SELLER (Additional Fee Required At Closing)
Secondary Set of Appliances

Covered—One (1) additional of each of the following: refrigerator, oven/range, built-in microwave, built-in dishwasher.

For “Not Covered” systems and components, see PRIMARY APPLIANCES on the previous page.

OPTIONAL COVERAGE For Home BUYER Only (Additional Fee Required At Closing)

Well Pump

Covered—All components of the pump used for serving the main residence. See Limitations On Liability for specific limitations that may apply.

Note: UHP shall be responsible for an aggregate of up to \$1,200 for repair or replacement costs to a well pump.

Not Covered—Auxiliary pumps used to provide water to out-buildings or tanks for livestock or any other purpose other than to provide service to the main residence for domestic use. Any charges, including excavation to gain access to the pump; casings; pressure and holding tanks; electrical service or piping; redrilling wells; any conditions that existed prior to Agreement effective date; misuse; routine care and maintenance.

Swimming Pool or Spa (Covers one unit only—only the pool or only the spa)

Covered—Limited to pumps; motors; gaskets; relays; impellers; filters; backflush valve; heaters; above ground plumbing and electrical lines serving the unit. See Limitations On Liability for specific limitations that may apply.

Note: UHP shall be responsible for an aggregate of up to \$1,200 for repair or replacement costs to the mechanicals of a pool, spa or combination equipment.

Not Covered—Concrete encased or underground plumbing and electrical service; structural defects; the cost to access and/or repair breaking through walls, ceilings or floors to make repairs; code violations; pool lights; solar water heaters; pool sweep motors; pool liners; cleaning equipment chemicals; the presence of rust, corrosion, scale or lime build-up when no mechanical failure exists; any conditions that existed prior to Agreement effective date.

Swimming Pool With Built-In Spa Equipment (Both pool and spa are covered if they use common equipment. If common equipment is not used, the spa is not covered.)

For “Covered” and “Not Covered” systems and components, see SWIMMING POOL OR SPA above.

Roof Leak Repair (Note: Coverage applies for a term of two (2) years)

Covered—Leaks in rolled cedar, asphalt, or clay tile roof structures only.

Note: UHP shall be responsible for an aggregate of up to \$400 for roof leak repairs during the term of the coverage.

Not Covered—Leaks resulting from ice build-up; skylights, or mounted installations; acts of God; persons walking or standing on roof; previous repairs; missing shingles; or failure to perform normal maintenance; gutters; drains; wood; deck roofs; balcony roofs; unattached garage roofs; counter flashing; or any conditions that existed prior to Agreement effective date.

E. Multiple Units—Condominiums

1. Unless the contract specifies a duplex, triplex, or fourplex, UHP’s liability under this contract is limited to single-family dwellings.

2. This contract does not cover the common areas and facilities of condominiums and multiple units.

F. Manufactured And Mobile Homes

1. UHP covers Manufactured Homes as defined by the U.S. Department of Housing And Urban Development as of March 31, 2010, provided the home was manufactured within 15 years from the effective date of this contract. A Certificate of Origin may be required upon request by UHP.

2. UHP does not cover recreational vehicles, single wide trailers, park models, or other dwellings not considered to be a Manufactured Home as defined by the U.S. Department of Housing And Urban Development as of March 31, 2010.

G. Tenant Occupancy

When coverage is provided on tenant-occupied dwellings, the dwelling owner (not tenant) is responsible to request service and report claims. Payment of the deductible charge is the responsibility of the owner.

H. Renewal

In the event the homeowner is interested in renewing the contract, UHP may, at it’s option and if permitted by state law, renew the contract. The homeowner will be notified of terms of coverage and rates for the renewal period. Renewal payment must be received by UHP prior to the expiration date of the current contract.

I. Termination

1. If there is material misrepresentation by the applicant or owner of any fact or circumstance relative to the systems, components, or appliances covered by this contract, UHP may terminate the contract.

2. After this contract is in effect for 60 days, UHP may terminate this contract:

a) for nonpayment of plan fee; or

b) for fraud or misrepresentation of a material fact, the knowledge of which would have caused UHP to decline to issue the contract; or

c) due to substantial change in risk assumed except to the extent UHP should reasonably have foreseen the change or contemplated the risk when issuing company established the contract; or

d) in the event there has been a substantial breach of a contractual duty, condition or warranty.

Notice of termination: If issuing company terminates this contract, issuing company will mail you notice, at the address shown on the Warranty Plan Purchase Agreement, at least 10 days prior to the effective date of the termination.

3. In the event the owner contracts for, authorizes, or performs repairs, installations, or alters any system, component, or item covered by this contract or damages same in the course of any of the above actions, UHP has the option to terminate coverage obligation for that item.

4. It is the owner’s responsibility to pay the deductible amount to the service contractor. In the event the owner fails to pay the deductible charge, UHP shall have no further responsibility under this contract until the deductible is paid, or, at UHP’s option, the contract may be terminated.

J. Cancellation (As governed by state laws)

In Wisconsin: The purchaser of the warranty plan may (within 15 calendar days of the delivery of the warranty contract) reject and return the warranty contract for a full refund; less actual costs or charges needed to issue and service the warranty contract.

In Illinois: The contract holder may cancel the home warranty contract:

a) within 30 days after its purchase, if no service has been provided, for a full refund of the consideration less a cancellation fee.

b) at any other time during the term of the contract for a pro rata refund of the consideration for the unexpired term of the contract less the value of any service received, and a cancellation fee. The pro rata refund shall be based on the number of days elapsed during the term of the contract.

The cancellation fee for this contract shall be the lesser of 10% of the contract price or \$50.

K. Transferability/Assignment

Unless authorized in writing by UHP, this contract is non-transferable and may not be assigned. Upon transfer of title, the rights of the owner under this contract are void and the assignee or transferee acquire no rights under the contract.

L. Limitations On Liability

1. Repairs or replacements required as a result of flood, fire, lightning, smoke, earthquake, freeze, storm, theft, war, accident, riots, vandalism, improper installation, power failure, pest damage, neglect or misuse, or acts of God are not covered by this contract.

2. UHP may not reimburse the owner for labor or materials, or other services not authorized or supplied by UHP.

3. If, in the course of a repair or replacement service, it is necessary to open a ceiling, floor, or walls, restoring the openings to their original condition is the responsibility of the owner and is not covered by this contract. If moving another appliance is required to service a malfunction, all costs associated with moving the non-malfunctioning appliance are the responsibility of the homeowner and are not covered by this contract.

4. This contract does not cover consequential damages resulting from the failure of any component, system, or item or from UHP’s delay or failure to provide service due to circumstances beyond UHP’s control such as, but not limited to, lack of availability of materials, service, or labor.

SAMPLE CONTRACT continued...

5. If this contract covers a condominium, UHP's responsibility for repairs or replacements shall be limited to an area within the contract holder's condominium, excluding common area.
6. Upgrading or improvement of systems, components, and items due to lack of capacity, failure to meet current building code(s) or zoning requirements is the responsibility of the owner and is not covered by this contract.
7. In the event of a joint well agreement, UHP shall be responsible for repair costs in proportion to the responsibility of the contract holder's share of the agreement.
8. Unless otherwise noted in the contract, UHP coverage will be limited to \$5,000 per occurrence/malfunction.
9. Contract coverage is limited to residential use of property.
10. Claims may not be submitted following the expiration date of the plan.
11. In the event a homeowner initiates a request for service on an item listed as covered, but the actual malfunction is proven to be associated with a non-covered item, the homeowner is responsible for any and all incurred charges due to the contractor. In the event the homeowner fails to pay the amount due to the contractor, UHP shall have no further responsibility under this contract until the amount is paid in full.
12. This contract does not cover claims to vacant properties that have not been properly winterized/safeguarded to protect against frost or other damage that might occur when vacant.

M. Disclosure

The price of the Warranty Plan includes all processing, inspection, and administration costs due and payable to UHP and its agents, if applicable. At our option, we may reimburse the named real estate company initiating the sale of this warranty, based on a good faith estimate of its expenses incurred in promoting, selling, processing and advertising the plan, unless otherwise stated in the terms and conditions of the offer to purchase.

N. Waiver

In the event UHP should waive any of its contractual rights as to any claim, that waiver will not constitute a future waiver of said rights.

O. State Requirements

In Wisconsin: CAUTION—THIS WARRANTY IS SUBJECT TO LIMITED REGULATION BY THE OFFICE OF THE COMMISSIONER OF INSURANCE.

Obligations of the provider under this service contract are backed by the full faith and credit of the provider. Universal Home Protection, LLC, 1289 Deming Way, Suite 201, Madison, WI 53717. 608-831-0285 or Toll Free: 1-877-225-5847. UHP agrees to pay claims deemed covered promptly as outlined by Wisconsin State Statute 628.46.

In Illinois: Doing business as Universal Home Protection Northern Illinois, LLC. Warranty Plan obligor is Universal Home Protection Northern Illinois, LLC.

*P. Service

1. When a malfunction occurs to a system or component covered by this contract requiring repair or possible replacement, the owner must telephone UHP at 1-877-225-5847 to request service.

DO NOT CALL A CONTRACTOR DIRECTLY TO HAVE WORK PERFORMED. Work performed without UHP's consent may not be reimbursed.

Your UHP representative will contact an approved UHP contractor to respond to the service call. UHP will make every effort to initiate service within 36 hours after receiving the service call during weekdays and within 48 hours for calls received on weekends and holidays. If an emergency condition exists, UHP will endeavor to proceed with urgency to expedite the service and the normal deductible charge will apply. It is the sole discretion of UHP to determine if an emergency situation exists. In the event the owner requires that a non-emergency malfunction be serviced during other than normal business hours, on weekends or holidays, the owner will be responsible for all costs over and above those charged during normal business hours.

2. A UHP authorized contractor must perform all repair or replacement work done under the terms of this contract. **Further, UHP may not be responsible for any expenses incurred by the owner without the express consent and approval of UHP.**

3. **The owner is responsible for a deductible charge of up to \$85 on each component or appliance malfunction referred to a UHP approved contractor/service technician.** The payment of the deductible charge is due when the service is performed and shall be paid by the owner to the authorized UHP contractor upon presentation of the bill to the owner. In the event the owner fails to pay the deductible charge, UHP shall have no further responsibility under this contract until the deductible is paid. An additional deductible will not be due by the owner if repairs made under this contract fail within 60 days of the date the claim was first submitted to UHP.

4. When the owner notifies UHP of a service requirement, the owner agrees to make the premises available during the contractor's standard rate hours to complete the service requested.

Note: the owner agrees to pay the service contractor for any expenses incurred if owner fails to provide access to the dwelling.

5. You must notify UHP immediately upon discovery of a mechanical failure for work to be performed under this contract. Notice of any service request must be given to UHP prior to expiration of this contract. Failure of the homeowner to furnish UHP notice of mechanical failure as specified in this section and in the application, and with the time required therein may invalidate or reduce a claim if UHP is prejudiced thereby and it was reasonably possible for the homeowner to meet the time limit.

6. UHP retains the sole option to repair or replace any system, component or other item. The homeowner will have the option to replace a malfunctioning system, component or item if that system, component or item is deemed repairable by a UHP approved service contractor. UHP will, upon receipt of a purchase invoice of a new appliance from the homeowner, provide a repair credit reimbursement based on the repair estimate by the UHP approved service contractor, less the deductible. When the homeowner elects to receive a repair credit reimbursement, the delivery, installation, and associated fees related to the new appliance or component will be the responsibility of the homeowner.

7. UHP will make every effort to provide replacement parts, systems or components of same or similar quality, when needed and available. Owner acknowledges that UHP will not be liable or responsible to provide an exact match in brand, dimensions, type, or color. UHP is under no obligation to upgrade or make improvements in the original systems, components, or appliances covered by this contract. When replacement equipment is not available due to changes in design or dimensions, the cost of construction or modifications made necessary due to such changes is the responsibility of the owner. The owner shall also be responsible for the cost of building and zoning permits deemed necessary and for the cost of handling of asbestos or other toxic materials.

8. The owner agrees that if any of the systems, components or other items covered by this contract are under other warranties or guarantees, the owner will provide in good faith to UHP and/or its contractor, all information, authorization, forms and other assistance needed to submit claims against the other warranties and guarantors for expenses incurred in repairing or replacement of the systems, components or other items.

In Wisconsin: If you are having problems with your company or agent, do not hesitate to contact the company or agent to resolve the problem.

Universal Home Protection

1289 Deming Way, Suite 201, Madison, WI 53717
608-831-0285 or TOLL FREE 1-877-225-5847

You can also contact the OFFICE OF THE COMMISSIONER OF INSURANCE, a state agency which enforces Wisconsin's insurance laws, and file a complaint. You can contact the Office of the Commissioner of Insurance by writing to:

Office Of The Commissioner Of Insurance

Complaints Department

P. O. Box 7873, Madison, WI 53707-7873

Or you can call Toll Free 1-800-236-8517 outside of Madison or 608-266-0103 in Madison, and request a complaint form.

