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## 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 recurring payments using a third party, credit card or ACH bank draft, Allied will automatically renew this contract and continue to process payments. 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. For multiple unit dwellings, common systems and appliances are excluded.
3. **Allied’s limits of liability are Your choice of (unless otherwise noted):** (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. Your limits of liability and coverage selections will be noted in Your Plan Summary. **Select Your covered systems and appliances:**

**A/C, HEATING & DUCTWORK** covers 2 systems and seasonal tune-ups.

**PLUMBING & STOPPAGES** covers toilets; faucets; showerheads; leaks in water, drain, sewer, gas or vent lines; valves; and stoppages in drain/sewer lines using an existing clean out.

**WATER HEATER** covers 2 gas, electric or tankless water heaters.

**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 and up to \$500 to excavate/repair sidewalks. **LIMIT:** (i) up to \$1,000 per contract or (ii) up to \$2,000 per contract.

**ELECTRICAL** covers breaker panel, breakers, electrical wiring, doorbells, ceiling fans, outlets and switches. **LIMIT:** (i) up to \$500 per contract or (ii) up to \$1,000 per contract.

**SURGE PROTECTION** covers major kitchen appliances and consumer electronics owned by You and damaged by power surge or lightning. **LIMIT:** (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.

**APPLIANCES** covers 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.

**GARAGE DOOR OPENER** covers the wiring, motor, switches, receiver unit, track assembly, springs and transmitter.

**POOL/SPA EQUIPMENT** covers the primary heating, pumping and filtration equipment (excludes cleaning equipment, fountains, jets and disposable filtration mediums/grids).

**WELL PUMP** covers one well pump used for main source of water.

**SEPTIC TANK SYSTEM & PUMPING** covers one sewage ejector, jet or aerobic pump for septic system only and one septic pumping if stoppage is due to tank backup.

4. A “claim” is a malfunction You believe is covered by this contract. You must notify Allied of a claim during the coverage period (866-791-1200 or [www.AlliedWarranty.com](http://www.AlliedWarranty.com)). 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 per claim limit, You agree to complete the Service Contractor’s recommended repair or replacement, otherwise coverage will not apply to the system or appliance.
5. Allied will determine the scope of each claim, whether the claim is covered, and whether to repair or replace. Two or more concurrent malfunctions within a single system or appliance constitute a single claim. Concurrent malfunctions in different systems or appliances constitute different claims. Allied, at its option, may offer cash in the amount of Allied’s estimated cost, instead of repair or replacement. **Allied will provide replacement systems or appliances with similar features, capacity and efficiency, but will not be responsible for matching dimensions, brand or color. Allied will not reimburse You for work performed without Allied’s prior written consent.** Allied is not responsible for upgrades (except for replacing A/C condensers

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with 13 SEER/410a condensers), 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.

6. ARBITRATION: Any dispute will be decided by final, binding and mandatory arbitration conducted pursuant to the Federal Arbitration Act, except as noted below. Arbitration must be initiated within 6 months from the claim date. The non-prevailing party shall pay the other party's reasonable costs and attorneys' fees. This contract, its construction and all 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.
7. 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 \_\_\_\_\_