

Electrical Surge Plus Terms and Conditions

YOUR ENCLOSED DECLARATION PAGE IS AN INTEGRAL PART OF YOUR SERVICE AGREEMENT AND ALONG WITH THESE TERMS AND CONDITIONS CONSTITUTE YOUR ENTIRE AGREEMENT

HomeServe USA Repair Management Corp. ("HomeServe") is the entity that will administer the service under this Service Agreement. You may contact HomeServe by mail at 7134 Lee Highway, Chattanooga, TN 37421 or by calling toll-free 1-877-444-7750. National Product Care Company, dba Texas National Product Care Company ("NPCC", "Provider", "We", "Us" or "Our") is the entity obligated to provide service under this Service Agreement. You may contact NPCC by mail at 175 West Jackson Blvd., Chicago, IL 60604, or by calling toll-free 1-800-209-6206.

What's Covered:

Wear and Tear: We will reimburse You for the repair or replacement of residential Electrical Products within Your Residence, for which You have sole responsibility, that are mechanically or electrically failing due to normal wear and tear. You are responsible for arranging and paying the service technician for the repair or replacement of the failing residential Electrical Product(s), including any diagnostic and/or service fees. For Electrical Products that cannot be repaired, We will reimburse You for the replacement Electrical Product(s) up to the Wear and Tear benefit limit below. You must call HomeServe for a repair or replacement reimbursement claim form. See "How to Seek Reimbursement" below.

Surge: We will arrange and pay for the repair, replacement, and if necessary, removal of residential Electrical Products, for which You have sole responsibility, that fail due to an Electrical Surge within Your Residence. An Electrical Surge means an occurrence of a sudden and non-continuous increase or burst of electricity or electrical current, caused by natural or man-made events including lightning strikes and power returns after an outage which can result in failure of Electrical Products. Following an Electrical Surge, You must call HomeServe to arrange for service in order for repairs to be covered. See "How to Call for Repairs" below.

Benefit Limit:

Wear and Tear: The maximum benefit limit is one Service Call per Term with a total overall benefit limit of \$100.

Surge: The maximum benefit limit is up to \$1,000 per Term. Any repair or replacement charges beyond Your benefit limit are Your responsibility.

What's Not Covered:

We will not be responsible for any of the following:

1. **For failure due to normal wear and tear: Damages, losses and expenses, whether from negligence or otherwise, caused by: (a) You or any person or entity other than Us or HomeServe or (b) unusual circumstances, meaning a natural disaster, act of God (such as fires, explosions, earthquakes, drought, tidal waves and floods), war, riots, hostilities, strikes or work slowdowns or acts or threats of terrorism;**
2. **For failure due to an Electrical Surge: Damages, losses and expenses, whether from negligence or otherwise, that do not result in an Electrical Surge caused by: (a) You or any person or entity other than Us or HomeServe or (b) unusual circumstances, meaning a natural disaster, act of God (such as fires, explosions, earthquakes, drought, tidal waves and floods), war, riots, hostilities, strikes or work slowdowns or acts or threats of terrorism;**
3. **Excluded Damages (see "Our Liability" below) which include, for example, damages necessary to reasonably access the repair area. Your rights and remedies may vary depending on the state where Your Residence is located;**
4. **Any correction or upgrade of Your existing Electrical Products, not directly related to the necessary repair, in order to meet any code, law, regulation or ordinance;**
5. **Internal electrical systems, electrical plumbing equipment including sump pumps, medical or life support equipment, electric vehicles of any kind, heating systems and cooling systems, and battery-operated items/devices that cannot be plugged in;**
6. **Electrical Products with a replacement value of less than \$100;**
7. **Any additional expenses incurred in repairing, replacing, and/or removing Electrical Products that are affixed within Your Residence; or any cost associated with making space suitable for installation when a replacement Electrical Product does not fit in the existing space within Your Residence;**
8. **Loss or corruption of data and restoration of software and operating systems;**
9. **Electrical Products that cannot be replaced with like kind and quality (e.g. antiques);**
10. **Any repair, replacement or reimbursement not expressly stated to be covered in "What's Covered" above.**

Eligibility: A single structure or a single Unit within a structure, owned or rented by You, used and zoned only for

residential occupancy that is not intended to be moved (“Residence”) is eligible. Residences include single family homes (inclusive of manufactured housing), townhomes, and apartments. A single structure that is owned or rented by You and used and zoned only for residential occupancy that includes multiple Units (“Multifamily Residence”) is also eligible. If You own or rent a Multifamily Residence or multiple Units, You must provide the specific Unit mailing address for each Service Agreement You purchase. Any recreational vehicle or property used for commercial purposes is not eligible. If You are aware of any pre-existing conditions, defects or deficiencies with Your Electrical Products prior to the Start Date of Your first Term, then You are not eligible for this coverage. If Your Electrical Products are entirely shared with any third party, covered by a homeowners’, condominium or like association, or are not installed according to manufacturer specifications, then You are not eligible for this coverage. If You move to a new Residence, please contact HomeServe as soon as possible to discuss Your options for continued coverage.

Length of Service Agreement: Your Service Agreement begins on the Start Date listed on Your Declaration Page and will continue for twelve (12) months (“Term”) provided neither You nor We cancel. See “Cancellation/Refund” below. There is an initial waiting period of thirty (30) days, within which You will not be able to request a Service Call. This means You will receive less than twelve (12) full months of coverage during the first year. Upon renewal (if applicable), You will not be subject to a waiting period.

How to Call for Repairs: You must call HomeServe within thirty (30) days of an Electrical Surge event to start a claim and provide details surrounding the Electrical Surge event and an inventory list of all Electrical Products affected by the Electrical Surge event. Based on the information provided, a service technician will then be scheduled to visit Your Residence to assess and to arrange for the repair, like-for-like replacement, and if necessary, removal, of the failed Electrical Products using the inventory list provided by You. If a failed Electrical Product on the inventory list cannot be repaired, HomeServe will provide a like-for-like replacement, and if necessary, removal, of the Electrical Product subject to Your benefit limit. We will not pay for an upgrade in capacity or functionality. There is no Service Call fee.

How to Seek Reimbursement:

Wear and Tear: You must call HomeServe within thirty (30) days of the mechanical or electrical failure of Your Electrical Product(s) to request a claim form. You must fill out the form in full and return it to HomeServe within thirty (30) days from Your receipt of the claim form. For repairs, You must include copies of a service technician’s repair invoice that must be on business stationery and include the name, address and telephone number of the service technician, as well as a complete description of damage and associated repair charges. For replacements, You must include copies of cash receipts or credit card receipts which must include the name, address and telephone number of the seller, as well as a complete description of charges. Approved reimbursement payments will be made to You within thirty (30) days of receipt by Us of Your properly completed claim form.

Covered Repairs: Covered repairs for Your Electrical Products are guaranteed against defects in materials and workmanship for ninety (90) days. Aftermarket and/or refurbished parts may be used for repairs. Under the guarantee We will arrange at Our expense and discretion for repair or replacement. We disclaim any and all statutory or common law warranties (whether express or implied) other than Our covered repair guarantee and any implied warranties that cannot be excluded under applicable law.

Receiving Documents Electronically: You can receive Your Service Agreement and all related documents electronically. If You consented to electronic delivery, these documents will be sent to the email address listed on Your Declaration Page (“Email Address”). Documents sent to the Email Address will be deemed to have been received by You. You may stop receiving documents electronically by calling HomeServe or by updating Your preferences in Your profile on HomeServe’s website. You may also call HomeServe to update Your Email Address or to receive a paper copy of Your Service Agreement.

Renewal: Unless You tell Us otherwise, Your Service Agreement will automatically renew at the end of every Term for another twelve (12) months at the then-current renewal price. We may change the price at renewal. We reserve the right to not offer this Service Agreement upon renewal.

Cancellation/Refund: You may cancel this Service Agreement at any time by calling HomeServe. If You cancel within thirty (30) days of the Start Date, You will receive a full refund less any claims paid by Us. If You cancel more than thirty (30) days after the Start Date, Your cancellation will be effective at the end of the then current billing month. If applicable, You will be entitled to a pro-rata refund less any claims paid by Us.

If Your local utility company or municipality provides similar coverage to You at no charge, You can contact HomeServe to cancel and You will receive a refund of the payments You have made less any claims paid by Us. You may be required

to provide evidence of the similar coverage. If We find that You have such coverage or are otherwise ineligible for the coverage provided by this Service Agreement, We may cancel on no less than fifteen (15) days' written notice to You and will refund the payments You have made less any claims paid by Us.

We may cancel for any reason on sixty (60) days' written notice to You. We can also cancel, on no less than fifteen (15) days' written notice to You for: (a) non-payment of the Price; or (b) Your fraud or misrepresentation of facts that are material to this Service Agreement or benefits provided under it. If We cancel under (b) above, You will be entitled to a pro-rata refund less any claims paid by Us.

Written notices from Us under this section will tell You exactly when Your Service Agreement will be cancelled and why it has been cancelled. The notice periods referred to in this section begin when We send the notice to You.

Key Terms:

"Declaration Page" – The enclosed document that forms a part of this Service Agreement, listing important information regarding You, Your Residence and other vital information.

"Electrical Products" – Consumer appliances, electronics and electrical devices including, but not limited to, refrigerators, clothes washers, clothes dryers, dishwashers, blenders, mixers, toasters, microwaves, televisions, window air conditioning units, thermostats, lamps, computers, DVD players, game consoles, printers, scanners and handheld devices such as tablets.

"Price" – The amount You agree to pay for this Service Agreement, as listed on Your Declaration Page.

"Service Agreement" – The documents that constitute all of Your rights and responsibilities as a Service Agreement holder; which consist of these terms and conditions and Your Declaration Page.

"Service Call" – When work is performed by a service technician after an Electrical Surge event to repair, replace or remove the failed Electrical Products within Your Residence or to determine that the failed Electrical Products are not covered.

"Unit" – A self-contained space that includes, at minimum, a living area, kitchen and bathroom within Your Residence.

"You" or **"Your"** – The purchaser of this Service Agreement who is the Service Agreement holder listed on the Declaration Page.

Privacy Policy: HomeServe is serious about the private nature of Your personal data. Please read their Privacy Policy, a link to which can be found at the bottom of every page at www.homeserveusa.com, carefully to fully understand how they collect, share, and protect personal data about You. You can also call HomeServe to request a copy.

Assignment/Amendment: We may assign this Service Agreement, in whole or in part, at any time without prior notice to You. We may change this Service Agreement (including the price or to charge an additional fee) and delegate any of Our obligations at Our sole discretion and without Your consent provided We give You thirty (30) days' prior written notice of the changes. The changes will become effective thirty (30) days after We send You the notice. You may not change this Service Agreement or delegate any of Your obligations. Should certain terms or conditions in this Service Agreement be held to be invalid or unenforceable, the remainder of the terms and conditions in this Service Agreement shall remain valid.

Transfer: This Service Agreement is not transferable by You.

Responsibility for Benefits Owed to You: This is not an insurance policy; it is a Service Agreement. HomeServe will serve as Your point-of-contact for all questions or concerns. Our obligations under this Service Agreement are insured under a service contract reimbursement insurance policy. If We fail to pay or to deliver service on a claim within sixty (60) days after proof of loss has been filed, or in the event You cancel this Service Agreement and We fail to issue any applicable refund within sixty (60) days after cancellation, You are entitled to make a claim against the insurer, Virginia Surety Company, Inc., 175 West Jackson Blvd., Chicago, IL 60604, 1-800-209-6206.

Our Liability: To the fullest extent permitted by applicable law, (1) You agree that We and HomeServe, and both of our respective parents, successors, affiliates, approved technicians and our and their officers, directors, employees, affiliates, agents, contractors or similar parties acting on behalf of either Us or HomeServe shall not be liable to You or anyone else for: (a) any actual losses or direct damages that exceed the lowest applicable per repair benefit limit set out above relating to any repairs performed by Us, HomeServe or on behalf of either Us or HomeServe or services provided hereunder giving rise to such loss or damage; or (b) any amount of any form of indirect, special, punitive, incidental or consequential losses or damages, damages based on anticipated or lost profits, wages, or revenue, or damages based on diminution in value or a multiple of earnings, including those

caused by any fault, failure, delay or defect in providing any repairs performed by Us, HomeServe or on behalf of either Us or HomeServe or services provided under this Service Agreement, regardless of whether such damages were foreseeable and whether or not We or HomeServe or anyone acting on behalf of either Us or HomeServe have been advised of the possibility of such damages (the damages listed in clauses (a) and (b), collectively the "Excluded Damages"); and (2) these limitations and waivers shall apply to all claims and all liabilities and shall survive the cancellation or expiration of this Service Agreement. You may have other rights that vary from state to state.

Arbitration: YOU, NPCC AND HOMESERVE ALL AGREE TO RESOLVE DISPUTES ONLY BY FINAL AND BINDING ARBITRATION OR IN SMALL CLAIMS COURT as follows:

- A. **EXCEPT FOR SMALL CLAIMS COURT CASES THAT QUALIFY, ANY DISPUTE THAT IN ANY WAY RELATES TO OR ARISES OUT OF THIS SERVICE AGREEMENT OR FROM ANY OTHER AGREEMENT BETWEEN US, OR SERVICES OR BENEFITS YOU RECEIVE OR CLAIM TO BE OWED FROM NPCC OR HOMESERVE, WILL BE RESOLVED BY FINAL AND BINDING ARBITRATION BY ONE OR MORE ARBITRATORS BEFORE THE AMERICAN ARBITRATION ASSOCIATION ("AAA"), OR ANOTHER ARBITRATION ADMINISTRATOR THAT WE MUTUALLY AGREE UPON.** Arbitration will apply not only to claims against NPCC or HomeServe, but also claims against the officers, directors, managers, employees, agents, affiliates, insurers, technicians, successors or assigns of NPCC or HomeServe. Arbitration and this paragraph shall apply to claims that arose at any time, including claims arising before this paragraph became binding on the parties. The federal arbitration act (9 U.S.C. §§ 1 et seq.) and not any state law applies to this agreement.
- B. For claims of \$10,000 or less, the party bringing the claim can choose to proceed by way of binding arbitration pursuant to the AAA's rules or, alternatively, can bring an individual action in small claims court.
- C. **YOU GIVE UP YOUR RIGHT TO PARTICIPATE IN A CLASS ACTION.** This means that You may not be a representative or member of any class of claimants or act as a private attorney general in court or in arbitration with respect to any claim. Notwithstanding any other provision of this Service Agreement, the arbitrator shall not have the power to determine that class arbitration is permissible. The arbitrator also shall not have the power to preside over class or collective arbitration, or to award any form of class-wide or collective remedy. Instead, the arbitrator shall have power to award money or injunctive relief only in favor of the individual party seeking relief and only to the extent necessary to provide relief warranted by that party's individual claim. No class or representative or private attorney general theories of liability or prayers for relief may be maintained in any arbitration held under this Service Agreement.
- D. HomeServe will pay any filing fee, administration, service or case management fee, and arbitrator fee that the AAA charges You for arbitration of the dispute, up to a maximum of \$1,500; provided, however, that the arbitrator may award costs and expenses to any party, if allowed by law. If You provide us with signed written notice that You cannot pay the filing fee, HomeServe will pay the fee directly to the AAA.
- E. If for some reason the prohibition on class arbitrations set forth in Subsection C cannot be enforced, then the agreement to arbitrate will not apply.
- F. **IF FOR ANY REASON A CLAIM PROCEEDS IN COURT RATHER THAN THROUGH ARBITRATION, YOU, NPCC AND HOMESERVE AGREE THAT THERE WILL NOT BE A JURY TRIAL.** You, NPCC and HomeServe unconditionally waive any right to trial by jury in any action, proceeding or counterclaim arising out of or relating in any way to this Service Agreement or from any other agreement between us, or the services or benefits You receive or claim to be owed from NPCC or HomeServe, including as to claims asserted against any of the officers, directors, managers, employees, agents, affiliates, insurers, technicians, approved technicians, successors or assigns of NPCC or HomeServe.

State Variations: The following shall apply if inconsistent with any other terms and conditions of this Service Agreement:

Texas only: HomeServe's administrator license number is 258. If We fail to issue any applicable refund within forty-five (45) days after cancellation, You are entitled to make a claim against the insurer, Virginia Surety Company, Inc., 175 West Jackson Blvd., 11th Floor, Chicago, IL 60604, 1-800-209-6206. If You cancel and the refund is not paid or credited within forty-five (45) days of the date of cancellation, a ten percent (10%) penalty will be added to the refund for every thirty (30) days the refund is not paid. Unresolved complaints concerning Us or HomeServe or questions concerning the regulation of service contract providers and administrators may be addressed to the Texas Department of Licensing and Regulation, P.O. Box 12157, Austin, Texas 78711, telephone number (512) 463-2906 or (800) 803-9202.