



INTERIOR PLUMBING AND DRAINAGE INSURANCE TERMS AND CONDITIONS

Please read carefully.

This Policy

This insurance Policy provides coverage for Your interior water supply and drainage ("System") at the covered property address listed on the Declaration Page. HomeServe USA Repair Management Corp. ("HomeServe") will administer this Policy. Your Policy ("Policy") consists of these terms and conditions as well as Your Declaration Page, which lists important information about Your coverage ("Declaration Page") and is the entire agreement between You and Us.

HomeServe is Your point-of-contact for all questions or concerns.

How can You contact HomeServe?

7134 Lee Highway, Chattanooga, TN 37421 • Please see Your Declaration Page for HomeServe's phone numbers.

This Policy is between you, the Policy holder listed on the Declaration Page ("You" or "Your") and us, Technology Insurance Company, Inc. ("Us", "We", "Our", "TIC"), the entity obligated to provide service. We are responsible for providing Your benefits.

Eligibility

Who is eligible for this coverage?

Owners of:

- A single structure or single housing unit within a structure not intended to be moved ("Home") that is used and zoned only for residential occupancy, including:
 - a) Single-family homes
 - b) Townhomes and apartments
 - c) Multi-family homes

If You own a multi-family Home or multiple housing units, You must provide the specific mailing address for each Policy You purchase.

Who is not eligible for this coverage?

Owners of:

- Recreational vehicles or homes intended to be moved
- Properties used for commercial purposes

Properties that have:

- A System with a pre-existing condition, defect or deficiency that You are aware of prior to the Start Date of Your first Term
- An entire System shared with a third party or that is covered by a homeowner's, condominium or like association

Coverage

You must call HomeServe for Covered Repairs. You are responsible for charges beyond Your Benefit Limit.

Under this Policy, normal wear and tear of Your System, as described below, is characterized by deterioration that occurs naturally over time resulting from standard use.

What is a Covered Repair?

Repair or replacement of the following inside Your Home, for which You have sole responsibility, that is damaged due to normal wear and tear:

- The partially or permanently blocked or leaking System pipes that carry fresh water and wastewater.

What is the maximum amount We will pay for Covered Repairs?

- Up to \$5,000 CAD per Term ("Benefit Limit").
- Multiple Service Calls up to the Benefit Limit. See "What is a Service Call?" below.

Exclusions

What is not covered?

General exclusions:

1. Damages, losses or expenses, whether from accident, 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, extreme weather, and floods), war, riots, hostilities, strikes, work slowdowns, or acts or threats of terrorism.
2. Excluded Damages (see "Limits of liability"), for example damages necessary to access the repair area. Your rights and remedies may vary depending on the province or territory where Your Home is located.
3. Correction of, or reimbursement for, any repairs made by You or anyone You hire, not authorized by Us.
4. Assessing, remediating or abating mold or notifying You of any mold that may be present in Your Home.
5. Any correction, upgrade, or move of Your existing System in order to meet any code, law, regulation, ordinance, or utility directive, if not directly related to the necessary Covered Repair.
6. Any section of Your System that is shared with any third party or is covered by a homeowners', condominium or like association.
7. Repair or replacement of any sections or parts of Your System that are not stated to be covered in "What is a Covered Repair?"

System exclusions:

1. Non-conforming drain lines, meaning drain lines not directly connected to the public sewer system or Your septic tank.
2. Appliances, fittings, fixtures, pressure reducing valves, or backflow prevention devices, fire suppression and other sprinkler systems, irrigation systems, distribution piping such as for radiators and heating systems, condensate drain lines for cooling systems, pumps, or grinders.
3. Frozen pipes.

Service Calls

What is a Service Call?

A visit to Your Home by one of HomeServe's approved technicians where either work is performed to diagnose and complete a single Covered Repair or it is determined that the repair is not covered ("Service Call").

Do You have to pay anything for a Service Call?

There is no fee to make a Service Call.

When can You request a Service Call?

There is an initial period of 30 days during which You will not be able to request a Service Call ("Waiting Period"), giving You less than 12 full months of coverage in the first Term. Upon renewal (if applicable), there will be no Waiting Period.

How can You request a Service Call?

Call HomeServe and a service representative will schedule a Service Call. You will not be reimbursed for work not authorized by HomeServe.

Technicians must have safe and clear access to, and safe working conditions at and around the work area. In order to make a Service Call Your Policy must be active and You must be current with Your payment(s) of the amount You agree to pay for this Policy, as listed on Your Declaration Page ("Premium"). Whether Your System is to be repaired or replaced is entirely within the discretion of HomeServe.

How can You request reimbursement?

You must call HomeServe within 30 days of the completion of the Covered Repair to request a claim form. You must fill out the form in full and send it to Us within 30 days from Your receipt of the claim form. You must include copies of the invoice. The invoice or statement must be on business stationery and should include the name, address and telephone number of the provider, as well as a complete description of charges. Approved payments will be made to You within 30 days of receipt by Us of Your properly completed form.

What is the Covered Repair Guarantee?

For 12 months, We will arrange at Our expense and choice for repair or replacement of Covered Repairs which are defective in materials or workmanship ("Covered Repair Guarantee"). We disclaim any and all statutory or common law warranties (whether express or implied) other than the Covered Repair Guarantee and any implied warranties that cannot be excluded under applicable law.

Term, cancellation and renewal

When does this Policy start and how long is it?

Your Policy begins on the start date listed on Your Declaration Page ("Start Date") and continues for 12 months ("Term").

Can You cancel?

You may cancel at any time by either calling HomeServe or going online to <https://www.homeserveusa.com/cancel>.

- If You cancel within 30 days of the Start Date, You will receive a full refund less any claims paid by Us.
- If You cancel more than 30 days after the Start Date, You will receive a pro-rata refund less any claims paid by Us.
- If Your local utility or municipality provides similar coverage to You at no charge and You cancel, We will refund the payments You have made less any claims paid by Us. You may be required to provide evidence of the similar coverage.

Can We cancel?

- We may cancel, with no less than 15 days' notice to You: (a) for non-payment of the Premium; (b) if We find that You already have coverage that is the same or similar to the coverage provided by this Policy; (c) if We find that You are ineligible for this coverage; or (d) for Your fraud or misrepresentation of facts that are material to this Policy or benefits provided under it.
- We may cancel for any other reason on 60 days' notice to You.

If We cancel for (a), no refund will be given. If We cancel for (b) or (c), We will refund the payments You have made less any claims paid by Us. In all other cases You will get a pro-rata refund less any claims paid by Us.

You will be notified in writing prior to cancellation. The notice will tell You when Your Policy will be cancelled and why it has been cancelled. The notice period begins when We send the notice to You.

Will this Policy automatically renew?

Unless You tell Us otherwise, Your Policy will automatically renew at the end of every Term for another 12 months at the then-current renewal premium. We may change the premium at renewal. We reserve the right to not offer this Policy upon renewal.

Other terms

How can You contact TIC?

1145 Nicholson Road, Unit 2, Newmarket, Ontario L3Y 9C3 • 888-218-1070

Receiving documents electronically

If You consent to electronic delivery, You can receive Your Policy and all related documents to the email address listed on Your Declaration Page ("Email Address"). To update Your Email Address or discontinue electronic delivery of Your documents You can call HomeServe or update Your preferences in Your website profile at www.homeserveusa.com.

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 Policy, in whole or in part, at any time without prior notice to You. We may change this Policy (including the Premium) and delegate any of Our obligations at Our sole discretion and without Your consent provided We give You 30 days' prior written notice of the changes. The changes will become effective 30 days after We send You the notice. You may not change this Policy or delegate any of Your obligations.

Transfer

You may not transfer this Policy.

Legal Action Against Us

No suit or action may be brought against Us unless there has been full compliance with all of the terms of this Policy by You. Any suit or action must be brought within 2 years after the applicable Covered Repair has been completed.

General

Should any of these terms and conditions conflict with the laws of Your province or territory they shall be deemed amended so as to comply with those laws. Should certain terms or conditions be held to be invalid or unenforceable, the remainder of these terms and conditions shall remain valid.

Responsibility for benefits owed to You

We are responsible for the performance of the obligations under this Policy, including service performance and the payment of the cost of any benefits payable to You under this Policy. HomeServe administers the delivery of benefits owed to You under this Policy. HomeServe will handle on Our behalf any claim You may have for benefits under this Policy. HomeServe will serve as Your point-of-contact for all questions or concerns You may have with respect to Your Policy.

Limits of 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, or, if there is no maximum Benefit Limit, any actual losses or direct damages that exceed the cost of repairs provided for in the "What is a Covered Repair?" section(s) of this Policy, 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 Policy, 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 Policy. You may have other rights that vary between provinces and territories.

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

A. EXCEPT FOR SMALL CLAIMS COURT CASES THAT QUALIFY, YOU ACKNOWLEDGE AND AGREE THAT ANY DISPUTE OR DISAGREEMENT THAT IN ANY WAY RELATES TO OR ARISES OUT OF THIS POLICY, OR FROM SERVICES OR BENEFITS YOU RECEIVE OR SERVICES OR BENEFITS YOU CLAIM TO BE OWED FROM TIC OR HOMESERVE, OR FROM ANY OTHER AGREEMENT BETWEEN US, WILL BE RESOLVED BY FINAL AND BINDING ARBITRATION IN ACCORDANCE WITH THE RULES OF THE CANADIAN ARBITRATION ASSOCIATION. Arbitration will apply not only to disputes and disagreements with or against TIC or HomeServe, but also to disputes and disagreements with or against the officers, directors, managers, employees, agents, affiliates, insurers, technicians, successors or assigns of TIC or HomeServe. This paragraph shall apply to all disputes and disagreements, including those arising before this paragraph became binding on the parties.

B. Most disputes or disagreements can be resolved by contacting HomeServe. In the unlikely event HomeServe is unable to resolve a dispute or disagreement, We, You and HomeServe agree to resolve such disputes through binding arbitration. The party that intends to seek arbitration must first send to the other, by certified mail, a written Notice of Dispute ("Notice"). The Notice to HomeServe should be addressed to: HomeServe USA Repair Management Corp, Inc., 7134 Lee Highway, Chattanooga, TN 37421. The Notice must (a) describe the nature and basis of the disagreement or dispute; and (b) set forth the specific relief sought. If an agreement cannot be reached to resolve the disagreement or dispute within 30 days after Notice is received, an arbitration proceeding may commence. Any arbitration hearings will take place in the province or territory where Your Home is located, unless otherwise agreed.

C. IT IS FURTHER AGREED THAT ANY QUALIFYING SMALL CLAIMS COURT CASE OR ARBITRATION COMMENCED BY YOU OR HOMESERVE WILL BE COMMENCED IN AN INDIVIDUAL CAPACITY. You may only bring a qualifying Small Claims Court case or commence an arbitration on Your own behalf and cannot seek relief that would affect other parties.

Statutory Conditions

1. MISREPRESENTATION

If You, when applying for insurance, falsely describe the property to the prejudice of Us, or misrepresent or fraudulently omit to communicate any circumstance that is material to be made known to Us in order to enable Us to judge the risk to be undertaken, the Policy is void as to any property in relation to which the misrepresentation or omission is material.

2. PROPERTY OF OTHERS

We are not liable for loss or damage to property owned by a person other than You unless (a) otherwise specifically stated in the Policy, or (b) Your interest in that property is stated in the Policy.

3. CHANGE OF INTEREST

We are liable for loss or damage occurring after an authorized assignment under the Bankruptcy and Insolvency Act (Canada) or a change of title by succession, by operation of law or by death.

4. MATERIAL CHANGE IN RISK

(1) You must promptly give notice in writing to Us or HomeServe of a change that is (a) material to the risk, and (b) within Your control and knowledge.

(2) If We or HomeServe is not promptly notified of a change under subparagraph (1) of this condition, the Policy is void as to the part affected by the change.

(3) If We or HomeServe is notified of a change under subparagraph (1) of this condition, We may (a) terminate the Policy in accordance with Statutory Condition 5, or (b) notify You in writing that, if We desire the Policy to continue in force, You must, within 15 days after receipt of the notice, pay to Us an additional premium specified in the notice.

(4) If You fail to pay an additional premium when required to do so under subparagraph (3)(b) of this condition, the Policy is terminated at that time and Statutory Condition 5(2)(a) applies in respect of the unearned portion of the Premium.

5. TERMINATION OF INSURANCE

(1) The Policy may be terminated (a) by Us giving You 15 days' notice of termination by recorded mail or 5 days' written notice of termination personally delivered, or (b) by You at any time on request.

(2) If the Policy is terminated by Us, (a) We must refund the excess of Premium actually paid by You over the prorated Premium for the expired time, but in no event may the prorated Premium for the expired time be less than any minimum retained Premium specified in the Policy, and (b) the refund must accompany the notice unless the Premium is subject to adjustment or determination as to amount, in which case the refund must be made as soon as practicable.

(3) If the Policy is terminated by You, We must refund as soon as practicable the excess of Premium actually paid by You over the short rate Premium for the expired time specified in the Policy, but in no event may the short rate Premium for the expired time be less than any minimum retained Premium specified in the Policy.

(4) The 15-day period referred to in subparagraph (1)(a) of this condition starts to run on the day the recorded mail or notification of it is delivered to Your postal address.

6. REQUIREMENTS AFTER LOSS

(1) On the happening of any loss or damage to insured property, You must, if the loss or damage is covered by the Policy, in addition to observing the requirements of Statutory Condition 9, (a) immediately give notice in writing to Us, (b) deliver as soon as practicable to Us a proof of loss in respect of the loss or damage to the insured property verified by statutory declaration (i) giving a complete inventory of that property and showing in detail quantities and costs of that property and particulars of the amount of loss claimed, (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as You know or believe, (iii) stating that the loss did not occur through any willful act or neglect or the procurement, means or connivance of You (iv) stating the amount of other insurances and the names of other insurers, (v) stating Your interest and of all others in that property with particulars of all

liens, encumbrances and other charges on that property, (vi) stating any changes in title, use, occupation, location, possession or exposure of the property since the Policy was issued, and (vii) stating the place where the insured property was at the time of loss, (c) if required by Us, give a complete inventory of undamaged property showing in detail quantities and cost of that property, and (d) if required by Us and if practicable, (i) produce books of account and inventory lists, (ii) furnish invoices and other vouchers verified by statutory declaration, and (iii) furnish a copy of the written portion of any other relevant contract.

(2) The evidence given, produced or furnished under subparagraph (1)(c) and (d) of this condition must not be considered proofs of loss within the meaning of Statutory Conditions 12 and 13.

7. FRAUD

Any fraud or willfully false statement in a statutory declaration in relation to the particulars required under Statutory Condition 6 invalidates the claim of the person who made the declaration.

8. WHO MAY GIVE NOTICE AND PROOF

Notice of loss under Statutory Condition 6(1)(a) may be given and the proof of loss under Statutory Condition 6(1)(b) may be made (a) by Your agent if (i) You are absent or unable to give the notice or make the proof, and (ii) the absence or inability is satisfactorily accounted for, or (b) by a person to whom any part of the insurance money is payable, if You refuse to do so, or in the circumstances described in clause (a) of this condition.

9. SALVAGE

(1) In the event of loss or damage to insured property, You must take all reasonable steps to prevent further loss or damage to that property and to prevent loss or damage to other property insured under the Policy, including, if necessary, removing the property to prevent loss or damage or further loss or damage to the property.

(2) We must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by You under subparagraph (1) of this condition.

10. ENTRY, CONTROL, ABANDONMENT

After loss or damage to insured property, We have (a) an immediate right of access and entry by accredited representatives sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and (b) after We have secured the property, a further right of access and entry by accredited representatives sufficient to enable them to appraise or estimate the loss or damage, but (i) without Your consent, We are not entitled to the control or possession of the insured property, and (ii) without Our consent, there can be no abandonment to it of the insured property.

11. IN CASE OF DISAGREEMENT

(1) In the event of disagreement as to the value of the insured property, the value of the property saved, the nature and extent of the repairs or replacements required or, if made, their adequacy, or the amount of the loss or damage, those questions must be determined using the applicable dispute resolution process set out in the Insurance Act whether or not Your right to recover under the Policy is disputed, and independently of all other questions.

(2) There is no right to a dispute resolution process under this condition until (a) a specific demand is made for it in writing, and (b) the proof of loss has been delivered to Us.

12. WHEN LOSS PAYABLE

Unless the Policy provides for a shorter period, the loss is payable within 60 days after the proof of loss is completed in accordance with Statutory Condition 6 and delivered to the insurer.

13. REPAIR OR REPLACEMENT

(1) Unless a dispute resolution process has been initiated, We, instead of making payment, may repair, rebuild or replace the insured property lost or damaged, on giving written notice of its intention to do so within 30 days after receiving the proof of loss.

(2) If We give notice under subparagraph (1) of this condition, the insurer must begin to repair, rebuild or replace the property within 45 days after receiving the proof of loss and must proceed with all due diligence to complete the work within a reasonable time.

14. NOTICE

(1) Written notice to Us may be delivered at, or sent by recorded mail to, Our chief agency or head office in the province.

(2) Written notice to You may be personally delivered at, or sent by recorded mail addressed to, Your last known address as provided to Us by You.