

# Nationwide Home Warranty

What's Covered:

Features	Full System	Deluxe System	Major Systems Only	Home Appliances Package
Electrical System	✔	✔✔	✔✔	-
Sump Pump	-	✔✔✔	✔✔✔	-
Plumbing system	✔✔	✔✔✔	✔✔✔	-
Heating System	✔✔✔	✔✔✔✔	✔✔✔✔	-
Water Heater	✔✔✔	✔✔✔✔	✔✔✔✔	-
Ductwork	✔✔✔	✔✔✔	✔✔	-
Cooktop	✔✔	-	-	✔✔
Limited Roof Leak	-	✔✔✔	-	✔✔✔
Stove/Oven	✔✔	✔✔✔	-	✔✔
Plumbing Stoppage	✔✔✔	✔✔✔	-	-
Garage Door Opener	✔✔✔	-	-	-
Dishwasher	✔✔✔	✔✔	-	✔
Ceiling Fans	✔✔✔	✔✔	-	-
Refrigerator	✔✔✔	-	-	✔✔✔
Garbage Disposal	✔✔✔	✔	-	✔✔✔
Clothes Washer	✔✔✔	-	-	✔✔✔
Clothes Dryer	✔✔	-	-	✔✔

Terms and Conditions

**TERMS OF SERVICE AGREEMENT  
NATIONWIDE HOME WARRANTY**

1. Obligations. In consideration for your payment to Nationwide, and subject to all of the terms of this Agreement, Nationwide will arrange for a qualified service contractor and/or technician ("Nationwide Service Technician") to repair or replace the systems and appliances covered under this Agreement, when they become inoperable due to normal wear and tear.

2-3. Covered Homes. This Agreement only covers systems and appliances in single-family dwelling, individual condominium units, town houses and modular homes. Only those systems and appliances properly and permanently installed and located within the perimeter of the main foundation of the home will be covered. This Agreement will not cover systems or appliances within (i) commercial properties; (ii) residential properties used for business purposes, including, but not limited to, dwellings used for rest homes, day care centers, schools and/or professional offices; and (iii) common areas of condominiums, multi-family houses and/or cooperatives. This Agreement will not cover any system or appliance designated by the manufacturer as being used for commercial use.

4. Term. The term of Your warranty coverage, as set forth in this Agreement, shall begin thirty (30) days following Nationwide's acceptance and receipt of Your application, provided that all outstanding payments and premiums due to Nationwide are received by Nationwide ("Effective Date"). In the event Nationwide does not receive all outstanding payments and/or premiums outstanding, for any reason, Your warranty coverage term will not begin. Your warranty coverage will begin on the Effective Date and remain in effect for one (1) calendar year following the Effective Date ("Termination Date").

#### 5. Claims Procedure.

5.1. Before Making a Claim. Prior to making a claim you should:

- (i) Immediately contact the proper authority in the event the malfunctioning appliance or system has the potential to cause injury to You or anyone else present in or near your home;
- (ii) Shut down the malfunctioning appliance or system to prevent further damage; and
- (iii) Determine if the malfunctioning appliance or system is covered under this Agreement.

5.2. If Covered. If this Agreement covers the malfunctioning appliance or system, you MUST contact Nationwide PRIOR to obtaining service on the malfunctioning appliance or system. Your failure to contact Nationwide prior to obtaining service may render your claim invalid. Nationwide will not reimburse You if You use your own service technician without first obtaining Nationwide's prior authorization.

5.2.1. Nationwide Service Call Fee. Each time a Nationwide Service Technician is scheduled and dispatched to Your home, You will be required to pay the Nationwide Service Call Fee in the amount of Sixty (\$60.00) Dollars, or the actual cost of repair and/or replacement, whichever is less. You will be required to pay the Nationwide Service Call Fee regardless of whether all or part of the claim is granted, excluded, limited or denied by Nationwide. You will be required to pay the Nationwide Service Call Fee once the Nationwide Service Technician begins traveling to your home, regardless of whether you are able to provide access to your home for the Nationwide Service Technician or if you cancel the appointment while the Nationwide Service Technician is traveling to your home. Additional charges may apply to the Nationwide Service Call Fee. The Nationwide Service Call Fee, which must be paid at the time and place of appointment, shall be paid by You to the Nationwide Service Technician or directly to Nationwide, at Nationwide's option. In the event You fail to pay the Nationwide Service Call Fee, You will not be able to schedule any additional service calls and your home warranty coverage will be suspended until all outstanding fees are paid in full. Suspension of your home warranty coverage will not alter or extend the Termination Date of your home warranty coverage.

5.3. Contact Information. A Nationwide representative can be reached 24 hours a day, seven days a week, by telephone at **888 500 2110** or by e-mail at [info@nationwidehomewarranty.com](mailto:info@nationwidehomewarranty.com).

5.4. Non-Emergency Claims. To make a claim for repair you must contact Nationwide immediately following discovery of the malfunctioning and/or inoperability of the system or appliance. The Nationwide Service Technician will be instructed to provide repair or replacement of the appliance or system within a reasonable time following submission of the claim. If covered by this agreement, the system and/or appliance repaired or replaced will be paid for by Nationwide within a reasonable time following submission of the claim. Nationwide will not be liable for any delay in the repair and/or replacement of the inoperable appliance or system.

5.5. Emergency Claims. In the event of an emergency, in order for Nationwide to make a determination if the system and/or appliance causing the emergency is covered under this Agreement, You must contact Nationwide prior to having the repair or replacement work performed. In the event the emergency pertains to gas, fire or has the potential to cause injury to You or anyone else present in or near your home, you should take all reasonable steps, including, but not limited to, vacating the premises and

contacting the proper authority to ensure the safety of You and those present. Once the determination is made by the proper authority that your home is safe to re-inhabit, You must contact Nationwide immediately and advise them of this claim.

## 6. Covered Systems and Appliances.

### 6.1. Generally.

6.1.1. Proper Working Order. All systems and appliances must be in proper working order on the Order Date of the warranty coverage, as set forth in the schedule page accompanying this Agreement. Any pre-existing conditions or defects causing the malfunction of system or appliance during the term will not be covered by this Agreement. If a defective or malfunctioning system or appliance is discovered by an inspection company prior to the transfer of ownership of the property or by a utility company at the time of the transfer of ownership, said condition shall be deemed a pre-existing condition and not covered under this Agreement.

6.1.2. Manufacturer's Warranty. All systems and appliances covered under either the manufacturer's, distributor's, or any other express or implied warranty will not be covered under this Agreement.

### 6.2. Appliances Covered. This Agreement covers the following appliances:

6.2.1 Refrigerator. This Agreement covers one (1) refrigerator located within the kitchen of the covered home. This Agreement covers all modules, components and parts of the refrigerator necessary to the functionality of the refrigerator.

This Agreement does NOT cover the following list of modules, components and parts relating to the refrigerator: (i) glass displays; (ii) light bulbs; (iii) knobs and caps; (iv) dials; (v) door seals; (vi) gaskets; (vii) door hinges; (viii) door handles; (ix) shelves; (x) condensation pans; (xi) leveling feet; (xii) clogged drains; (xiii) clogged lines; (xiv) grates; (xv) ice makers; (xvi) ice crushers; (xvii) beverage dispensers; (xviii) thermal shells; (xix) cosmetic issues or abnormalities; and (xx) freezers, freezer parts and components which are not essential to the refrigerator unit as a whole.

### 6.2.2. Oven/Range/Stove Top.

This Agreement covers all modules, components and parts of the gas or electric oven, range and stove top necessary to the functionality of the oven, range and/or stove top.

This Agreement does NOT cover the following list of modules, components and parts relating to the oven, range or stove top: (i) door handles; (ii) door hinges; (iii) doors; (iv) clocks; (v) racks; (vi) meat probe components; (vii) range hood filters; (viii) rotisserie components; (ix) leveling feet/rollers; (x) shelves; (xi) light bulbs; (xii) grates; (xiii) buttons; (xiv) glass; (xv) trays; (xvi) knobs; (xvii) burner bowls and covers; (xviii) backsplashes; and (xix) cosmetic issues or abnormalities.

### 6.2.3. Built-In Microwave Oven.

This Agreement covers all modules, components and parts of the built-in microwave oven necessary to the functionality of the built-in microwave oven.

This Agreement does NOT cover portable or countertop microwave ovens. This Agreement does NOT cover the following list of modules, components and part relating to the built-in microwave oven: (i) door handles; (ii) door hinges; (iii) doors; (iv) clocks; (v) racks; (vi) meat probe components; (vii) knobs, caps and buttons ; (viii) rotisserie components; (ix) interior facing/lining ; (x) shelves; (xi) light bulbs; (xii)

grates; (xiii) glass; (xiv) trays; (xv) cosmetic issues or abnormalities; and (xvi) components relating to installation/mounting.

#### 6.2.4. Dishwasher.

This Agreement covers all modules, components and parts of the dishwasher necessary to the functionality of the dishwasher.

This Agreement does NOT cover the following list of modules, components and parts relating to the dishwasher: (i) all components relating to dishwasher racks/baskets; (ii) light bulbs; (iii) knobs, caps and buttons; (iv) dials; (v) door seals; (vi) gaskets; (vii) door hinges; (viii) door handles; (ix) components relating to installation/mounting; (x) rinse aids; (xi) leveling feet; (xii) clogged drains; (xiii) clogged lines; (xiv) grates; (xv) cosmetic issues or abnormalities; and (xvi) paneling and trim.

#### 6.2.5. Garbage Disposal/Trash Compactor.

This Agreement covers all modules, components and parts of the garbage disposal and trash compactor necessary to the functionality of the garbage disposal and trash compactor.

This Agreement does NOT cover normal and ordinary garbage disposal/trash compactor failures such as jamming and resetting. This Agreement does NOT cover the following list of modules, components and parts relating to the garbage disposal and trash compactor: (i) locks; (ii) clips; (iii) paneling and trim; (iv) components relating to installation/mounting; (v) leveling feet; (vi) stoppers; (vii) flanges; (viii) rings; (ix) cosmetic issues or abnormalities; (x) removal buckets; (xi) glass displays; (xii) knobs, caps and buttons; (xiii) dials; (xiv) door seals; (xv) gaskets; (xvi) hinges; (xvii) handles; (xviii) shelves; and (xix) replacement bags.

#### 6.2.6. Clothes Washer/Clothes Dryer.

This Agreement covers all modules, components and parts of the clothes washer and clothes dryer necessary to the functionality of the clothes washer and clothes dryer.

This Agreement does NOT cover any damages made to clothing as a result of being washed and/or dried by the covered clothes washer and/or clothes dryer. This Agreement does NOT cover the following list of modules, components and parts relating to the clothes washer and clothes dryer: (i) dispensers; (ii) light bulbs; (iii) knobs, caps and buttons; (iv) dials; (v) door seals; (vi) gaskets; (vii) door hinges; (viii) door handles; (ix) components relating to installation/mounting; (x) glass displays; (xi) leveling feet; (xii) clogged drains; (xiii) clogged lines; (xiv) clogged ducts and/or clogged venting; (xv) lint/filter screens; (xvi) grates; (xvii) rinse aids (xix) cosmetic issues or abnormalities; and (xx) paneling and trim.

### 6.3. Systems Covered. This Agreement covers the following systems:

6.3.1. Plumbing. This Agreement covers the following plumbing system components: (i) line leaks in gas, water, drain, waste or vent lines not caused by damage resulting from freezing or from roots; (ii) line breaks in gas, water, drain, waste or vent lines not caused by damage resulting from freezing or from roots; (iii) cleanout of stopped or clogged drains and vents; (iv) cleanout of stopped sewer lines (not to exceed 100 feet from access point); (v) toilet bowls; (vi) toilet tanks; (vii) toilet flushing mechanisms; (viii) tub and shower valves; (ix) angle stops; (x) risers; (xi) gate valves; (xii) permanent ground water sump pumps; (xiii) built-in bathtub whirlpool motor and pump components. ; (xiv) line shutoff valve

This Agreement does NOT cover the following list of modules, components and parts relating to the plumbing system: (i) faucets; (ii) fixtures; (iii) sinks; (iv) showers/shower stalls/shower modules; (v)

shower heads/arms; (vi) bathtubs; (vii) bath/shower doors; (viii) tub and shower base pans; (ix) water conditioning equipment; (x) line leaks/breaks/stoppages caused by freezing, root damage or foreign objects; (xi) line leaks/breaks/stoppages caused by collapsed, damaged or broken drain, vent or sewer lines outside the main foundation of the covered home; (xii) access to drain or sewer lines from the vent or removal of the water closet; (xiii) septic tanks; (xiv) costs associated with locating, accessing or installing a ground level cleanout; (xv) toilet lids; (xvi) toilet seats; (xvii) caulk/sealants; (xviii), water softeners; (xix) pressure regulators; (xx) inadequate or excessive water pressure, water flow/capacity restrictions caused by rust, calcification and/or mineral/chemical deposits; (xxi) water discoloration; (xxii) septic tanks; (xxiii) holding/storage tanks; (xxiv) sewage ejector pumps; (xxv) plumbing components relating to hose bibs, landscaping sprinkler systems, fire suppression systems, saunas and/or steam rooms; (xxvi) lead drain lines/pipes; (xxvii) tile; and (xxviii) grout.

6.3.2. Plumbing Stoppages. This Agreement covers stoppages in drain, vent and sewer lines up to 100 feet from access point, except if caused by roots. Mainline stoppages are only cleared when there is an accessible ground level clean out.

This Agreement does NOT cover Stoppages caused by collapsed, damaged or broken drain, vent or sewer lines outside the confines of the main foundation of the home. Stoppages due to roots or foreign objects. If the lines are broken or infiltrated by roots or are otherwise stopped by roots, even if the break, infiltration or stoppage is within 100 feet from the access point, it is not covered. Access to drain or sewer lines from the vent or the removal of the water closet. Costs to locate, access or install a ground level clean out. Septic tanks.

6.3.3. Water Heating. This Agreement covers all modules, components and parts of the water heating system necessary to the functionality of the water heater system.

This Agreement does NOT cover solar water heating systems or the components thereof. This Agreement does NOT cover the following list of modules, components and parts relating to the water heating system: (i) holding tanks; (ii) storage tanks; (iii) fuel storage tanks; (iv) vents; (v) flues; (vi) drain pans; (vii) drain piping; (viii) pressure reducing valve; (ix) internal flue; (x) draft hood; (xi) flue baffle; and (xii) tempering valve.

6.3.4. Heating System (Primary Only). This Agreement covers all module, components and parts of the heating system necessary to the functionality of the heating system. This Agreement covers the primary heating system of the covered home only, provided that the heating system does not exceed a five (5) ton capacity.

This Agreement does NOT cover solar heating systems or the components thereof. This Agreement does NOT cover any portable heating units or wall units or components thereof. This Agreement does NOT cover fireplaces or heat lamps or the components thereof. This Agreement does NOT cover radiant heating systems built into walls, ceilings or floors. This Agreement does NOT cover the following list of modules, components and parts relating to the heating system: (i) cleaning or replacing filters; (ii) air cleaners; (iii) humidifiers; (iv) baseboard casings; (v) fuel storage tanks; (vi) filters; (vii) registers; (viii) purging; (ix) grills; (x) clocks and timers; (xi) flues; (xii) flue baffles; (xiii) damper motors; (xiv) wiring; (xv) fire box; (xvi) coils; (xvii) heating jacket and trim; (xviii) heat transfer components; (xix) piping; (xx) source pipes for geothermal heating/cooling units; (xxi) malfunction due to inadequate or undersized equipment or ductwork; (xxii) water piping; (xxiii) valves; and (xxiv) insulation.

Nationwide will pay a maximum of One Thousand Five Hundred (\$1,500.00) Dollars for access, diagnosis and repair and/or replacement of any system during each consecutive twelve (12) month period beginning on the Effective Date and continuing to the Termination Date, unless otherwise terminated by You or Nationwide.

6.3.5. Electrical. This Agreement covers the following electrical system components: (i) wiring; (ii) service panels; (iii) sub-panels (iv) switches; (iv) breakers; (v) outlets; (vi) junction boxes; (vii) ground fault interrupters; and (viii) exhaust fans.

This Agreement does NOT cover damage to the electrical system caused by flood, fire, water, rust, corrosion and lightning. This Agreement does NOT cover the following list of modules, components and parts relating to the electrical system: (i) fixtures; (ii) alarm equipment; (iii) doorbells; (iv) intercom equipment; (v) inadequate wiring capacity; (vi) damage caused by double or triple tapping; (vii) inadequate wiring capacity; (viii) ceiling fans; (ix) attic fans; (x) damage caused by a power surge; (xi) damage caused by a power failure; (xii) central vacuum systems; and (xiii) garage door openers.

6.3.6. Ducts. This Agreement covers all ducts from heating and/or cooling unit to the point of attachment at registers or grills.

This Agreement does NOT cover the following list of modules, components and parts relating to the duct system: (i) grills; (ii) registers; (iii) flue ducts; (iv) dampers; (v) diffusers; (vi) regulators; (vii) boxes; (viii) panels; (ix) insulation; (x) ductwork insulated by asbestos; (xi) collapsed ductwork; (xii) crushed ductwork; and (xiii) improperly sized ductwork/duct system.

6.3.7. Air Conditioning (Central). This Agreement covers the primary air conditioning system of the covered home only, provided that the air conditioning system does not exceed a five (5) ton capacity. This Agreement covers the following air conditioning components: (i) motors; (ii) compressors; (iii) condensers; and (iv) thermostats.

This Agreement does NOT cover window, wall or portable air conditioning units. This Agreement does NOT cover (i) air filters; (ii) Freon; (iii) Freon recapture; (iv) geothermal systems; (v) gas or propane air condition systems; (vi) air filtration systems; (vii) humidifiers; (viii) registers; (ix) grills; (x) stands; (xi) jacks; (xii) condenser casings; (xiii) pads; (xiv) vents; (xv) flues; (xvi) clogged lines; (xvii) condensation leaks; (xviii) mismatched systems; (xix) damaged ducts; (xx) improper wiring; and (xxi) improper piping.

6.3.8. Garage Door Opener. This Agreement covers the following garage door opener components: (i) control board; (ii) motors; (iii) chains; (iv) belts; (v) gears; (vi) pulley; (vii) sheave fork; (viii) axle bolts; and (ix) switches.

This Agreement does NOT cover the following list of modules, components and parts relating to the garage door opener system: (i) garage doors; (ii) locks; (iii) springs; (iv) adjustments; (v) brackets; (vi) rollers; (vii) hinges; (viii) glass paneling; (ix) knobs; (x) buttons; (xi) wall switches; (xii) lock cable; (xiii) tracks; (xiv) rails; (xv) drums; (xvi) light bulbs; (xvii) light coverings; (xviii) mounting equipment and components; and (xix) alarm system components.

6.3.9. Ceiling Fans. This Agreement covers all modules, components and parts of ceiling fans affixed in the covered home necessary to their functionality.

6.4. Additional Coverage Options. The following is a list of covered systems and appliances which You have the option to purchase from Nationwide. The following components will only be covered if You advise Nationwide that you wish to add the additional home warranty coverage and Nationwide is in receipt of the additional payment for said coverage. You may purchase the additional for up to thirty (30) days following the Effective Date of the home warranty coverage but coverage for the additional coverage option will not take effect until payment is received by Nationwide for the additional coverage and the addition coverage will terminate on the Termination Date.

6.4.1. Home Office.

6.4.2. Limited Roof Leak. This Agreement applies to roof leak repairs over the occupied living area of single family homes only. This Agreement covers the roof leaks only.

This Agreement does NOT cover the following list of modules, components and parts relating to roof leaks: (i) patios; (ii) porches, (iii) decks; (iv) metal roofs; (v) foam roofs; (vi) masonite (hardboard, omni board, woodruff) shingles; (vii) cemwood shakes; (viii) cracked and/or missing material; (ix) tiles; (x) tar and gravel; (xi) flat or built-up roofs; (xii) structural leaks; (xiii) asphalt; (xiv) gutters; (xv) downspouts; (xvi) skylights; (xvii) flashing; (xviii) patio covers; (xix) solar components; (xx) attic vents; (xxi) roof jacks; (xxii) satellite components; (xxiii) antennae; and (xxiv) chimney components.

This Agreement does NOT cover repairs requiring partial or complete replacement of the roof.

6.4.3. Pool/Spa Equipment. This Agreement applies to the following list of pool/spa components: (i) all components of the pumping system; (ii) all components of the filtration system; (iii) all components of the heating system. This Agreement covers both the pool and/or hot tub or spa if they use common equipment. In the event the pool and spa or hot tub do not use the common equipment, then only one will be covered.

This Agreement does NOT cover portable pools, spas or hot tubs. This Agreement does NOT cover the following list of modules, components and parts relating to the pool/spa: (i) pool sweep motors; (ii) lights; (iii) liners; (iv) structural defects; (v) solar equipment; (vi) jets; (vii) control switches; (viii) computerized control boards; (ix) ornamental fountains, waterfalls and their components; (x) pool covers; (xi) fill line and fill valve; (xii) built-in or detachable cleaning equipment including, but not limited to, pool sweeps, pop up heads, turbo valves; (xiii) pool chemicals; (xiv) skimmers; (xv) chlorinators; (xvi) fuel storage tanks; (xvii) heat pumps; (xviii) ionizers; and (xix) disposable filtration components.

6.4.4. Well Pump. This Agreement covers all components of well pump, provided the well is the primary water source to the covered home.

This Agreement does NOT cover the following list of modules, components and parts relating to the well pump: (i) well casings; (ii) holding and storage tanks; (iii) piping or electrical lines leading to or connecting pressure tank and covered home; (iv) re-drilling of wells; (v) booster pumps; and (vi) components for geothermal/heat pumps.

6.4.5. Sump Pump. This Agreement covers all components of sump pump for ground water, provided the pump is within the foundation of the covered home.

This Agreement does NOT cover the following list of modules, components and parts relating to the sump pump: (i) portable pumps; and (ii) sewer ejector pumps.

6.4.6. Central Vacuum. This Agreement covers all modules, components and parts of central vacuum system necessary to its functionality.

This Agreement does NOT cover the following list of modules, components and parts relating to the central vacuum system: (i) vacuum nozzles; (ii) clogged pipes; (iii) hoses; and (iv) vacuum accessories.

6.4.7. Second Refrigerator. This Agreement covers all modules, components and parts of a second refrigerator necessary to its functionality.

This Agreement does NOT cover the following list of modules, components and parts relating to the second refrigerator: (i) glass displays; (ii) light bulbs; (iii) knobs and caps; (iv) dials; (v) door seals; (vi) gaskets; (vii) door hinges; (viii) door handles; (ix) shelves; (x) condensation pans; (xi) leveling feet; (xii)

clogged drains; (xiii) clogged lines; (xiv) grates; (xv) ice makers; (xvi) ice crushers; (xvii) beverage dispensers; (xviii) thermal shells; (xix) cosmetic issues or abnormalities; and (xx) freezers, freezer parts and components which are not essential to the refrigerator unit as a whole.

6.4.8. Stand Alone Freezer. This Agreement covers all modules, components and parts of a stand alone freezer necessary to its functionality.

This Agreement does NOT cover the following list of modules, components and parts relating to the stand alone freezer: (i) glass displays; (ii) light bulbs; (iii) knobs and caps; (iv) dials; (v) door seals; (vi) gaskets; (vii) door hinges; (viii) door handles; (ix) shelves; (x) condensation pans; (xi) leveling feet; (xii) clogged drains; (xiii) clogged lines; (xiv) grates; (xv) ice makers; (xvi) ice crushers; (xvii) beverage dispensers; (xviii) thermal shells; and (xix) cosmetic issues or abnormalities.

6.4.9. Lawn Sprinkler System. This Agreement covers all components that affect operation.

This Agreement does NOT cover Hydraulic Systems-Systems related to fire extinguishing-Malfunctioning due to lack of water pressure- Batteries- Drip irrigation systems-Damage due to freezing, pets, cars, or lawn care equipment.

6.4.10. Septic System Coverage. Aerobic pump, sewage ejector, jet pump, septic tank

This Agreement does NOT cover Tile fields and leach beds, leach lines, lateral lines, insufficient capacity, clean out, pumping. Cost to diagnose, repair and/or replace the system, including pumps, septic tank is limited to a total of \$400 maximum.

7. Nationwide Service Technicians. Nationwide has the exclusive right to select a service technician to perform the necessary repair and/or replacement services. Nationwide will not reimburse You in the event a service technician performs, or attempts to perform, any repair and/or replacement services without first being authorized by Nationwide. If You experience any difficulties or have any disputes with a Nationwide Service Technician, You must contract Nationwide immediately.

8. Nationwide's Option. Nationwide shall have the sole and exclusive option to:

(i) Select the Nationwide Service Technician to perform repair and/or replacement services;  
(ii) In the event a covered system or appliance is deemed irreparable or it is not cost effective to repair, Nationwide may replace the system or appliance with a new system or appliance of like kind and quality, the price of which shall not exceed the current retail cost of the system or appliance being replaced;

(iii) In lieu of replacing a system or appliance that is deemed irreparable, said determination being made by Nationwide, Nationwide may choose to pay a cash settlement for the irreparable component of the system or appliance. The cash settlement shall be in an amount not to exceed the current retail cost of the component being replaced;

(iv) Select the manufacturer, make and model of any replacement parts used in the repair of the defective system or appliance; and

(v) Obtain a second opinion with regard to the cost of replacement without any additional cost to You.

9. Exclusions to Coverage.

9.1 Exclusions Generally. The following is a list of systems and/or appliances that are NOT covered by this Agreement. In the event this paragraph conflicts with any other provisions in this Agreement, this paragraph shall be controlling.

9.1.1. Hazardous Material. This Agreement does not cover any systems, appliances and/or services relating to hazardous or toxic material including, but not limited to, acids, asbestos, lead and lead based products and any other hazardous contaminants.

9.1.2. Improper Installation/Previous Repair. This Agreement does not cover any systems or appliances that require repair or replacement as a result of improper installation, previous repair, damage caused by any construction activity, improper wiring, inadequate or lack of capacity, power failures, power surges, overloads, missing parts, failure to properly maintain, failure to properly clean, neglect, misuse, corrosion, rust and any modification to the system or appliance. Nationwide reserves the right to request maintenance records. For example: heating and a/c systems require periodic cleaning and/or replacement of filters and cleaning of evaporator and condenser coils. Water heaters require periodic flushing.

9.1.3. Acts of God. This Agreement does not cover systems or appliances that require repair or replacement as a result of an Act of God, including, but not limited to, storms, earthquake, war, riot, fire, flood, mold, nuclear incidents, vandalism, pests, pets, freezing damage, theft, roots and settlement of earth.

9.1.4. Foundation/Structure. This Agreement does not cover any damage and/or defects to the structural components of the covered home, including, but not limited to, the foundation and any beams of the covered home.

9.1.5. Manufacturer's Defect. This Agreement does not cover any system or appliance that has malfunctioned as a result of the manufacturer's defect, recall and/or defective materials or parts.

9.1.6. Solar/Smart House. This Agreement does not cover any systems, appliances, equipment and components, utilized in connection with solar heating or solar power systems. This Agreement does not cover electronic, computerized or energy management systems or devices, lighting and appliance management systems, such as a "Smart House".

## 10. Nationwide's Liability.

10.1 Dimensions, Brand and Color. Nationwide will not be responsible for matching a system or appliance's color, brand, or dimensions and only is responsible for repairing and/or installing replacement systems or appliances of similar capacity and efficiency.

10.2. Removal/Disposal. Nationwide will not be responsible for any costs associated with the removal and/or disposal of any system and/or appliances repaired, or any waste or debris associated with the repair and/or replacement services.

10.3. Local/State/Federal Government Violation. Nationwide will not be responsible for repair or replacement of any system or appliance which said repair or replacement would violate any local, state and/or federal laws, rules, codes or regulations. If a system or appliance cannot be repaired or replaced without violating a local, state or federal law, rule, code or regulation, then Nationwide's liability will be limited to a cash settlement which shall be in an amount not to exceed the current retail cost of the product in need of repair or replacement. If a violation of any local, state and/or federal law, rule, code or regulation is discovered before or during the repair or replacement service, Nationwide will not be required to initiate and/or complete the repair or replacement service until the violation and/or potential violation is corrected by You. Nationwide will not be responsible for any additional costs associated with the correction of the violation and/or potential violation. Nationwide will not be responsible for any improvements, services and/or costs required to comply with any local, state and/or federal laws, regulations, ordinances

10.4. Access. It is your responsibility to provide access to the system or appliance in need of repair or replacement. In the event that the system or appliance cannot be accessed without causing damage to a wall, floor, cabinet or ceiling, Nationwide will not cover and will not be responsible for any wall coverings, floor coverings, cabinets, counter tops, tiling, paint, or for the repair of any structural or cosmetic defects,

including, but not limited to, reconfiguring space to accommodate replacement components. In the event the Nationwide Service Technician must open a surface to gain access to a component, the surface will be restored to a ruff finish. In the event the Nationwide Service Technician is required to access a component of an appliance or system, either to diagnose, repair or replace the component, which is encased, covered or embedded in concrete, Nationwide will not pay more than Five Hundred (\$500.00) Dollars total for accessing, diagnosing and repairing/replacing the component.

10.5. Delay. Nationwide will not be responsible for delays in repairing or replacing a system or appliance resulting from events beyond its control, including, but not limited to, weather conditions, labor disputes, strikes, delivery problems, war or availability of parts.

10.6. Upgrades. This Agreement does not cover upgrades to any system or appliance.

11. Hold Harmless. You shall keep, save and hold harmless Nationwide from any and all damages and liability arising out of any fault or negligence by You or any failure on Your part to comply with any of the covenants, terms and conditions herein contained. In case Nationwide shall, without fault on its part, be made a party to any litigation commenced by or against You, You shall protect and hold Nationwide harmless and shall pay all costs, expenses and reasonable attorneys' fees incurred or paid by Nationwide in connection with such litigation. You shall also pay all costs, expenses and reasonable attorney's fees that may be incurred or paid by Nationwide in enforcing the covenants and terms of this Agreement.

12. Consequential Damages. This Agreement does not provide coverage for damage caused by a malfunctioning or inoperable appliance or system, including, but not limited to, water, fire and mold spores. Nationwide, its employees, agents, shareholders or parent company shall in no way be responsible for any damages, whether in contract or tort, for any malfunctioning or inoperable appliance or system.

13.1. Cancellation by Nationwide. Nationwide may cancel this Agreement, therefore voiding this Agreement if it is deemed that You have either:

- (i) Fraudulent conduct by You;
- (ii) Misrepresentations by You;
- (iii) Failed to make the require payments to Nationwide;
- (iv) Upon mutual agreement between You and Nationwide. In the event Nationwide agrees to allow You to cancel after the thirtieth day, the You shall be entitled to a pro rata refund of payments made regarding Your home warranty coverage for the remaining term, less an administrative fee and any service costs incurred by Nationwide.

13.2. Cancellation by You. You may cancel this Agreement within three (3) days from the Order Date of this Agreement, as set forth on the schedule page accompanying this Agreement. In the event you cancel within the three (3) day period, the You shall be entitled to a full refund of the paid contract fee less a Fifty (\$50.00) Dollar administrative fee. After the third day, this Agreement shall be non-cancellable by You, unless otherwise agreed by Nationwide.

14. Renewal. In the event You wish to renew this Agreement for an additional term, as set forth in the schedule page accompanying this Agreement, You must contact a Nationwide representative prior to the expiration of your current term. You will be notified by a Nationwide representative as to the new rates and the new terms of coverage. Nationwide reserves the right to deny your request for renewal for any reason and change the rate and terms of coverage for the renewed term.

14.1. Automatic Renewal. In the event You select the monthly payment option and Nationwide elects to renew your contract, Nationwide will notify You of the rate and term for the renewal period during the

tenth month of Your contract and You will be automatically renewed for an annual coverage period unless you notify Nationwide in writing thirty (30) days prior to the Termination Date. Your first payment for the renewed term will be deemed as authorization for another twelve (12) month term.

15. Arbitration. Any disputes resulting from this Agreement or any dispute resulting to Nationwide's home warranty service shall be construed and enforced under the laws of the State of New York. You hereby submit to the jurisdiction of the courts of Kings County, New York, and waive any objection to venue with respect to actions brought in such courts.

16. Severability. If any provision of these Terms and Conditions is held invalid, illegal, or unenforceable, the validity, legality, or enforceability of the remaining provisions shall in no way be affected or impaired thereby.