

Basic Seller's Coverage Included!
*Limited time offer**



First American
*Home Warranty*SM

First American

HOME WARRANTY PLANS

Basic coverage starts at \$405

for single-family homes, includes:

Re-key for buyers

Coverage for unknown conditions

which can include rust, corrosion, sediment,
and problems resulting from
lack of maintenance.

**BIG
Coverage
for HVAC**

No dollar limit on
refrigerant replacement,
covers mini-split ductless
systems, and
14 SEER

Texas

*Offer valid through 12/31/19.

fahw.com | 800.444.9030

First American
home warranty plans
protect your home
and your budget.



**It's so
Easy to use**

**Go to fahw.com or
call 800.992.3400
any time a covered
item fails, 24/7.**

What is a home warranty?

A home warranty is a renewable service contract offering protection for a home's major systems and appliances. First American offers protection to home buyers, sellers, and current homeowners.

A home warranty can protect home sellers from costs and delays during the listing period as well as protect home buyers from costly breakdowns after closing.

Why choose First American?

First American is a leading provider of home warranties with the experience and strength of an industry leader. For over 35 years, First American has provided quality protection for homeowners across the nation, through more than 8.9 million home warranties.

An independent pre-screened local service technician will call and arrange a convenient time to come to your home. The technician will diagnose the problem and begin the repair or replacement process.

**There is no limit to the
number of service calls you
can make.**

When your covered systems and appliances fail – if we can't repair them, we will replace them.* Many of our customers place multiple calls each year and save hundreds to thousands of dollars in repair and replacement bills. Last year, nearly two-thirds of our customers filed at least one claim – and many filed more than one. As a result we paid out over \$180 million** for these repairs and replacements.

*In some instances, Homeowner and First American may agree to payment of cash in lieu of repair or replacement. Payment will be made based on First American's negotiated rates with its suppliers, which may be less than retail. Please review the sample contract for specific coverage, terms and limitations.

**Paid invoices net of service fees in 2018, prior to deductions and/or rebates.



What are the benefits?

With a First American home warranty, when a covered system or appliance fails, if we can't repair it, we'll replace it.* We have a network of independent pre-screened service providers and technicians and we are committed to providing you outstanding service and value.

Do I need a home warranty?

Home warranty coverage is the best way to protect your budget against expensive home system and appliance failures. A home warranty can also take the stress and hassle out of repairing or replacing home systems and appliances when they break down.

How can a home warranty protect my budget?

The repair and replacement cost graphic illustrates the impact home system and appliance breakdowns can have on your budget without the protection of a First American home warranty.

What's covered?

See page 4 for a sample contract of our product designed for home buyers and sellers, showing coverage and options available. It is important to understand what is and isn't covered in your specific plan, as well as coverage limitations.

Without a warranty?

If you don't have the protection of a First American home warranty, this is what home system and appliance breakdowns can cost:

| | Repair | Replace |
|---|--------|---------|
|  Oven/Range | \$851 | \$2,935 |
|  Water Heater | \$860 | \$1,600 |
|  Refrigerator | \$981 | \$2,819 |
|  Air Conditioning | \$706 | \$2,989 |
|  Plumbing | \$460 | \$1,500 |
|  Heating System | \$684 | \$2,753 |
|  Electrical System | \$400 | \$1,655 |

Based on actual invoices paid by First American in 2018 prior to service fees, deductions and/or rebates; costs may vary in your geographic region. Items listed may be optional or not available on some plans; please review the sample contract for specific coverage, terms and limitations.

How do I order?

Choose your plan and options on page 11, and ask your real estate professional to order your coverage.

web: fahw.com | phone: 800.444.9030



SHOULD YOU NEED SERVICE PLEASE READ THIS CONTRACT CAREFULLY and then place your claim at firstam.com/warranty or by calling (800) 992-3400.

Have your Contract number, make or model of covered Item and complete street address available. You will pay the \$75 service call fee when the independent contractor (Contractor) arrives at your home (one time service call fee per Contract for Subterranean Termite Treatment is \$200).

IMPORTANT

This is a Contract for repair or replacement of specified appliances and home systems. This Contract covers only the items specifically identified in this Contract as covered (Item(s)) and excludes all others. Items are not covered unless they are in safe working order at the start of coverage. To be covered, Items must be installed for diagnosis and located within the confines of the perimeter of the foundation of the primary living quarters or garage (except well pump, septic tank, sewage ejector pump, pressure regulator, air conditioning and pool/spa equipment; when applicable). This Contract provides coverage for unknown defects if the defect is not detectable through visual inspection or simple mechanical test (excluding renewal and non-real estate transaction customers). Items include malfunctioning systems and appliances due to lack of maintenance, rust, corrosion and chemical or sedimentary build-up. Unless specified otherwise, any dollar limit mentioned is in the aggregate. **First American Home Warranty Corporation (Company) will not reimburse you for services performed without prior approval.**

COVERAGE TIME AND RENEWAL

You must report defects or malfunctions to Company during the term of this Contract.

1. Coverage begins on Contract Effective Date and continues for 12 months, except;
 - A. Basic Seller's Coverage and Seller's Options (if elected) starts upon receipt of Contract number and continues until expiration of the initial listing period not to exceed 180 days or until close of sale or listing cancellation (whichever is first). Seller's Coverage may be extended at the discretion of Company.
 - B. New Construction Coverage begins 12 months after the close of sale and continues for 48 months.
2. Payment is due at close of sale and must be received by Company within 30 days.
3. Offer for future coverage is at Company's sole discretion. You will be notified of rates and terms for continuation of coverage.

BASIC CONTRACT COVERAGE

Company shows examples of components "not covered" to assist your understanding of this Contract; and examples are not exhaustive. **It is also important to review Limits of Liability as well as the Options Ordered section of your Home Warranty Summary page.**

NOTE: Company will pay up to a combined maximum limit of \$1,500 during Seller's Coverage period for Heating, Central Air Conditioning and Ductwork.

PLUMBING – Covered

- Pressure regulators
- Circulating hot water pump
- Bathtub motor, pump and air switch assemblies
- Permanently installed sump pumps (ground water only)
- Valves: shower, tub, diverter, riser, angle stop and gate valves
- Leaks and breaks of water, drain, gas, vent or sewer lines (except caused by freezing)
- Toilet tanks, bowls and mechanisms (replaced with white builder's standard as necessary)

Not Covered: Fixtures, faucets, filter, shower head, shower arm, shower enclosure and base pan, caulking and grouting, septic tank, hose bibbs, flow restrictions in fresh water lines, water conditioning equipment, sewage ejectors, saunas or steam rooms, whirlpool jets and fire suppression systems.

NOTE: Company is only responsible for providing access for covered plumbing repairs through unobstructed walls, floors or ceilings and will return the opening to a rough finish. Coverage for diagnosis, access, repair or replacement of items located in or below a concrete slab and items encased in or covered by concrete is limited up to \$500.

PLUMBING STOPPAGES – Covered

- Clearing of stoppages in sink, tub, shower drains and toilets. Clearing of sewer and mainline stoppages (including hydrojetting if stoppage is unable to be cleared with cable) to 125 feet of point of access where ground level cleanout is existing. Clearing of lateral drain lines to 125 feet from point of access including accessible cleanout, p-trap, drain or overflow access point.

Not Covered: Stoppages caused by foreign objects, roots, collapsed or broken lines outside the foundation, access to drain or sewer lines from roof vent and costs to locate, access or install a ground level cleanout.

WATER HEATER – Covered (Includes tankless water heaters)

- All parts, except;

Not Covered: Holding or storage tanks, flues and vents, fuel storage tanks and solar equipment.

NOTE: Coverage for diagnosis, access, repair or replacement of any geothermal or water source heat pump, glycol, heated water, steam or water heater/heating combination unit is limited up to \$1,500.

ELECTRICAL – Covered

- Wiring
- Junction boxes
- Conduit
- Plugs
- Switches and fuses
- Telephone wiring

- Circuit breakers (including ground fault)
- Panels and sub panels

Not Covered: Door bells, computer, audio, video, intercom, fixtures, alarm – and all associated wiring or cables. Inadequate wiring capacity, sensor, relay, low voltage systems, power surges, timed circuits, phone jacks and wiring which is the property of the phone company.

NOTE: Company is only responsible for providing access for covered electrical repairs through unobstructed walls, floors or ceilings and will return the opening to a rough finish.

KITCHEN APPLIANCES – Covered

(Limit up to \$3,500 per appliance)

- Dishwasher
- Instant Hot Water Dispenser
- Garbage Disposal
- Oven/Range/Cooktop
- Trash Compactor
- Microwave Oven (built-in only)

Not Covered: Rotisseries, lights, knobs, dials, racks, baskets, rollers, removable trays, removable buckets, door glass, interior lining, lock assemblies, magnetic induction cooktops, meat probe assemblies and clocks (unless they affect the primary function of the unit).

GARAGE DOOR OPENERS – Covered

- Switches
- Capacitor
- Motor
- Center rail assembly
- Receiver unit
- Carriage
- Push arm

Not Covered: Remote transmitters, adjustments, doors, gates and gate motors, side rails, hinges and springs.

CENTRAL VACUUM SYSTEM – Covered

- All parts, except;

Not Covered: Hoses and accessories which are removable.

NOTE: Company is not responsible for gaining or closing access to floors, walls or ceilings to locate the malfunction or to effect repair or replacement.

ATTIC AND EXHAUST FANS – Covered

- All parts.

CEILING FANS – Covered

- All parts, except;

Not Covered: Light kits and remote transmitters.

PEST CONTROL SERVICES – Covered

- Mice
- Pillbugs
- Earwigs
- Spiders
- Roaches
- Crickets
- Silverfish
- Centipedes
- Sowbugs
- Millipedes
- Clover Mites
- Ground Beetles
- Ants (unless not covered)

Not Covered: Fire ants, pharaoh ants, carpenter ants, fungus and wood destroying organisms, flying insects, termites, fleas, ticks and rats.

SUBTERRANEAN TERMITE TREATMENT – Covered

- Treatment for subterranean termite infestation.

Not Covered: Infestation in decks or fencing or any infestation outside the confines of the foundation of the home or garage, repair of damage caused by subterranean termites.

Contract holder will pay a one time \$200 service call fee per contract to our contractor for Subterranean Termite Treatment. Repeat visits are free of charge. All work will be performed by a licensed structural pest control contractor.

ADDITIONAL COVERAGE FOR BUYER AND OPTIONAL COVERAGE FOR SELLER

NOTE FOR SELLER: Heating, Central Air Conditioning and Ductwork coverage is optional for the Seller at an additional charge. If elected, Company will pay up to a combined maximum limit of \$1,500 during Seller's Coverage period for such coverage.

HEATING – Covered

- Heat pump
- Heating elements
- Radiators
- Gas, electrical, oil furnaces
- Gas valves to furnace
- Thermostats (including base)
- Baseboard convectors
- Heat pump refrigerant recharging
- Hydronic circulating pumps
- Mini-split ductless systems

Not Covered: Auxiliary space heaters, cable heat, humidifier/dehumidifier systems or accessories, filters (including electronic air cleaners), registers, fuel storage tanks, heat lamps, fireplaces and key valves, fireplace inserts, baseboard casings and grills, chimneys, flues and vents, underground or outside components and piping for geothermal or water source heat pumps, well pumps and well pump components for geothermal or water source heat pumps, grain, pellet, stove style or wood heating units (even if only source of heating), electronic, computerized, pneumatic and manual system management and zone controllers and heat pump refrigerant recapture, reclaim and disposal.

NOTE:

- Coverage for diagnosis, access, repair or replacement of any geothermal or water source heat pump, glycol, heated water, steam or water heater/heating combination unit is limited up to \$1,500.
- If Company determines that a package unit or the condenser of a central air conditioning or heat pump split system must be replaced, Company will replace the unit with a unit that meets current federal, state or local government efficiency standards. This note also applies to central air conditioning.

CENTRAL AIR CONDITIONING – Covered

- Refrigeration System (Includes heat pump)
 - Thermostats
 - Refrigerant lines
 - Condensing unit
 - Air handling unit
 - Refrigerant recharging
 - Liquid and suction line dryers
 - Fuses, breakers, disconnect boxes and wiring
 - Evaporator coils (including thermostatic expansion valves)
- Evaporative Cooler
- Built-in Electric Wall Units
- Mini-Split Ductless Systems

Not Covered: Humidifier/dehumidifier systems or accessories, registers, grills, filters (including electronic air cleaners), gas air conditioners, window units, underground or outside piping and components for geothermal or water source heat pumps, cooler pads, roof jacks or

stands, electronic, computerized, pneumatic and manual system management and zone controllers and refrigerant recapture, reclaim and disposal.

NOTE:

- Coverage for diagnosis, access, repair or replacement of any geothermal or water source heat pump, glycol, heated water, steam or water heater/heating combination unit is limited up to \$1,500.
- Company is only responsible for providing access for covered central air conditioning repairs through unobstructed walls, floors or ceilings and will return the opening to a rough finish. Coverage for diagnosis, access, repair or replacement of items located in or below a concrete slab and items encased in or covered by concrete is limited up to \$500.
- If Company determines that a package unit or the condenser of a central air conditioning or heat pump split system must be replaced, Company will replace the unit with a unit that meets current federal, state or local government efficiency standards.
- When replacing a central air conditioning or heat pump split system, Company will replace any covered component as well as modify the plenum, indoor electrical, air handling transition and duct connections as necessary to maintain compatibility and operating efficiency as required by the manufacturer of the replacement unit, including the installation of thermostatic expansion valves.

DUCTWORK – Covered

- Ductwork from the heating or cooling unit to the connection at register or grill.

Not Covered: Grills and registers, insulation, dampers, ductwork where asbestos is present, improperly sized ductwork, locating leaks to ductwork, diagnostic testing of ductwork when required by any federal, state or local law, regulation, or ordinance, or when required due to installation or replacement of any system equipment.

NOTE: Company is only responsible for providing access for covered ductwork repairs through unobstructed walls, floors or ceilings and will return the opening to a rough finish. Coverage for diagnosis, access, repair or replacement of ductwork located in or below a concrete slab and items encased in or covered by concrete is limited up to \$500.

ADDITIONAL COVERAGE FOR BUYER

The following coverage begins when payment is made at close of sale.

RE-KEY SERVICE – Covered

- The Re-key Service is available one-time per contract and includes the re-key of up to 6 keyholes and 4 copies of the new keys.

Not Covered: Sliding doors; garage door openers, replacement of deadbolts, knobs or associated hardware; broken or damaged locks; padlocks; gate, window, file cabinet, safe, desk or mailbox locks; or any other services provided by the locksmith.

NOTE: You will be responsible for payment directly to the locksmith for any additional services.

OPTIONAL COVERAGE FOR BUYER AND SELLER

NOTE FOR SELLER: The following coverage is optional for the Seller at an additional charge.

NOTE FOR BUYER: The Contract holder may purchase optional coverage up to 60 days from Contract Effective Date. Such coverage is not effective until payment is received by Company and coverage terminates upon Contract expiration.

For new construction coverage, the Contract holder may purchase optional coverage at any time for brand new Items. Such coverage is not effective until payment is received by Company and coverage terminates upon Contract expiration.

First Class Upgrade
Great Value!

FIRST CLASS UPGRADE – Covered if purchased

The following list is the additional coverage applied, when the First Class Upgrade is purchased. **Optional coverage (OPT)** must be purchased for the upgrade to apply to those items. Note: some items are not available (**NA**) for the seller.

Buyer Seller

- • **Air Conditioning:** Filters, registers, grills, window units.
- • **Heating:** Registers, grills, filters, heat lamps.
- • **HVAC Lifting Equipment:** Company will cover fees associated with the use of cranes or other lifting equipment required to service roof-top heating or air conditioning units.
- • **Ductwork:** Grills, registers.
- • **Garage Door Openers:** Hinges, springs, remote transmitters.
- • **Plumbing:** Faucets (replaced with chrome builder's standard), shower head and shower arm, hose bibbs, toilets (replaced with like quality up to \$300 per occurrence).

OPT NA **Clothes Washer and Dryer:** Knobs, dials.

- • **Dishwasher:** Racks, baskets, rollers, knobs, dials.
- • **Microwave Oven (built-in only):** Interior lining, door glass, clocks, racks, knobs.
- • **Oven/Range/Cooktop:** Rotisseries, racks, knobs, dials, interior lining.
- • **Smoke Detector:** Both battery operated and hard wired.
- • **Trash Compactor:** Removable buckets, knobs.
- • **Building Permits:** Where local building permits are required prior to commencing replacement of appliances, systems or components, Company will pay up to \$250 per occurrence for such local building permits. Company will not be responsible for replacement service when permits cannot be obtained.
- • **Recapture, Reclaim, Disposal:** Company will pay costs related to refrigerant recapture, reclaim and disposal (if required) and the removal of an appliance, system or component when Company is replacing a covered appliance, system or component.
- • **Improper Installations and Modifications:** Company will repair or replace a system or appliance (excluding ductwork) that was improperly installed, modified or repaired, or was not properly matched in size or efficiency at any time prior to or during the term of this contract provided the system is not undersized relative to the square footage of area being cooled or heated. In the event that a covered mismatched system or improper installation, modification or repair is in violation of a code requirement, Limited Code Upgrade applies.
- • **Limited Code Upgrade:** Company will pay up to \$250 to correct code violations when effecting approved repairs or replacements. Company may, at its option, pay the contract holder in lieu of performing the work.

OPTIONAL COVERAGE

NOTE FOR SELLER: The following optional coverage is not available.

NOTE FOR BUYER: The Contract holder may purchase optional coverage up to 60 days from Contract Effective Date. Such coverage is not effective until payment is received by Company and coverage terminates upon Contract expiration.

For new construction coverage, the Contract holder may purchase optional coverage at any time for brand new Items. Such coverage is not effective until payment is received by Company and coverage terminates upon Contract expiration.

POOL/SPA EQUIPMENT – Covered if purchased

- Salt water cell
- Timers
- Heating units
- Valves
- Circuit board
- Filters
- Pool sweep motor and pumps
- Above ground plumbing and electrical
- Pumps
- Pump motors

Not Covered: All cleaning equipment, including pop up heads, turbo and actuator valves, pool sweeps, liners, lights, structural defects, solar equipment, inaccessible components, humidifier/dehumidifier systems or accessories, jets and respective parts and components, fuel storage tanks, fill valves, electronic, computerized, pneumatic and manual system management and zone controllers, disposable filtration media, chlorinators, ozonators and other water chemistry control equipment and materials, auxiliary, negative edge, waterslide, waterfall, ornamental fountain and their pumping and motor systems or any other pump or motor that does not circulate water from the pool or spa directly into the main filtration system as its primary function, heat pumps, salt, panel box, remote controls and dials.

NOTE: Coverage for salt water pool/spa equipment salt water cell and circuit board is limited up to \$1,500.

KITCHEN REFRIGERATOR – Covered if purchased

(Limit up to \$3,500)

- All parts, except;

Not Covered: Insulation, racks, shelves, drawers, tracks, handles, lights, interior thermal shells, food spoilage, stand alone freezers, refrigerators located outside kitchen area and refrigerant recapture, reclaim and disposal.

NOTE:

- Coverage is for any one of the following types of kitchen refrigerator/freezer units: a built-in kitchen refrigerator/freezer unit, a built-in combination of an All refrigerator unit and an All freezer unit, or a free standing kitchen refrigerator/freezer.
- Repair or replacement of ice makers will only be completed when parts are available.

ADDITIONAL REFRIGERATION – Covered if purchased (Limit up to \$1,000)

This option provides coverage for the following with a combined total of four appliances: additional refrigerator, wet bar refrigerator, wine refrigerator, free standing freezer and free standing ice maker.

- All parts of a refrigerator (including wet bar and wine refrigerator) and free standing freezer, except;

Not Covered: Kitchen refrigerator, insulation, racks, shelves, drawers, tracks, handles, lights, ice makers, ice crushers, beverage dispensers and their respective equipment, interior thermal shells, food spoilage and refrigerant recapture, reclaim and disposal.

- Free standing ice maker:

All parts which affect the primary function of the ice maker and water dispenser, except;

Not Covered: Filters, removable components which do not affect the primary function, interior thermal shells, insulation and refrigerant recapture, reclaim and disposal.

CLOTHES WASHER AND DRYER – Covered if purchased

- All parts, except;

Not Covered: Plastic mini-tubs, soap dispensers, filter and lint screens, knobs and dials, venting and damage to clothing.

WELL PUMP – Covered if purchased

(Limited to one well pump per home; Limit up to \$1,500)

- All parts of well pump utilized as a source of water to the home, except;

Not Covered: Well casings, booster pumps, pumps used exclusively for irrigation, animals and non-living quarters, piping or electrical lines, holding, pressure or storage tanks, redrilling of wells, damage due to lack of water, tampering, well pump and well pump components for geothermal or water source heat pumps, improper installation and access to repair well pump system..

SEPTIC TANK PUMPING/SYSTEM – Covered if purchased

(Limit up to \$500 for tank system)

Pumping

- One time pumping per Contract if the stoppage is due to septic tank backup, except;

Not Covered: Septic tanks, leach lines, cesspool, mechanical pump or systems, cost of locating or to gain access to the septic tank, cost of hook-ups, disposal of waste and chemical treatment of the septic tank or sewer lines.

System

- Jet pump
- Sewage ejector pump
- Septic tank line from house to septic tank
- Aerobic pump

Not Covered: Seepage pits, leach lines, leach beds, and cleanout.

ECO UPGRADE – Covered if purchased

- In the event that any of these covered appliances (dishwasher, refrigerator, free standing freezer, clothes washer) or gas furnace cannot be repaired, subject to all other Contract terms and limitations, including modifications, will be replaced with **ENERGY STAR®** qualified products (if available) with similar features, efficiency and capacity. The Contract holder has the option of replacing the gas furnace with a 90 percent efficiency model.



LIMITS OF LIABILITY

1. Common areas and facilities of mobile home parks and condominiums are not covered. Common systems and appliances not located within the confines of each individual unit are excluded.
2. Repairs or replacements required as a result of missing parts, fire, flood, smoke, lightning, freeze, earthquake, theft, storms, accidents, mud, war, riots, vandalism, improper installation, acts of God, damage from pests, lack of capacity or misuse are not covered by this Contract.
3. Liability is limited to repair or replacement cost of Item due to normal wear and tear. Cosmetic defects are not covered.
4. Company is not responsible for consequential, incidental, emotional distress, pain or suffering, tort or exemplary damages, secondary damage, loss resulting from the malfunction of any Item, or a Contractor's delay or neglect in providing, or failing to provide, repair or replacement of an Item.
5. Solar systems and components including holding tanks are not covered. Electronic, computerized, pneumatic and manual system management and zone controllers are not covered.
6. Company is not responsible for the following: any corrections, repairs, replacements, upgrades, inspections or other additional costs to comply with federal, state or local laws, utility regulations, zoning or building codes; paying any costs relating to permits, haul away fees, construction, carpentry or relocation of equipment; gaining or closing access to Items except where noted in this Contract; and, alterations or modifications made necessary by existing equipment or installing different equipment except where noted in the Central Air Conditioning section of this Contract. Company will not alter structure to effect repair or replacement, nor refinish or replace cabinets, countertops, tile, paint, wall or floor coverings or the like.
7. Company will not effect service involving hazardous or toxic materials, including asbestos or any other contaminants. Company is not responsible for any claim arising out of any pathogenic organisms regardless of any event of cause that contributed in any sequence to damage or injury. Pathogenic organisms mean any bacteria, yeasts, mildew, virus, fungi, mold or their spores, mycotoxins or other metabolic products.
8. Contract covers only single family residential-use property, residential-use resale property or residential-use new construction property. Residential property over 5,000 square feet, multiple units, guest houses and other structures are covered if the appropriate fee is paid. Contract is for owned or rented residential property, not for commercial property or premises converted into a business, including but not limited to, nursing/care homes, fraternity/sorority houses or day care centers.
9. Company will determine, at its sole discretion, whether a covered system or appliance will be repaired or replaced. When replacing any appliance, Company will not pay for any failures that do not contribute to the appliance's primary function including, without limitation, TVs or radios built into the kitchen refrigerator. Company will replace with equipment of similar features, efficiency and capacity but is not responsible for matching brand, dimensions or color. Company may install a smaller capacity unit, including but not limited to water heaters and furnaces, if the projected output of the replacement unit is similar to, or greater than, the replaced existing unit. Company reserves the right to replace with a rebuilt component or part or repair systems and appliances with non-original manufacturer's parts.
10. Company may obtain a second opinion.

11. Company is not responsible for repairs arising from manufacturer's recall of covered Items, manufacturer's defects or for Items covered under an existing manufacturer's, distributor's or in-home warranty. The covered Items must be domestic or commercial grade and specified by the manufacturer for residential use.
12. Company is not responsible for repair or replacement of any system, appliance, component or part thereof that has previously, or is subsequently, determined to be defective by the Consumer Product Safety Commission or the manufacturer, and for which either entity has issued, or issues a warning or recall, or when a failure is caused by manufacturer's improper design, use of improper materials, formula, manufacturing process or manufacturing defect.
13. This Contract does not cover routine maintenance.
14. Contract holder and Company may agree on payment of cash in lieu of repair or replacement. Payment is made based on Company's negotiated rates with its suppliers, which may be less than retail.

CUSTOMER SERVICE

1. Telephone service is available at all times. During normal working hours your call will be dispatched within 4 hours of confirmation of coverage. The services contracted for will be initiated under normal circumstances by the Contractor within 48 hours after request is made by the Contract holder. Contract holder's telephone call to Company describing the problem is considered sufficient notice. Company will commence diagnosis without first requiring the completion of a written claim form or other such form of proof of loss. When your coverage is confirmed, Company will dispatch your call to a qualified Contractor. The Contractor will call you to schedule a mutually convenient appointment time; additional efforts are made in emergency situations. If you should request Company to perform non-emergency service outside of normal business hours, you will be responsible for payment of additional fees, including overtime charges.
2. Contract holder pays the \$75 service call fee for each separate trade call. Trade call means each visit by an approved Contractor, unless multiple visits are required to remedy the same problem. Persons dispatched for trade calls are independent contractors, not agents or employees of the Company. Company warrants Contractor's work for 30 days. If the Item fails outside this time period, an additional service call fee will be charged. Failure to pay the service call fee may delay processing of future claims. Subterranean Termite Treatment customers only: there is a one time \$200 service call fee per Contract for Subterranean Termite Treatment.
3. Sometimes Company may not be able to locate a contractor to service your claim and may request that you contact an independent licensed contractor. Covered repairs or replacements will be authorized if the work can be completed at an agreed upon rate. If your contractor does not bill Company directly you will be reimbursed the authorized amount upon receipt of a paid invoice.
4. Sometimes there are problems and delays in securing parts or equipment. When the Items are secured, they are installed promptly without any further service charge.

TRANSFER OF CONTRACT

If your covered property is sold during the term of this Contract, you have the right to assign this Contract provided that you notify Company of the change in ownership and must submit the name of the new owner by phoning (800) 444-9030 to transfer coverage.

CANCELLATION

Obligations of this Contract are backed by the full faith and credit of the Contract Provider, First American Home Warranty Corporation (Company), and are not guaranteed by a service contract reimbursement insurance policy.

You may cancel this purchase within 7 days of the Contract Effective Date and receive a full refund within 30 days. After 7 days, this Contract is noncancelable by the Contract holder unless by mutual agreement of the Contract holder and Company.

Contract holder's request for cancellation must be in writing and can be submitted to cancellationsupport@firstam.com.

Company will not cancel your Contract except for any of the following reasons:

1. Nonpayment of Contract fees when due.
2. The subscriber's fraud or misrepresentation of facts material to the issuance of this Contract, or in presenting a claim for service thereunder.
3. This Contract provides coverage prior to the time that an interest in residential property to which it attaches is sold and the sale of the residential property does not occur.

If this Contract is cancelled, the Contract holder shall be entitled to a pro rata refund of the paid Contract fee for the unexpired term, less a \$50 administrative fee and all service costs incurred by Company.

YOUR DUTIES

You are responsible for the following: (i) Protecting appliances/systems; (ii) Reporting claims promptly; (iii) Installing and maintaining appliances/systems following manufacturer's specifications and (iv) Maintenance if the Contractor determines it is required to achieve manufacturer results of systems and appliances.

MISCELLANEOUS

This Contract is issued pursuant to a license granted by the Texas Real Estate Commission, and complaints in connection with this Contract may be directed to the commission at P.O. Box 12188, Austin, Texas 78711-2188 (512) 936-3049. The purchase of a home warranty Contract is optional and similar coverage may be purchased through other residential service companies or insurance companies authorized to transact business in Texas.

NOTICES:

- **YOU, THE BUYER, HAVE OTHER RIGHTS AND REMEDIES UNDER TEXAS DECEPTIVE TRADE PRACTICES – CONSUMER PROTECTION ACT WHICH ARE IN ADDITION TO ANY REMEDY WHICH 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.**
- **THIS COMPANY PAYS PERSONS NOT EMPLOYED BY THE COMPANY FOR THE SALE, ADVERTISING, INSPECTION, OR PROCESSING OF A RESIDENTIAL SERVICE CONTRACT UNDER TEXAS OCCUPATIONS CODE §1303.304.**

RESOLUTION OF DISPUTES

This provision constitutes an agreement to arbitrate disputes on an individual basis. Any party may bring an individual action in small claims court instead of pursuing arbitration.

All disputes and claims arising out of or relating to the Contract must be resolved by binding arbitration. This agreement to arbitrate includes, but is not limited to, all disputes and claims between Company and the Homeowner, Company and the Seller, and claims that arose prior to purchase of the Contract. This agreement to

arbitrate applies to Company, Homeowner and Seller, and their respective parent and subsidiary companies, affiliates, agents, employees, predecessors and successors in interest, assigns, heirs, spouses, and children. **As noted above, a party may elect to bring an individual action in small claims court instead of arbitration, so long as the dispute falls within the jurisdictional requirements of small claims court.**

Any arbitration must take place on an individual basis, and Company, the Homeowner and the Seller agree that they are waiving any right to a jury trial and to bring or participate in a class, representative, or private attorney general action, and further agree that the arbitrator lacks the power to consider claims for injunctive or declaratory relief, or to grant relief affecting anyone other than the individual claimant.

The arbitration is governed by the Commercial Arbitration Rules and the Supplementary Procedures for Consumer Related Disputes (the "AAA Rules") of the American Arbitration Association ("AAA"), as modified by this Agreement, and will be administered by the AAA. Company will pay all AAA filing, administration and arbitrator fees for any arbitration it initiates and for any arbitration initiated by another party for which the value of the claims is \$75,000 or less, unless an arbitrator determines that the claims have been brought in bad faith or for an improper purpose, in which case the payment of AAA fees will be governed by the AAA Rules.

The arbitration will take place in the same county in which the property covered by the Home Warranty Contract is located. The Federal Arbitration Act will govern the interpretation, applicability and enforcement of this arbitration agreement. This arbitration agreement will survive the termination of this Warranty Contract.

AGREEMENT

This Agreement constitutes the entire agreement between the Parties and supersedes all prior and contemporaneous agreements and understandings of the Parties. No modifications to this Agreement are effective unless in writing and signed by both Parties.

TX 05/19 Ver. M0.B/J5.B/J5EPU.B/J9.B

First American home warranty plans have reasonable dollar limitations on coverages. Although this sample contract provides specific details, here is a quick reference for your convenience.

Warranty Coverage Dollar Limitations

| DIAGNOSIS, ACCESS, REPAIR AND/OR REPLACEMENT LIMITS | |
|--|---------|
| Steam, Heated Water or Glycol Heating | \$1,500 |
| Per Appliance..... | \$3,500 |
| Additional Refrigeration (up to 4 units) | \$1,000 |
| Salt Water Pool/Spa Equipment..... | \$1,500 |
| Seller's Heating, Central Air Conditioning and Ductwork... | \$1,500 |
| Well Pump | \$1,500 |
| Septic Tank System | \$500 |
| Concrete Encased Items | \$500 |
| Toilet Replacement Under Upgrade (per occurrence) | \$300 |
| Code Violations Under Upgrade..... | \$250 |
| Permits Under Upgrade (per occurrence)..... | \$250 |

All Coverage limits are in the aggregate unless otherwise specified.

Texas – Choose your coverage and options

Available Coverage

LIMITED TIME OFFER*
Basic Seller's Coverage Included!

\$75 Service Call Fee

One time service call fee per plan for termite treatment is \$200

Basic Plan

Eagle Premier

| Property Type - under 5,000 sq. ft. | | Buyer's/Seller's Coverage | | Buyer | |
|--|--|---------------------------|------------|------------|---|
| Single-Family Home | | \$405 | | \$610 | |
| Condo/Townhome/Mobile Home | | \$355 | | \$535 | |
| Systems and Appliances | | Buyer | Seller | Buyer | |
| SYSTEMS | Heating | • | (optional) | • | |
| | Ductwork | • | (optional) | • | |
| | Central Air Conditioning | • | (optional) | • | |
| | Electrical System | • | • | • | |
| | Garage Door Openers | • | • | • | |
| | Attic, Ceiling and Exhaust Fans | • | • | • | |
| | Central Vacuum System | • | • | • | |
| PLUMBING | Plumbing System <i>includes polybutylene piping</i> | • | • | • | |
| | Plumbing Stoppages | • | • | • | |
| | Toilet Tanks and Bowls | • | • | • | |
| | Water Heater | • | • | • | |
| | Circulating Pump | • | • | • | |
| | Sump Pump | • | • | • | |
| | Pressure Regulators | • | • | • | |
| | APPLIANCES | Built-In Microwave | • | • | • |
| | | Dishwasher | • | • | • |
| Oven/Range/Cooktop | | • | • | • | |
| Garbage Disposal | | • | • | • | |
| Instant Hot Water Dispenser | | • | • | • | |
| OTHER | Trash Compactor | • | • | • | |
| | Pest Control Services | • | • | • | |
| | Subterranean Termite Treatment | • | • | • | |
| | Re-Key Service | • | N/A | • | |
| First Class Upgrade (See page 6) | | \$110 | | • | |
| Heating, Central Air Conditioning and Ductwork | | (included) | \$70 | | |
| Kitchen Refrigerator | | \$50 | N/A | • | |
| Clothes Washer and Dryer | | \$85 | N/A | • | |
| Washer/Dryer/Kitchen Refrigerator (\$15 savings) | | \$120 | N/A | (included) | |
| Additional Refrigeration (up to 4 units) | | \$50 | N/A | \$50 | |
| OPTIONS | Pool and/or Spa Equipment | \$225 | N/A | \$225 | |
| | Eco Upgrade | \$20 | N/A | \$20 | |
| | Septic Tank Pumping/System | \$75 | N/A | \$75 | |
| | Well Pump | \$85 | N/A | \$85 | |

Our plans cover unknown conditions which can include rust, corrosion, sediment, problems resulting from lack of maintenance and much more!

Order online, by phone, or fax:

web: fahw.com | phone: 800.444.9030 | fax: 800.772.1151



Buyer's coverage for 1 year, seller's listing coverage maximum 180 days.

Seller's optional coverage is available when basic buyer's/seller's coverage is selected.

Buyer's Coverage for Multiple Units and New Construction

under 5,000 sq. ft.

| | |
|------------------|---------|
| Duplex | \$565 |
| Triplex | \$850 |
| Fourplex | \$1,135 |
| New Construction | \$610 |

For multiple unit option pricing, log in at fahw.com to get a quote.

Call 800.444.9030 for quotes on:

homes over 5,000 sq. ft., 5-10 units, guest homes and optional coverage pricing for new construction and multiple unit homes.

See contract for coverage details.



**Offer valid through 12/31/19.*



Application If placing your order online or by phone, complete this application and have your information ready.

1. Address to be Covered

Street Address _____ Unit # _____ City _____ State _____ Zip _____

REAL ESTATE COMPANY _____ Office Phone # _____

Referring Agent _____ Representing Buyer Seller Email _____

OTHER BROKER COMPANY (if applicable) _____ Office Phone # _____

Agent _____ Representing Buyer Seller Email _____

CLOSING COMPANY _____ Closing Officer's Name _____

Office Phone # _____ Estimated Close Date _____ File # _____

BUYER'S Name _____ Phone # _____ Email _____

SELLER'S Name _____ Phone # _____ Email _____

2. Select Coverage and Options

Basic Plans

\$75 Service Call Fee
One time Service Call Fee per plan for termite treatment is \$200
 Prices listed are for homes under 5,000 sq. ft.

Buyer's/Seller's Coverage

(Seller's coverage included, limited time offer!*)
 Buyer's coverage 1 year, seller's coverage maximum 180 days.

- Single-Family Home \$405
- Condominium/Townhome/Mobile Home \$355

Multiple Units

Buyer's coverage only. Not available for New Construction.
 Log in at fahw.com to get a quote for option pricing.

- Duplex \$565
- Triplex \$850
- Fourplex \$1,135

New Construction

Buyer's coverage only. Covers years 2-5.
 Call 800.444.9030 to get a quote for option pricing.

- Single-Family Home/Condominium/Townhome/Mobile Home \$610

Eagle Premier Plans

Buyer's coverage includes Basic Plan, First Class Upgrade, Kitchen Refrigerator and Clothes Washer/Dryer.

- Single-Family Home (\$25 Savings!) \$610
- Condominium/Townhome/Mobile Home (\$50 Savings!) \$535

Optional Coverage

Seller's optional coverage available when basic buyer's/seller's coverage is selected. Prices listed are for homes and condos under 5,000 sq. ft.

For Seller

- Heating, Central Air Conditioning and Ductwork \$70

For Buyer and/or Seller

- First Class Upgrade for Basic Plan (See page 6) \$110

For Buyer

- Kitchen Refrigerator \$50
- Clothes Washer/Dryer \$85
- Washer/Dryer/Kitchen Refrigerator (\$15 savings) \$120
- Additional Refrigeration (Up to 4 units) \$50
- Pool and/or Spa Equipment (Includes Salt Water Pool/Spa Equipment. No additional charge if separate equipment.) \$225
- Eco Upgrade \$20
- Septic Tank Pumping/System \$75
- Well Pump \$85

Optional Coverage Total \$ _____

Home Warranty Plan \$ _____ + Optional Coverage \$ _____ = Total \$ _____

3. Acceptance or Waiver

I **ACCEPT** the home warranty coverage and options I have marked above.

I **DECLINE** the benefits of this coverage. I agree not to hold the above real estate company, broker and/or agents liable for the repair or replacement of a system or appliance that would otherwise have been covered by this plan.

Signature _____ Date _____

The real estate agent offering this program does so as a service to protect their client's best interest. They receive no direct commission or compensation from First American Home Warranty. Member of the NATIONAL HOME SERVICE CONTRACT ASSOCIATION.

Agents: Please give your client a sample contract. Contract will be sent to the buyer upon receipt of payment by First American. Confirmation # _____

Get the benefits of First American home warranty coverage today.



Top 10 home warranty FAQs

1. What is a home warranty?

A home warranty is typically a one-year service contract designed to protect the family budget from unexpected, costly repairs on home systems and appliances.

2. What is covered in the plans?

There are several plans and options to choose from to best suit the home's specific requirements. Basic plans typically include coverage for: kitchen appliances, water heaters, plumbing, plumbing stoppages, electrical, heating system, ductwork, instant hot water dispenser, whirlpool bath motor and pump assemblies and more. Optional covered items can range from pool/spa equipment, washer/dryer, kitchen refrigerator, air conditioning, well pump and more. Plans and optional covered items vary in geographic areas and are detailed in First American contracts.

3. What is a service call fee?

This is the fee paid to the service technician at the time of the appointment.

4. Is it safe to assume there are no costs other than the service fee when a covered item breaks down?

Unfortunately, no. A home warranty covers only items listed as covered and excludes all others. For instance, costs could arise for the homeowner from modifications or code upgrades when a system or appliance is replaced.

5. Who do I contact when covered items fail?

Any time a covered item fails, contact First American at fahw.com or call 800.992.3400 to request service. It is important that First American is contacted first, we do not reimburse for services performed without approval.

6. How does the claim process work?

Once First American receives the request and coverage is confirmed, a local service technician will call the homeowner to arrange a mutually convenient day and time to go to the home and diagnose the failure.

7. How quickly are claims handled?

Once coverage is confirmed, the contractor typically receives the claim dispatch within four hours during regular business hours. Normally, the services will be initiated by the technician within 48 hours after the request is made. Simple repairs are usually made on the first visit, however, if items must be ordered an additional visit(s) may be needed to complete the repair or replacement.

8. What is an emergency repair and how are these claims handled?

First American considers it an emergency when the failure of a covered item renders the home uninhabitable; in these circumstances, First American will make all reasonable efforts to expedite emergency service.

9. How is it determined if a failure is covered or not?

In general, coverage is limited to failures caused by normal wear and tear and limited to the terms of the contract. For example, cosmetic defects are not covered.

10. How are known pre-existing conditions determined versus unknown pre-existing conditions?

Unknown conditions are covered if, at the time coverage begins, the defect or malfunction is not known or could not have been reasonably observed by looking at or operating the system or appliance.

Order online, by phone, or fax:

fahw.com | 800.444.9030

Fax: 800.772.1151

Service: 800.992.3400



**First American
Home WarrantySM**

The R-22 Phaseout: We've Got it Covered



What Does the R-22 Phaseout Mean for Homeowners?

Starting January 2020, it will be illegal to produce or import the refrigerant R-22 in the U.S. Although no new R-22 can be produced or imported, there will still be an existing supply that can be used for older AC systems.

Air conditioning systems manufactured before 2010 likely use R-22 refrigerant. Those systems made after 2010, however, use a new more environmentally-friendly type of refrigerant, called R-410a (also known by the trade name "Puron"). The R-22 phaseout will not affect these newer AC systems using R-410a.



For older systems, remaining or recycled/reclaimed R-22 can still be used for service. There are also now many EPA-approved alternatives to R-22. So starting in 2020, if an AC system has a leak and needs refrigerant, the technician can still add R-22 refrigerant or replace it with an appropriate alternative. If the AC system needs more extensive repairs or new components that only work with newer refrigerants, it may need to be retrofitted to use a new refrigerant or replaced entirely.

First American Home Warranty: Big HVAC Coverage

With air conditioning coverage from First American Home Warranty, whether a system uses R-22 or a newer refrigerant, we'll cover the cost to get the system working again.

- **No Refrigerant Limits:** While some home warranties only cover part of the cost of refrigerant, we have no limits on the cost or amount of refrigerant covered.
- **Repair and Replace:** If your client's system needs repairs, we'll cover the cost of converting it to use an approved more environmentally-friendly refrigerant. If the system must be replaced with a new system, we'll cover that too*. Without a home warranty, this could cost many thousands of dollars.
- **Unknown Pre-existing Conditions:** We cover unknown conditions and problems due to lack of maintenance, rust, and corrosion for home warranties purchased as part of a real estate transaction..
- **No Size Limit on Covered Residential AC Units:** Regardless of size, we'll make sure homeowners stay cool.



FAQ

Do Homeowners Have to Pay for Refrigerant?

No. As supplies dwindle, prices for R-22 may rise, but with First American Home Warranty AC coverage, homeowners don't have to worry. We will cover the cost to refill the system, no matter what type or how much refrigerant it needs.

How Do I Tell What Refrigerant a System Uses?

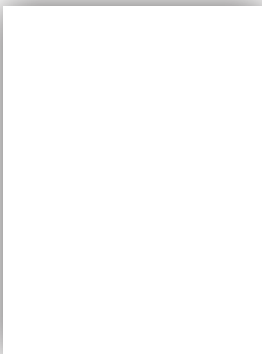
If you don't know how old an AC system is, most have a plate on the outdoor unit (the condenser) that lists the type of refrigerant used. Look for R-22 or R-410a. If you don't see the refrigerant type, but know the manufacturer and model number, you can also check the manufacturer's website for more details

Does First American Cover Older AC Systems?

Yes, a First American Home Warranty will cover your AC system, regardless of age, provided it was in good working order at the time coverage started. If a covered AC system breaks and we can't repair it, we'll replace it* with a new system.



Contact me to learn more about the BIG benefits of First American HVAC coverage.



**First American
Home WarrantySM**

*In some instances, Homeowner and First American may agree to payment of cash in lieu of repair or replacement. Payment will be made based on First American's negotiated rates with its suppliers, which may be less than retail. Please review the sample contract for specific coverage, terms and limitations.

firstamrealestate.com | Phone Orders: 800.444.9030

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