



STRUCSURE
HOME WARRANTY



10-Year Major Structural Defects

- RESIDENTIAL -



StrucSure Home Warranty, LLC

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SECTION 1: OVERVIEW OF THE STRUCSURE HOME WARRANTY EXPRESS LIMITED WARRANTY

Congratulations Homebuyer(s)! Your Builder is a member of the StrucSure Home Warranty program and sold You a Home that includes Express Limited Warranty protection. This Warranty booklet defines standards for the various structural components of a Home, the time periods, the scope of coverages, exclusions, homeowner responsibilities, and how to request warranty service and file a claim.

You may have been provided sample warranty booklets during the process of purchasing Your Home; however, Your actual Warranty booklet is assigned at closing. After Your Warranty goes into effect, You can access and download Your Warranty booklet and Certificate of Warranty Coverage via the Warranty Portal at <https://warranty.strucsure.com>. If You do not have Internet access, You can request Your warranty documents by mail.

Your Warranty will not go into effect until the signed Home Enrollment Application (HEA) and warranty payment have been received, processed, and approved by StrucSure Home Warranty.

Read this Warranty booklet in its entirety so that You may fully understand the terms and conditions. Please contact our customer service department at 1.877.806.8777 with questions or for more information.

This Warranty embodies the entire extent of the express Limited Warranty provided to You by Your Builder, which is insurance backed. Under this Warranty, the coverage period for the Home is ten (10) years for Major Structural Components. Reference the schematic at the back of this booklet to understand each of these different Structural Components of the Home.

GIC has agreed to perform, through the Administrator, the Builder's obligation for the complete 10-year warranty period. As a precondition to coverage, Defects and/or Deficiencies must occur and be reported within the Warranty Term. StrucSure Home Warranty, LLC is the warranty Administrator and not a warrantor.

SECTION 2: DEFINITIONS

Unless defined or described in this Warranty, all terms and words shall have their plain, ordinary meaning commonly used in the residential construction or home warranty industries. Whenever the first letter of a word or the first letter of all substantive words in a phrase is capitalized, that word or phrase shall have the same meaning as defined in Section 2 of this warranty.

Administrator: StrucSure Home Warranty, LLC is the Administrator of the StrucSure Home Warranty Program and not a warrantor.

ASCE Guidelines: "Guidelines for the Evaluation and Repair of Residential Foundations," Version 2, published by the Texas Section of the American Society of Civil Engineers (2009).

Builder: The person, corporation, partnership, or other entity that is a member of the StrucSure Home Warranty Program and is listed on the StrucSure Home Warranty HEA. The Builder is the Warrantor of this Warranty provided for the Home.

Certificate of Warranty: This is a certificate issued by the Administrator confirming that Your Builder completed the required enrollment of Your Home in the Structural Home Warranty Program and confirms the issuance of this Warranty.

Code: The International Residential Code or if the context requires, the National Electrical Code.

Common Elements: Any portion of a multi-family building that is defined as a Common Element in either common interest or ownership laws or in the declaration establishing such community that is shared between units. Common Elements may include, without limitation, hallways, roofs, exterior finishes, and electrical, plumbing, and mechanical distribution systems.

Defect/Deficiency: A condition of any item that fails to meet the Performance Standards as set forth in the Warranty

Effective Date of Warranty: For the Home, the Effective Date of Warranty is the date listed on the Certificate of Warranty. For multi-dwelling units such as condominiums, townhouses, and duplexes, the Effective Date of Warranty for Common Elements coverage is the date the first Certificate of Occupancy was issued for the building.

Express Limited Warranty: The terms and provisions contained within this Warranty Booklet.

Extreme Weather Condition(s): Severe or unseasonal weather or weather phenomena that are at the extremes of the historical distribution. Weather conditions in excess of or outside of the scope of the design criteria stated or assumed for the circumstance or locale in the Code.

Golden Insurance Company, a Risk Retention Group (GIC): The Warranty Insurer who underwrites the StrucSure Home Warranty Program. GIC has agreed to perform, through the Administrator, the Builder's obligation for the complete 10-year Warranty Term.

HEA: Home Enrollment Application.

Home: The dwelling or property as identified by the address on the HEA.

Homeowner: The person(s) listed as the Homeowner(s) on the original HEA, and who holds the legal title to the Home. Included in the definition and any subsequent purchasers who hold the legal title to the Home.

Major Structural Defect (MSD): A condition of a Structural Component listed in Section 8 and that fails to meet the Performance Standards for Major Structural Components Under the 10-Year Structural Defect Warranty.

Original Construction Elevations: Actual elevations of the foundation taken before, on, or about the Effective Date of Warranty of the residential construction project. Such actual elevations shall include elevations of porches and garages if those structures are part of a monolithic foundation. To establish original construction elevations, elevations shall be taken at a rate of at least one elevation per 100 square feet showing a reference point and shall be taken at a rate of at least one elevation per 10 linear feet along the perimeter of the foundation, subject to obstructions. Each elevation shall be taken on the surface of the foundation or on the surface of the floor covering on the foundation, if any. For elevations taken on floor coverings, the type of floor covering shall be recorded at each elevation location. If no such actual elevations are taken, then the foundation for the habitable areas of the home are presumed to be level +/- 0.75 inch (three-quarters of an inch) over the entire area of the foundation.

Performance Standard: The standard(s) to which a Home or an element or component of a Home constructed as a part of new Home construction, a material Improvement, or interior renovation must perform. Performance Standards are set forth in this Warranty.

Residential Code: The requirements specified in the text of the Residential Code officially adopted by the state, city, county (or parish) in which Your Home is located.

Span (L): Except for slab foundations, L shall be calculated as the distance between two supports for structural elements supported at both ends. For cantilever elements, L shall be determined as twice the distance from the last support to the unsupported end of the element. For slab foundations, L shall be defined as the edge to edge distance across any slab cross-section for which deflection or tilt is to be calculated but the minimum L shall be not less than 25 feet, and shall not include a detached or non-monolithic garage slab. If a monolithic garage slab is included and that slab was built with a slope in the garage floor, measurements shall be taken off the ceiling at locations immediately adjacent to the garage walls. For slab foundations, L shall be calculated to determine overall deflection, not localized deflection or tilt of slab foundations.

Warranty: The Express Limited Warranty for Major Structural Defect set forth in this StrucSure Home Warranty booklet as provided by the Builder.

Warranty Term: The period during which the ten (10) years Major Structural Defect are effective. The warranty term starts on the Effective Date of Warranty or the Effective Date of Warranty for Common Element.

You/Your: The Homeowner(s).

SECTION 3: LIMIT OF LIABILITY

- (1) **You have accepted the terms provided in this Warranty, and all other express or implied warranties, including any oral or written statements or representations made by Your Builder or any implied warranty of habitability, merchantability or fitness, good and workmanship, and repair are hereby disclaimed by Your Builder and hereby waived by You to the extent possible under the laws of Your state.**
- (2) Any action or claim, regardless of form, that arises from or relates to this Warranty, the construction and/or the improvements to the Home is barred unless it is brought no later than two (2) years and one (1) day from the date the cause of action accrues.
- (3) The Homeowner(s) agree that with respect to any loss or damage that may occur to the Home that could be or is insured against under the terms of standard fire and extended coverage insurance policies, or any other insurance, regardless of the cause or origin, such insurance and suffering said loss, hereby release the Builder, GIC, or Administrator from any and all claims with respect to such loss. **The Homeowner(s) agree that the respective insurance company shall have no right of subrogation against the Builder, GIC or Administrator on account of any such loss as all rights of subrogation are hereby waived and disclaimed.**
- (4) Subject to the provisions of this Warranty, the Builder's and GIC's total aggregate limit of financial liability under this warranty shall not exceed the original sales price of the Home (as shown on the HEA) or \$3 million, **whichever is lower.** This means that every time Your Builder or GIC pays for costs of determining the existence and/or extent of a covered Defect and/or Deficiency, pays for a repair, or pays a claim, those payments are deducted from the sales price of the Home listed on the HEA (the warranty limit). Once that total aggregate equals the sales price of the Home on the HEA or \$3 million (**whichever is lower**), Your warranty limits are exhausted and there is no further warranty coverage.
- (5) The Builder's and GIC's total aggregate limit of financial liability for a multi-dwelling building shall not exceed the aggregate original sales price of each unit (as shown on the HEA) located within a single multi-dwelling building or \$3 million, whichever is lower. If the payment is for Common Element of a multi-dwelling building, payment shall be deducted pro rata from the sales price listed on the HEA for each unit.
- (6) There is no warranty coverage for any defect, loss or claim if there is any other valid and collectible insurance. The Warranty is neither primary nor contributory to any other available insurance, whether primary, excess, contingent or any other basis. This Warranty is not Your Builder's general liability insurance. This Warranty is not a maintenance agreement, service contract, an insurance policy or homeowner's insurance.

- (7) This Warranty is separate and apart from any other contracts between You and Your Builder, including any sales agreements. It cannot be altered, affected, or amended in any manner by any other agreement except only through a formal written agreement signed by the Builder, GIC, the Administrator, and You.
- (8) This Warranty does not cover special, incidental, indirect, or consequential damages and does not reimburse parties for their attorney's fees or costs.
- (9) This Warranty does not cover latent defects that do not result in actual physical damage. This Warranty is binding on the Builder and You and Your heirs, executors, Administrators, successors, and assigns. An assignment or transfer of benefits, rights or sums payable under this Warranty is prohibited except as expressly allowed in this Warranty.
- (10) This Warranty automatically transfers to subsequent owners during the Warranty Term upon the transfer of title to the Home. There is no limit to the number of transfers during the Warranty Term or any cost as a result of such transfer(s). Each subsequent owner will be bound by (1) all terms of this warranty, including, but not limited to, those regarding arbitration and (2) every act or failure to act by any past owner to the extent that the act or failure to act affects this warranty or the rights and obligations of either party. Any release executed by You shall bind a mortgagee and any subsequent owner.
- (11) If any term, condition, or provision of this Warranty is found to be void or a violation of law or public policy by an arbitrator or court, it shall be deemed modified to the extent necessary so that it is no longer void or in violation of law or public policy. Any binding decisions that determine a part of the Warranty is void, or in violation of law or public policy, will not serve to invalidate the enforceability of any other term, condition, or provision of this Warranty.

SECTION 4: MULTI-DWELLING BUILDING AND UNIT COVERAGE

If the Home is located within a multi-dwelling building, then the additional provisions below apply.

- (1) Clubhouses, recreational facilities, exterior structures, exterior walkways, decks, balconies, arches, or any non-residential structure(s) that are a part of the multi-dwelling unit (whether attached or not) are not covered by this Warranty. Equipment or systems that are owned by the condominium association or designated as a condominium common area are not covered. Coverage will not be provided for Common Element exterior stairways and landings, unless they are constructed entirely of metal or concrete (or in any combination of these two materials).
- (2) The Common Elements of the multi-dwelling building will be free from Major Structural Defects during the Common Element Warranty Term. Common Element Defects/Deficiencies must be reported within the applicable Warranty Term. The association governing the multi-dwelling building must file the claim for Defects/Deficiencies concerning Common Elements. An investigation fee of \$300 is owed for each unit located within a building, in which a claim is being submitted for Common Elements.
- (3) Upon notice by the Builder, GIC, or the Administrator, You agree to allow access to Your Home during normal business hours for all inspections and/or repairs to Your unit, any adjacent unit or the Common Elements.
- (4) The aggregate warranty limit for a multi-dwelling building for Common Elements is the total of the remaining Warranty Limits of those dwellings within the multi-dwelling building that have a valid and unexpired Warranty. If there are one or more dwellings in the multi-dwelling building that have no valid or has an expired Warranty, then the aggregate warranty limits for Common Elements is calculated on a pro-rata basis: The aggregate of the original sale price for all dwellings within the multi-dwelling building that have a valid and unexpired Warranty divided by the aggregate original sale price for all dwellings within the multi-dwelling building.
- (5) All costs to investigate Defects/Deficiencies, repairs or pay a claim incurred by the Builder or GIC for a Common Element is deducted from remaining Warranty Limits of each dwelling in the multi-dwelling building with a valid and unexpired Warranty on a pro-rata basis: The original sales price of each dwelling in the multi-dwelling building divided by the aggregate of the original sales price of all dwellings in the multi-dwelling building.
- (6) All provisions of this Warranty apply to this Section 4. To the extent that any provisions contained outside Section 4 of this Warranty directly conflict or cannot be reconciled with the provisions contained within this Section 4, the provisions contained within this Section control.

SECTION 5: HOMEOWNER DUTIES & RESPONSIBILITIES

You have duties and responsibilities under the law and under this Warranty. This Warranty is expressly conditioned on Your full performance of duties (express or implied) relating to residential construction and the Warranty. These duties include, but are not limited to:

- (1) You have a duty to ensure that any plans, specifications, and other information supplied to the Builder are accurate and suitable for the construction of the project and to provide all information relating to the project. You have a duty to work toward the mutual goal of achieving a successful project, to not cause any unreasonable delay in the start of the project, to not delay, hinder, or interfere with the performance of other parties, to not act arbitrarily with respect to requests for extensions of time,

to perform all of the contractual obligations in good faith, and to not take any action that would prevent the Warrantor from pursuing Your rights and remedies against other parties responsible for Your loss.

- (2) You have a duty to make reasonable efforts to minimize or avoid losses to the extent permitted under this Warranty. You agree to make only those temporary repairs necessary to make the house habitable or mitigate further damage. You agree that any and all repairs performed beyond such measures will not be covered by the Warranty. Any unauthorized repairs made by You or someone under Your direction, other than those permitted in this paragraph, will not be reimbursed or compensated.
- (3) You are responsible for the proper maintenance of Your Home. Regular preventative maintenance is necessary to prolong the life of the Home. Your obligation is to care for Your Home in such a way as to prevent or minimize damage to it. You should be aware that all new homes go through a period of settlement and movement. During this period, Your Home may experience some minor material shrinkage, cracking, and other events that are normal and customary.
- (4) Maintenance of the Home and the lot on which the Home is located is essential to the proper functioning of the Home, and You are responsible for that maintenance. You are responsible for maintenance items described in this Section and those maintenance items identified separately in this warranty booklet. Additionally, You are responsible for ongoing maintenance responsibilities that affect the performance of the Home but that may not be expressly stated in this booklet. Such ongoing maintenance responsibilities include, but are not limited to:
 - (a) Periodic repainting and resealing of finished surfaces as necessary,
 - (b) Caulking for the life of the Home,
 - (c) Regular maintenance of mechanical systems,
 - (d) Regular replacement of HVAC filters,
 - (e) Cleaning and proper preservation of grading around the Home and drainage systems to allow for the proper drainage of water away from the Home, and(f) Other standard and customary maintenance repairs.
- (5) You shall properly maintain each component of the Home including proper cleaning, care, and upkeep of the Home. You shall use Home components for the purposes for which they are intended and shall not damage, misuse, or abuse Home components.
- (6) In connection with the investigation and determination of Your claim, You may be sent a series of recommendations to be implemented. If, You fail to implement the recommendations or substantiate that the recommendations were implemented, The Administrator may deny a future claim for benefits if the failure to implement the recommendations that caused or contributed to a Defect/Deficiency in the Home.
- (7) You shall use and perform periodic maintenance on all Manufactured Products according to the manufacturer's instructions and specifications. The misuse, abuse, neglect or other failure to follow manufacturer's specifications regarding Manufactured Products may void the manufacturer's warranty. The Builder has no responsibility for Manufactured Products.
- (8) You shall take measures to reduce/prevent swelling or shrinking soil as it can cause damage by either expanding when moisture is added or shrinking when it dries out (which can cause uplift to concrete slabs and other property damage). Best practices include, but are not limited to: maintaining adequate runoff drainage slopes; cleaning gutters and downspouts; ensuring that lawns and gardens are not over watered; properly maintaining sprinkler systems; preventing landscaping materials or plants, trees, and/or shrubs from contacting the exterior surface of the Home and from interfering with the proper drainage of water away from the foundation; positive slopes in your yard; sealing old construction joints and cracks that develop over time; inspecting concrete and walls; and repairing cracks that are found as soon as possible.
- (9) You should not alter the proper drainage pattern or grade of the soil within ten (10) feet of the foundation so that it negatively impacts the Home's performance or fails to comply with the Residential Code.
- (10) You shall take action to prevent excessive moisture accumulation by properly using ventilation equipment, preventing excessive temperature fluctuation, and taking any other action reasonably necessary to avoid excessive moisture, dampness, humidity, or condensation in the Home that may lead to damage due to excessive moisture or dryness.
- (11) When a request for warranty performance is filed and the Defect/Deficiency cannot be observed under normal conditions, it is Your obligation to substantiate that the Performance Standards are violated and any costs involved.
- (12) You have an obligation to cooperate with the mediation, inspection, and investigation of any warranty request. Your claim will be closed and the applicable Warranty Term will not be extended should You fail to cooperate or respond to requests within thirty (90) days. You agree to provide this Warranty to any subsequent purchaser of Your Home.

SECTION 6: EMERGENCY PROCEDURES

An emergency is a condition that if not immediately repaired will cause damage to the Home or a Home component, will cause danger to the Home's occupants, and/or will make the house uninhabitable. You must contact the Administrator at 1.877.806.8777 in order to receive authorization for any emergency repairs. If You are unable to contact the Administrator for emergency authorization, You must make minimal repairs that mitigate further damage until authorization for more extensive repairs has been approved by the Administrator.

SECTION 7: EXCLUSIONS

This Warranty does NOT provide coverage for the following items listed in this Section:

(1) Any damage, loss or costs incurred by You in connection with any of the following:

- (a) The Builder's failure to complete any or all construction of the Home including, but not limited to, compliance with the original plans and specifications, or washing or cleaning of any kind. An incomplete item is not considered a Defect/Deficiency under the Warranty; however, the Builder may be obligated to complete such items under separate agreements.
- (b) Any condition, Defect/Deficiency You were aware of prior to the Effective Date of Warranty, whether appearing on a "walk through" or "punch" list or not.
- (c) Any changes, modifications, additions, or improvements made to the Home after the Effective Date of Warranty.
- (d) Driveways, detached garages, carports, outbuildings, swimming pools, tennis courts, basketball courts, recreational facilities, boundary and/or retaining walls, bulkheads (except where boundary walls, retaining walls and bulkheads are necessary for the structural stability of the Home), landscaping, sod, seeding, shrubs, trees, plantings, fences, lawn sprinkler systems, subsurface draining systems (other than footer drains), streets, sidewalks, any other appurtenant structure or attachment to the dwelling, and adjacent properties.
- (e) Elements of the Home constructed separately from foundation of the Home including but not limited to decks, balconies, patios, porches, porch roofs, porticos, porte-cocheres, concrete floors of basements, "floating" floor slabs, except as set forth in Section 9(A) below: Performance Standards for Foundations and Slabs.
- (f) Green Building Compliance: Any and all green building requirements, standards, certifications or otherwise are controlled by those written standards applicable to and agreed upon between the Builder and the initial owner(s), if any, after which there is no warranty or guarantee related to or concerning any such green building requirements, standards, certifications or otherwise to any subsequent owner of the property and/or improvements.
- (g) Any loss, damage, cost, or expense that is caused, in whole or in part, by any peril or occurrence that is covered by Homeowner's insurance, from another warranty or insurance policy, or for which compensation is provided by state legislation and/or public funds.
- (h) Sound transmission and sound proofing.
- (i) The quality and potability of water.
- (j) Violations of local or national residential building codes, standards, or ordinances.
- (k) Diminution in the value of the Home, including but not limited to that amount that is equal to the fair market value of the Home with a defect compared to the Home market value without a defect or the fair market value of the Home with defect that has been repaired versus the Home without a defect ever occurring.
- (l) A Home used for nonresidential purposes.
- (m) A Home that was subject to Foreclosure.
- (n) Any condition that does not result in actual physical damage to the Home.
- (o) Normal wear and tear or deterioration to any component of the Home. This includes, but is not limited to, the deterioration of concrete surfaces caused by salt, chemicals, implements, or any other any factors.
- (p) Bodily injury or personal injury of any kind, including but not limited to physical or mental pain and suffering and emotional distress and any medical or hospital expenses.
- (q) Costs of shelter, transportation, food, moving, storage, kenneling of animals, veterinary expenses, pet daycare, loss of use, loss of wages or profits, inconvenience, annoyance or other incidental expenses including those related to relocation during any work performed under this Warranty.
- (r) Personal property and property that You do not own.
- (s) Any and all exclusions set forth in the Performance Standards.

(2) Any damage, loss or costs that is caused or made worse by any of the following causes, whether acting alone or in sequence or concurrence with any other causes or causes whatsoever:

- (a) Use of the Home that exceeds the normal design loads prescribed by local or national building Codes, Residential Codes, standards, or ordinances or the engineer of record.
- (b) The negligence, improper maintenance, misuse, abuse, failure to follow manufacturer's recommendations, failure to take reasonable action to mitigate damage by anyone other than the Builder, or failure to take reasonable action to maintain Your Home.
- (c) Work performed or material supplied incident to construction, modification, or repair to the Home performed by anyone other than Your Builder or persons providing work or materials at the direction of the Builder. Changes to the grading or drainage surrounding the Home made by anyone other than Your Builder or persons providing work

at the direction of the Builder. This includes, but is not limited to, soil erosion or runoff caused by Your failure to maintain the Builder-established grades, changes in the grading caused by erosion, or changes in the level of the underground water table, drainage structures, devices or swales, stabilized soil, sodded, seeded or landscaped areas.

- (d) War, nuclear hazards, contamination accidents, explosion, riot, civil commotion, terrorism, communicable disease, vandalism, malicious mischief, theft, burglary, blasting, steam or water escape, condensation, mud or mud slides, sinkholes, fire, smoke, Extreme Weather Conditions, drought, windstorm, hail, lightning, ice, snow, blizzard, hurricane, tornado, tsunami, flood, earthquake, land shock waves or tremors occurring before, during, or after volcanic eruption or by any other external cause (whether sudden or gradual), mine subsidence, faults, fissures, crevices, falling trees or other objects, or accidents involving aircraft, vehicles, or boats.
- (e) Damage resulting directly or indirectly from water intrusion or moisture of any kind, excessive or inadequate water pressure, plumbing failure, flood, surface water, waves, tidal water, overflow of a body of water (whether wind driven or not), wetlands, springs, or aquifers. Water that backs up from sewers or drains, water below the surface of the ground (including water which exerts pressure on, seeps, or leaks under or through a Home, building, sidewalk, driveway, foundation, swimming pool, or other structure). Change in the underground water table that exerts pressure on, seeps, or leaks under the Home, sidewalk, driveway, foundation, or other structure or causes subsidence or sinkholes.
- (f) Defects, Deficiencies, or damage caused by micro-organisms, plants, fungus, decay, wet rot, dry rot, soft rot, or any other kind of rotting, mold, mildew, termites, insects, vermin, rodents, birds, wild or domestic animals, corrosion, rust, radon, radiation, formaldehyde, asbestos, any solid, liquid, or gaseous pollutant, contaminant, toxin, irritant, or carcinogenic substance, whether organic or inorganic, or an electromagnetic field or emission. This Exclusion includes any claim of health risks or inhabitability as a result of Volatile Organic Compounds (VOCs) or any of the foregoing items.
- (g) Any request for warranty performance submitted after unreasonable delay or after the expiration of the Warranty Term or failure by You to minimize or prevent loss or damage in a timely manner.

SECTION 8: MAJOR STRUCTURAL DEFECT COVERAGE

This Warranty provides coverage for Major Structural Defect coverage for Ten-Years (10) from the effective date of the Warranty. The Major Structural Defect coverage is limited to the following Structural Components:

- (1) Foundation systems and footings,
- (2) Flooring framing systems,
- (3) Walls and partitions,
- (4) Roof framing systems,
- (5) Beams,
- (6) Headers,
- (7) Girders,
- (8) Lintels (other than those supporting veneers),
- (9) Columns, and
- (10) Masonry arches.

The following are some examples of non-load bearing elements of the Home, and **DO NOT** qualify for Major Structural Defect Coverage:

- (a) Non load-bearing partitions and walls,
- (b) Wall tile or paper, etc.,
- (c) Plaster, laths, or drywall,
- (d) Flooring and sub-flooring materials,
- (e) Brick, stucco, stone, or veneer,
- (f) Any type of exterior siding,
- (g) Roof shingles, tiles, sheathing, and tar paper,
- (h) Heating, cooling, ventilating, plumbing, electrical, and mechanical systems,
- (i) Appliances, fixtures, or items of equipment,

- (j) Doors, trim, cabinets, hardware, insulation, paint, and stains, and
- (k) Basement and other interior floating, ground-supported concrete slabs.

The repair of a qualifying Major Structural Defect under the Warranty consists of and is limited to: 1) the repair of damage to the structural component that is necessary to restore its load-bearing function, 2) the repair of the non-structural components of the Home damaged by the Major Structural Defect, 3) the repair, removal, and replacement of only those surfaces, finishes, and coverings original to the Home that are damaged by the Major Structural Defect or repair.

Repair or replacement is NOT intended to restore the Home to a like new condition. If an improvement, fixture or property not constructed by the Builder is damaged or requires removal during the repair of any Warranted defect, it is Your sole responsibility, and not the responsibility of the Builder or GIC, to pay for the cost of repair or removal of such improvement, fixture or property. This Warranty does not cover special, incidental, indirect, or consequential damages and does not reimburse parties for their attorney's fees or costs.

All decisions concerning the repair of a Major Structural Defect, including, but not limited to, development and choice of a repair design (or "plan"), method of repair, execution of repairs, replacement of covered Defective items, as well as all matters pertaining to the repair or replacement of all covered damage, belong to the sole discretion of GIC. GIC also has the right to choose to repair or replace or pay the reasonable cost of repair or replacement.

SECTION 9: HOW TO REPORT A MAJOR STRUCTURAL DEFECT CLAIM

If You believe Your Home has a Major Structural Defect, You must notify the Administrator in writing, either through e-mail or certified mail, return receipt. Text message are not acceptable. **Notice cannot be initiated with a phone call.** Your written Notice of a Major Structural Defect Form must be received by the Administrator within the 10 year Warranty Term. Notice to the Builder is not notice to GIC or the Administrator. Written notice received after the expiration of the Warranty Term will be denied. Neither Your Builder nor GIC shall have any obligation to You under this Warranty. The time limit is a material condition of this Warranty. In addition, the Major Structural Defect must occur within the Warranty Term to be covered.

If mailing, send the Notice of Major Structural Defect Form to StrucSure Home Warranty, LLC, Attn: Warranty Service Division, 6825 East Tennessee Avenue, Suite #410, Denver, CO 80224. In addition, there is a \$300 non-refundable processing fee which needs to be submitted with the notice and made payable to Golden Insurance Company, Risk Retention Group.

Once Your written notice has been received, the Administrator will process and investigate Your Notice of Major Structural Defect. Upon completion of the Administrator's investigation, a determination will be rendered as to whether there is a qualifying Major Structural Defect.

You agree to provide the Administrator with any information or evidence in Your possession to support Your claim along with any inspector's, engineer's, and/or other expert's reports, photographs, videos, etc. related to and in support of Your claim. You also must provide the Administrator and GIC a reasonable opportunity to inspect Your Home (both the interior and/or exterior, as necessary) during normal business hours. Your failure to cooperate may jeopardize Your warranty coverage.

In connection with the investigation and determination of your claim, You may be sent a series of recommendations to be implemented. Failure to implement the recommendations may result in a denial of a future claim for benefits if the failure to implement the recommendations caused or contributed to a Defect in the Home.

If the Administrator does not receive any communication from You within ninety (90) days following a denial of Your request for warranty performance, Your claim will be closed and the applicable Warranty Term will not be modified or extended. A closed file will require the filing of a new Notice of Major Structural Defect Form and submission of another processing fee.

SECTION 10: CONDITIONS OF WARRANTY PERFORMANCE

- (1) In order for Your Builder and GIC to carry out their responsibilities under this Warranty, access to Your Home is required from time to time. The Builder, GIC and their designees shall be allowed full access during normal business operations for testing, inspection, and repairs. Failure to provide access for more than 30 calendar days, unless mutually agreed upon, after a written request is made will void the Warranty.
- (2) Any events that cause a delay in the performance of the warranty obligations of the Builder, the Administrator, and/or GIC, and that are beyond the control of the Builder, the Administrator, and/or GIC, shall excuse the Builder, the Administrator, and/or GIC from performing until the events causing the delay are remedied. Such events include, but are not limited to, concealed or unknown conditions such as soil conditions, unavoidable accidents or circumstances, encountering hazardous materials, damage caused by a utility company, acts of God or nature, pandemic, acts of the common enemy, fire, war, riot, civil commotion or sovereign conduct, material shortages or unusual material delivery delays, abnormal adverse weather conditions not reasonably anticipated, labor disputes, acts of terrorism, government action, and/or acts or omissions by You or a person or entity not a party to this Warranty. Such delay shall operate to extend the time period for performance but shall not act to extend the term(s) of warranty coverage(s).

- (3) If the Builder or GIC, as applicable, repairs, replaces, or pays You the reasonable cost to repair or replace, the Builder or GIC, as applicable, shall be subrogated to all Your rights of recovery against any person or entity. You must sign and deliver to the Builder, and GIC a full and unconditional release, in recordable form, of all legal obligations and rights to recovery (including subrogation rights) with respect to the warranted Defects/Deficiencies, and any condition arising from the warranted items. This must occur prior to payment for the reasonable cost of repair or replacement. You must execute and deliver any and all instruments and documents, and take any and all other actions necessary to secure such rights including, but not limited to, assignment of proceeds of any other insurance or other warranties to the Builder or GIC, as applicable. You shall do nothing to prejudice these rights of subrogation.
- (4) Any repair will be finished or touched up to match the surrounding area as closely as practical but not necessarily to a like-new condition. Imperfections and variations may exist and should be expected. A repair or action bringing a variance within the standard under this warranty shall not cause the period of the applicable warranty to be extended.
- (5) The Builder or GIC, as applicable, is not responsible for exact color, texture or finish matches when replacing or repairing materials, repainting areas, or when items or materials have been discontinued. Surfaces altered incident to any repair will be finished or touched up to match the surrounding area as closely as practical. In connection with the repair of finish or surface material, such as paint, wallpaper, flooring or a hard surface, the Warrantor (Builder or GIC, as applicable) will match the standard and grade as closely as reasonably possible. The (Builder or GIC, as applicable, will attempt to match the finish, but will not be responsible for discontinued patterns or materials, color variations, or shade variations. When the surface finish material must be replaced and the original material has been discontinued, the Builder or GIC, as applicable, is responsible for installing replacement material substantially similar in appearance to the original material. Repair or replacement is NOT intended to restore the Home to a like-new condition. Imperfections and variations may exist and should be expected. Coverage does not include refinishing of interior or exterior surfaces not damaged.

SECTION 11: DISPUTES MUST BE SUBMITTED TO ARBITRATION

Any and all claims, disputes and controversies by or between the Homeowner, the Builder, the Administrator, and/or GIC, or any combination of the foregoing arising out of, in connection with, or related to this Warranty, any alleged Defect or Deficiency in or to the subject Home or the real property on which the subject Home is situated, or the sale of the subject Home by the Builder, including, without limitation, any claim of breach of contract, negligent or intentional misrepresentation, or nondisclosure in the inducement, execution, or performance of any contract, including this arbitration agreement, breach of any alleged duty of good faith and fair dealing a violation of state, federal, or local law, statute, regulation, ordinance or rule, whether the claim must be arbitrated, or the validity and enforceability of this arbitration agreement, shall be settled by binding arbitration . Agreeing to arbitration means You are waiving Your right to a trial by a Judge and/or a Jury.

If an independent arbitration service cannot be mutually agreed upon by You, the Administrator, and the Builder or GIC, as applicable; then the arbitration shall be conducted by the American Arbitration Association pursuant to its Home Warranty Rules, or by DeMars & Associates, Ltd. This Warranty and arbitration provision involves and concerns interstate commerce and is governed by the Federal Arbitration Act, 9 U.S.C. 1 et seq., as amended (FAA), and any rules of the independent arbitration service employed by the parties to the arbitration. Should any conflict exist between the FAA and the rules of the independent arbitration service selected, the FAA shall control.

You understand that should You submit a request for arbitration, all administrative fees of the arbitration service and fees of the arbitrator shall be allocated to the parties as provided in the rules of the arbitration service, subject to the discretion of the arbitrator to reallocate such fees in the interests of justice.

This arbitration agreement shall inure to the benefit of, and be enforceable by, the Builder's subcontractors, agents, vendors, suppliers, design professionals, Insurers, and any other person alleged to be responsible for any Defects/ Deficiencies in or to the subject Home or the real property on which the subject Home is situated. Any party shall be entitled to recover reasonable attorney's fees and costs incurred in enforcing this arbitration agreement. The decision of the Arbitrator shall be final and binding and may be entered as a judgment in any State or Federal court of competent jurisdiction.

This arbitration agreement shall be deemed to be a self-executing arbitration agreement. Any disputes concerning the interpretation or the enforceability of this arbitration agreement, including, without limitation, its revocability or voidability for any cause, the scope of arbitration issues, class or collective arbitrability, and any defense based upon waiver, estoppel or laches, shall be decided by the Arbitrator.

The initiation of or participation by any party in any judicial proceeding concerning this arbitration agreement or any matter arbitrable hereunder shall not be deemed a waiver of the right to enforce this arbitration agreement, and, notwithstanding any applicable rule of law to the contrary, shall not be asserted or accepted as a reason for delay, refusal to participate in, or refusal to enforce this arbitration agreement.

The arbitration hearing shall take place at the Home unless the parties mutually agree to hold the arbitration at a different location.

The Builder or GIC, or Administrator shall have the right, in advance of the arbitration proceeding, to re-inspect any Home (both the interior and/or exterior, as necessary) that is the subject to the arbitration proceeding if the request for arbitration was made more than sixty (60) days following the last claim decision of the (Builder or GIC, as applicable) or Administrator concerning such Home.

No arbitration proceeding shall involve more than one single-family detached dwelling, more than one multi-dwelling unit, or one multi-unit building involving common elements. Any arbitration proceeding shall be on an individual basis and not in a class, consolidated, or representative action.

No arbitration award will be allowed to be confirmed or filed for confirmation in any court of law, regardless of the applicable rules of the arbitration, before the expiration of 90 days after the award is issued and/or signed by the arbitrator and all rules related to the modification, clarification or otherwise in the arbitration proceeding are expired.

PERFORMANCE STANDARDS FOR MAJOR STRUCTURAL COMPONENTS UNDER THE 10-YEAR STRUCTURAL DEFECT WARRANTY

This Section describes the Performance Standards for the various Structural Components of a Home as described in Section 12. Subject to the applicable exclusions, GIC will repair or replace those elements or components of a Home that do not meet these standards during the applicable warranty period.

(A) PERFORMANCE STANDARDS FOR SLAB-ON-GROUND FOUNDATIONS

- (1) Slab-on-ground foundations should not move differentially after they are constructed, such that a tilt or deflection in the slab in excess of the standards defined below arises from actual post-construction movement. The protocol and standards for evaluating slab-on-ground foundations shall follow the ASCE Guidelines with the following modifications:
 - (a) Overall deflection from original construction shall be no greater than the overall length over which the deflection occurs divided by 360 ($L/360$) and must not have more than one associated symptom of distress, as described in Section 5 of the ASCE Guidelines, and that results in actual observable physical damage to the Home. L shall be defined as the edge to edge distance across any slab cross-section for which overall deflection is calculated, but the minimum L shall be not less than 25 feet. Calculations of overall deflection shall be based upon the change in elevation at each point for which an Original Construction Elevation was taken. A deflection analysis must be based upon a minimum of three co-planar relative elevation data points – two end points that form a straight reference line along the evaluated section and a third point anywhere along the deformed surface that reflects a deviation of the foundation surface from the reference line. The distance from the deformed surface to the reference line shall be measured perpendicular to the reference line.
 - (b) The slab shall not tilt after construction in excess of one (1) percent across any edge-to-edge dimension of the Home or cause structural component(s) or masonry veneer to rotate into a structurally unstable position such that the weight vector of the component part falls outside the middle third of its bearing area. Calculations of overall tilt shall be based upon the change in elevation at the respective edge for which an Original Construction Elevation was taken.
- (2) If measurements and associated symptoms of distress show that a slab foundation does not meet the deflection or tilt standards stated in this subsection, the recommendations of a Texas licensed Professional Engineer shall be implemented, which shall be based on the appropriate remedial measures as described in Section 7 of the ASCE Guidelines. Localized measurements of deflection that are claimed to be outside of performance standards, Code or tolerances are not warranted and there is no responsibility for correction or otherwise. By definition, tilt is a global mechanism of planar rotation across the entire foundation, edge-to-edge; therefore, local tilt does not exist and cannot be analyzed.

(B) PERFORMANCE STANDARDS FOR RAISED-FLOOR FOUNDATIONS (I.E. PIER-AND-BEAM, ELEVATED CONCRETE SLABS ON FORMS, ETC.).

- (1) Raised-floor foundations should not move differentially after they are constructed, such that a tilt or deflection in the floor surface in excess of the standards defined below arises from actual post-construction movement. The protocol and standards for evaluating raised-floor foundations shall follow the ASCE Guidelines with the following modifications:
 - (a) A raised-floor foundation shall not deflect more than $L/360$ from original construction and have that movement create actual observable physical damage to the components of the Home identifiable in Section 5.3 of the ASCE Guidelines. L shall be defined as the edge-to-edge distance across any foundation cross-section for which overall deflection is calculated. Calculations of overall deflection shall be based upon the change in elevation at each point for which an Original Construction Elevation was taken. A deflection analysis must be based upon a minimum of three co-planar relative elevation data points – two end points that form a straight reference line along the evaluated section and a third point anywhere along the deformed surface that reflects a deviation of the floor surface from the reference line. The distance from the deformed surface to the reference line shall be measured perpendicular to the reference line.
 - (b) A raised-floor foundation shall not tilt after construction in excess of one percent across any edge-to-edge dimension of the Improvements or cause structural component(s) or masonry veneer to rotate into a structurally unstable position such that the weight vector of the component part falls outside the middle third of its bearing area. Calculations of overall tilt shall be based upon the change in elevation at the respective perimeter points for which an Original Construction Elevation was taken.
 - (c) If a raised-floor foundation deflects more than $L/360$ from its original construction elevation and the movement has created actual observable physical damage to the components of a home identifiable in Section 5.3 of the ASCE

Guidelines, the recommendations of a Texas licensed Professional Engineer shall be implemented, which shall be based on applicable remedial measures as described in Section 7 of the ASCE Guidelines.

- (2) If measurements and associated symptoms of distress show that a raised floor foundation does not meet the deflection or tilt standards stated in paragraph (1) of this subsection, recommendations of a Texas licensed professional engineer shall be implemented, which shall be based on the appropriate remedial measures as described in Section 7 of the ASCE Guidelines. Localized measurements of deflection that are claimed to be outside of performance standards, Code or tolerances are not warranted and there is no responsibility for correction or otherwise. Attempted measurements of tilt in which L is not an edge-to-edge distance across the foundation cross-section are actually measurements of localized slopes, not tilt, which are not warranted, and there is no responsibility for correction or otherwise.

(C) MAJOR STRUCTURAL COMPONENTS OTHER THAN SLAB-ON-GROUND FOUNDATIONS AND RAISED FLOOR FOUNDATIONS

- (1) A defined structural component, other than the concrete elements of a slab-on-ground foundation or a raised floor foundation, shall not crack, bow, become distorted or deteriorate, such that it compromises the structural integrity of the Home or the performance of a structural system of the Home resulting in actual observable physical damage to a component of the Home.
- (2) If a structural component of the Home, other than the concrete elements of a slab-on-ground foundation or a raised floor foundation, cracks, bows, is distorted or deteriorates such that it results in actual observable physical damage to a component of the Home, such action shall be taken as is necessary to repair, reinforce or replace such structural component to restore the structural integrity of the Home or the performance of the affected structural system.
- (3) Deflected structural components.
 - (a) A structural component, other than the foundation, shall not deflect more than the ratios allowed by The Code.
 - (b) If a structural component of the home, other than the foundation, is deflected more than the ratios allowed by the Code, then such action shall be to repair, reinforce or replace such structural component to restore the structural integrity of the home or the performance of the affected structural system.
- (4) Damaged structural components.
 - (a) A structural component, other than the foundation, shall not be so damaged that it compromises the structural integrity or performance of the affected structural system.
 - (b) If a structural component, other than the foundation, is so damaged that it compromises the structural integrity or performance of a structural system of the Home, such action shall be taken as is necessary to repair, reinforce or replace such structural component to restore the structural integrity of the Home or the performance of the affected structural system.
- (5) Separated structural components.
 - (a) A structural component, other than the foundation, shall not separate from a supporting member more than 3/4 of an inch or such that it compromises the structural integrity or performance of the system.
 - (b) If a structural component, other than the foundation, is separated from a supporting member more than 3/4 of an inch or separated such that it compromises the structural integrity or performance of a structural system of the Home, the such action shall be taken as necessary to repair, reinforce or replace such structural component to re-establish the connection between the structural component and the supporting member, to restore the structural integrity of the Home and the performance of the affected structural system.
- (6) Non-performing structural components:
 - (a) A structural component, other than the foundation, shall function as required by the Code.

WARRANTY PROTECTION FOR HOMEBUYERS



STRUCSURE
HOME WARRANTY

StrucSure Home Warranty provides third-party, insurance-backed new-home warranties to builders across the United States. Those builders then include our warranty protection on the homes they sell to reinforce their commitment to quality and service, build buyer confidence, and offer peace-of-mind to homeowners. Like many types of insurance, the hope is you will never need it, but if a problem emerges, you'll be glad you're covered.

10-YEAR WARRANTY

StrucSure's 10-year structural warranty provides direct coverage from the day of closing for **major structural defects**. If a major structural defect occurs in your home within the 10-year warranty term, it will be repaired, replaced, or paid for by StrucSure Home Warranty.

Coverage includes the following home components:

1. Load-bearing foundation systems, footings, and piers
2. Load-bearing floor framing systems
3. Load-bearing walls and partitions
4. Load-bearing roof framing systems
5. Load-bearing beams
6. Load-bearing headers
7. Load-bearing girders
8. Load-bearing lintels (other than those supporting veneers)
9. Load-bearing columns (other than those designed to be cosmetic)
10. Load-bearing masonry arches (other than those designed to be cosmetic)

Please reference your
Warranty Coverage
Booklet for specific terms,
conditions, and exclusions.



StrucSure Home Warranty is a member of

STRUCSURE
RISK MANAGEMENT GROUP

At StrucSure Home Warranty, our goal is to support the American dream of home ownership, promote healthy builder/buyer relationships, and provide a worry-free experience for homeowners. Enjoy the benefits of warranty coverage by purchasing a home backed by a new-home warranty from StrucSure and sleep better at night knowing you're covered by one of the industry's leading warranty providers.



STRUCSURE
HOME WARRANTY

**CONTACT YOUR BUILDER OR STRUCSURE
TO LEARN MORE ABOUT THE BENEFITS
OF WARRANTY COVERAGE.**

1.877.806.8777 | www.strucsure.com

NAHB

StrucSure Home Warranty is a proud member of the National Association of Home Builders

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STRUCSURE
HOME WARRANTY

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Ph: 1.877.806.8777 • Fax: 303.806.9897 | E-Mail: claims@strucsure.com | www.strucsure.com

MAJOR STRUCTURAL DEFECT WARRANTY CLAIM FORM

Fill out this form completely, sign it and attach complete written details of the alleged defect(s) that form the basis of your claim. Be specific and include copies of any documents, pictures and any information you provided to your builder.

Mail OR E-mail to StrucSure at the address above. Keep a copy of all papers for your file.

BUILDER NAME: _____ CERTIFICATE NUMBER: _____

HOMEOWNER NAME: _____

ADDRESS: _____ CITY: _____

SUBDIVISION: _____ STATE: _____ ZIP: _____

HOME PHONE: _____ WORK PHONE: _____ CELL PHONE: _____

E-MAIL ADDRESS: _____

CLAIM INFORMATION

1. DATE YOU FIRST NOTICED THE ALLEGED STRUCTURAL DEFECT: _____

2. HAVE YOU READ THE WARRANTY BOOK ON HOW TO MAKE A STRUCTURAL CLAIM? YES _____ NO _____

3. DO YOU THINK THE ALLEGED DEFECT RENDERS THE HOUSE UNLIVABLE? YES _____ NO _____

4. HAVE YOU OBTAINED AN ENGINEER'S EVALUATION AND/OR HAVE PICTURES REGARDING THE ALLEGED STRUCTURAL DEFECT(S)? YES _____ NO _____

IF YES, ATTACH THE EVALUATION AND/OR PICTURES.

5. HAVE YOU INSTALLED AND/OR PUT IN PLACE ANY NEW IMPROVEMENTS TO THE HOME THAT MAY PROHIBIT OR INHIBIT THE REPAIRS TO THE ALLEGED STRUCTURAL DEFECT(S)? YES _____ NO _____

IF YES, ATTACH DETAILS.

6. HAVE ANY PREVIOUS REPAIRS BEEN PERFORMED BY YOU OR SOMEONE UNDER YOUR DIRECTION? YES _____ NO _____

IF YES, ATTACH COMPLETE DETAILS AND DESCRIBE THE NATURE OF THE REPAIRS AND WHO MADE THEM.

SUBMITTED BY: _____ DATE: _____
PRINT NAME

SIGNATURE: _____

REMINDER: ATTACH INFORMATION DETAILING ALLEGED DEFECT(S). Please note that the total claim and repair process may take 60 days to complete. If necessary, we may contact you for more information.

A person who knowingly submits a fraudulent claim is guilty of a crime.

SAMPLE



STRUCSURE

H O M E W A R R A N T Y

SAMPLE

StrucSure Home Warranty, LLC

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