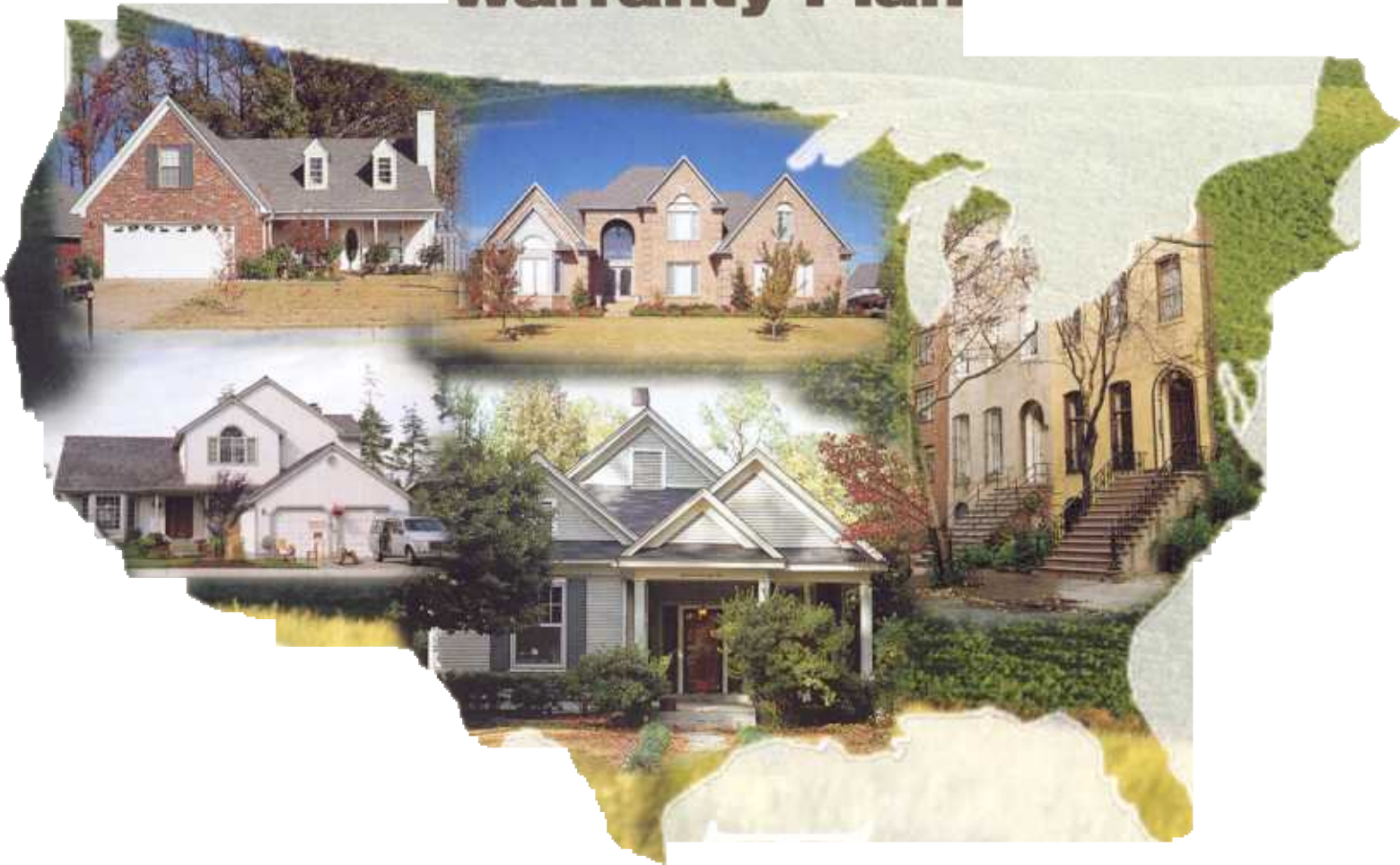


Exciting New Coverage *(see inside for details)*



America's Oldest & Largest Home Warranty Company

American Home Shield Warranty Plan



Timers - Heat lamps - Humidifiers - Flues and vents - Improperly sized heating systems - Chimneys - Outside or underground piping and components for Geothermal and/or water source heat pumps - Well pump and well pump components for Geothermal and/or water source heat pumps.

NOTE BUYER ONLY: AHS will pay no more than \$1,500 per covered item for access, diagnosis and repair or replacement of any glycol, hot water or steam circulating heating system.



2. AIR CONDITIONING/COOLER

NOTE: Coverage available on heating and/or cooling systems with nominal heating and/or cooling capacities not exceeding five (5) tons.

COVERED: Ducted electric central air conditioning, ducted electric wall air conditioning and water evaporative coolers. All components and parts, except;

NOT COVERED: Gas air conditioning systems - Condenser casings - Registers and grills - Filters - Electronic air cleaners - Window units - Non-ducted wall units - Water towers - Humidifiers - Roof jacks or stands - Evaporative cooler pads - Flues - Vents - Improperly sized air conditioning unit - Chillers.



3. DUCTWORK

COVERED: Ducts from heating and/or cooling unit to point of attachment at registers or grills.

NOT COVERED: Registers or grills - Insulation - Asbestos-insulated ductwork - Dampers - Improperly sized ductwork.

NOTE: AHS will provide access to ductwork through unobstructed walls, ceilings or floors, only, and will return the access opening to rough finish condition. With respect to concrete-encased ductwork, AHS will pay no more than \$500 per contract for access, diagnosis and repair or replacement. AHS's approved contractor will close the access opening and return to a rough finish condition, subject to the \$500 limit indicated.

WASHER/DRYER PACKAGE:



4a. CLOTHES WASHER

COVERED: All components and parts, except;

NOT COVERED: Plastic mini-tubs - Soap dispensers - Filter screens - Knobs and dials - Damage to clothing.



4b. CLOTHES DRYER

COVERED: All components and parts, except;

NOT COVERED: Venting - Lint screens - Knobs and dials - Damage to clothing.

E. OPTIONAL COVERAGE

(AVAILABLE ONLY TO HOME BUYER UPON PAYMENT OF ADDITIONAL CONTRACT FEE)

NOTE: Home buyer may purchase any optional coverage for up to 30 days after close of sale. However, the coverage period shall commence upon receipt of payment by AHS and shall expire one year after the close of sale, and the limitations of liability specified in Section F shall apply.



1. WELL PUMP

COVERED: All components and parts of well pump utilized for main dwelling only, except;

NOT COVERED: Well casings - Pressure tanks - Piping or electrical lines leading to or connecting pressure tank and main dwelling - Holding or storage tanks - Redrilling of wells - Booster pumps - Well pump and well pump components for Geothermal and/or water source heat pumps.



2. POOL AND/OR SPA EQUIPMENT

COVERED: Both pool and spa equipment (including portable spa, exterior hot tub and whirlpool) are covered if they utilize common equipment. If they do not utilize common equipment, then only one or the other is covered unless an additional fee is paid. Coverage applies to all components and parts of the heating, pumping and filtration systems, pool sweep motor and pump, except;

NOT COVERED: Lights - Liners - Concrete-encased or underground electrical, plumbing or gas lines - Structural defects - Solar equipment - Jets - Fuel storage tanks - Covers and disposable filtration mediums - Built-in or detachable cleaning equipment including pool sweeps, pop-up heads, turbo valves and the like.

F. LIMITATIONS OF LIABILITY

1. The following are not covered for the home seller or for the first 30 days after the close of sale for the home buyer: (a) malfunction or improper operation due to rust or corrosion of appliances, heating systems (including built-in wall units or heat pumps) and/or air conditioning systems/coolers or pools/spas; (b) collapsed ductwork.

2. AHS is not responsible for providing or closing access to covered items except as noted in Sections C and D.

3. You may be charged an additional fee by the repair contractor to dispose of or dispose of an old appliance, system or component, including, but not limited to the following items: condensing units, evaporator coils, compressors, capacitors, refrigerators, freezers, hot water heaters, and any system or appliance which contains dangerous or hazardous materials.

4. AHS is not responsible for restoration of any wall coverings, floor coverings, cabinets, counter tops, tiling, paint, or the like, nor the repair of any cosmetic defects.

5. Electronic, computerized, or energy management systems or devices, or lighting and appliance management systems are not covered.

6. AHS is not liable for consequential or secondary damages nor for failure to provide timely service due to conditions beyond its control, including, but not limited to, delays in obtaining parts or equipment and labor difficulties.

7. AHS is not liable for repair of conditions caused by chemical or sedimentary build up, misuse or abuse, failure to clean or maintain, missing parts, structural changes, fire, freezing, electrical failure or surge, water damage, lightning, mud, earthquake, soil movement, storms, accidents, pet damage, pest damage, acts of God, or failure due to excessive or inadequate water pressure.

8. AHS has the sole right to determine whether a covered appliance, system or component will be repaired or replaced. AHS is responsible for installing replacement equipment of similar features, capacity and efficiency, but not for matching dimensions, brand, or color. AHS is not responsible for upgrades nor for the cost of construction, carpentry, or other modifications made necessary by existing equipment or installing different equipment.

9. AHS is not responsible for repairs related to inadequacy or lack of capacity, improper installation, previous repair or design, and any modification to the system or appliance. AHS does not perform routine maintenance.

10. AHS reserves the right to obtain a second opinion at its expense.

11. AHS is not responsible for repair or replacement of systems and appliances classified by the manufacturer as commercial.

12. AHS is not responsible for repairs arising from manufacturer's recall of covered items or any items while still under an existing manufacturer's, distributor's, or in-home warranty.

13. AHS reserves the right to offer cash back in lieu of repair or replacement in the amount of AHS's actual cost to repair or replace such item.

14. AHS is not responsible for repair or replacement of appliances or systems which break down due to the failure of an embedded microprocessor or computer which is unable to compute date logic, otherwise known as "the Year 2000 problem." AHS is not responsible for repair or replacement of appliances or systems which fail as the result of a Year 2000 failure on the part of a public or private utility source (i.e., electricity, natural or manufactured gas, water, telephone, cable TV, etc.).

G. BUILDING AND ZONING CODE REQUIREMENTS OR VIOLATIONS

AHS is not responsible for any upgrades, work or costs required to comply with any federal, state, or local laws, regulations or ordinances or utility regulations, or to meet current building or zoning code requirements, or to correct for code violations. AHS is not responsible for service when permits cannot be obtained, nor will it pay any costs relating to permits. AHS will not contract to perform service nor pay costs involving hazardous or toxic materials or asbestos, nor will it pay costs related to freon recapture or the disposal of refrigerants or contaminants.

H. MULTIPLE UNITS AND INVESTMENT PROPERTY

1. If this contract is for duplex, triplex, or fourplex dwelling, then every unit within such dwelling must be protected by an AHS contract for protection to apply to common systems. Should any unit within such dwelling not be protected by an AHS contract, then there is no protection for common systems.

2. If this contract is for a dwelling within a multiple unit of 5 dwelling units or more, then only items contained within the confines of each individual unit are protected. Common systems and appliances are excluded.

3. Except as otherwise provided in this section, common systems and appliances are not protected.

I. TRANSFER OF CONTRACT AND RENEWALS

1. If the covered property changes ownership during the contract period, please call 1-800-735-4663 for further information to transfer coverage to the new owner.

2. This contract may be renewed at the option of AHS and where permitted by state law. In that event, you will be notified of the prevailing rates and terms for renewal.

J. CANCELLATION

This contract shall be noncancelable, except AHS may cancel for the following reasons:

1) nonpayment of contract fees; 2) fraud or misrepresentation of facts material to the issuance of this contract; or 3) when contract is for listing coverage and close of sale does not occur.

If this contract is canceled, the provider of funds shall be entitled to a pro rata refund of the paid contract fee for the unexpired term, less an administrative fee and any service costs incurred by AHS.

Sample Contract

A. COVERAGE

1. During the coverage period, AHS will arrange for a qualified service contractor to repair or replace the systems and components mentioned as covered in accordance with the terms and conditions of this contract so long as they:

- A. Are located within the confines of the main foundation of the home or garage (with the exception of the exterior well pump and air conditioner); and
- B. Become inoperative due to normal wear and tear; and
- C. Are in good working order on the effective date of this contract; and
- D. Are properly installed throughout the term of this contract for proper diagnosis.

2. This contract only covers single-family resale homes (including manufactured housing) under 5,000 square feet, unless an alternative dwelling type (i.e. 5,000 square feet to 10,000 square feet, or multiple units) is applied for by phoning 1-800-735-4663, and the appropriate fee is paid. Coverage is for owned or rented residential property, not commercial property or residences used as business, including, but not limited to, day care centers, fraternity/sorority houses, and nursing/care homes.

3. This contract describes the basic coverage and options available. For the specific coverage selection on your home, see the reverse side of this contract. Coverage includes only the items stated as covered and excludes all others. Coverage is subject to limitations and conditions specified in this contract. Please read your contract carefully.

4. Seller's coverage for the listing and sale period starts upon issuance of a confirmation number by AHS, and continues for 180 days or close of sale or termination of listing (whichever occurs first). In the event that close of sale does not occur in such 180-day period, AHS may, in its sole discretion, extend the seller's coverage period. If the application is received as a telephone application, then coverage will start immediately upon issuance of a confirmation number by AHS. Seller's coverage includes items in Section C only, and excludes all others, unless the HVAC option (Section D) is purchased. \$60 option fee due at closing, expiration of listing, or cancellation whichever comes first.

5. Buyer's coverage begins at close of sale, provided plan fee is paid to AHS, and continues for one year after close of sale.

6. Lease option coverage (available for lessee only) begins upon receipt of application and contract fee by AHS and continues for one full year.

B. CUSTOMER SERVICE FOR SERVICE CALL: 1-800-776-4663

1. You must notify AHS for work to be performed under this contract as soon as the problem is discovered. AHS will accept service calls 24 hours a day, 7 days a week at 1-800-776-4663. Notice of any malfunction must be given to AHS prior to the expiration of this contract.

2. An authorized service professional will be contacted by AHS within four (4) hours during normal business hours and forty-eight (48) hours on weekends and holidays. The service professional will promptly contact you to schedule a mutually convenient appointment during normal business hours. AHS will determine what repairs constitute an emergency and will make reasonable efforts to expedite emergency service. If you should request AHS to perform non-emergency service outside of normal business hours, you will be responsible for payment of additional fees, including overtime.

3. AHS has the right to select the service contractor to perform the services. AHS will not reimburse for services performed without its prior approval.

4. You will pay \$50 for each trade service call, or the actual cost, whichever is less. Additional charges may apply to certain repairs and replacements. The trade service call fee is for each visit by each AHS-approved contractor (except as noted in Section B.5) and is payable to the AHS-approved contractor at the time of each visit. AHS cannot respond to a new request for service when any previous service fee is outstanding. Failure to pay the trade service call fee will result in suspension of coverage until such time as the proper fee is paid. At that time, coverage will be reinstated, but the contract period will not be extended.

5. If service work performed under this contract should fail, then AHS will make the necessary repairs without an additional trade service call fee for a period of 90 days on parts and 30 days on labor.

C. COVERED SYSTEMS AND APPLIANCES

The following items are covered for home seller and home buyer. Certain limitations of liability apply to covered systems and appliances (See Section F).



1. PLUMBING SYSTEM

COVERED: Leaks and breaks of water, drain, gas, waste or vent lines, except if caused by freezing or roots - Toilet tanks, bowls and mechanisms (builder's standard is used when replacement is necessary), toilet wax ring seals - Valves for shower, tub, and diverter, angle stops, risers and gate valves - Permanently installed sump pumps (ground water only) - Built-in bathtub whirlpool motor and pump assemblies.

NOT COVERED: Stoppages - Collapse or damage to water, drain, gas, waste or vent lines caused by freezing or roots - Faucets and fixtures - Bathtubs and showers - Shower enclosures

and base pans - Sinks - Toilet lids and seats - Caulking or grouting - Septic tanks - Water softeners - Pressure regulators - Inadequate or excessive water pressure - Flow restrictions in fresh water lines caused by rust, corrosion or chemical deposits - Sewage ejector pumps - Holding or storage tanks - Saunas or steam rooms - Hose bibbs - Whirlpool jets.

NOTE: AHS will provide access to plumbing systems through unobstructed walls, ceilings or floors, only, and will return the access opening to rough finish condition. With respect to concrete-encased plumbing systems, AHS will pay no more than \$500 per contract for access, diagnosis and repair or replacement. AHS's approved contractor will close the access opening and return to a rough finish condition, subject to the \$500 limit indicated.



2. WATER HEATER (Gas or Electric)

COVERED: All components and parts, including circulating pumps, except;

NOT COVERED: Solar water heaters - Solar components - Holding or storage tanks - Noise - Fuel storage tank and energy conservation unit - Flues and vents.



3. ELECTRICAL SYSTEM

COVERED: All components and parts, including built-in exhaust fans, except;

NOT COVERED: Fixtures - Doorbells - Alarms - Intercoms - Central vacuum systems - Inadequate wiring capacity - Power failure or surge - Garage door openers - Direct current (D.C.) wiring or components.



4. DISHWASHER

COVERED: All components and parts, except;

NOT COVERED: Racks - Baskets - Rollers.



5. GARBAGE DISPOSAL

COVERED: All components and parts, including entire unit.



6. BUILT-IN MICROWAVE OVEN

COVERED: All components and parts, except;

NOT COVERED: Interior linings - Door glass - Shelves - Portable or counter top units - Meat probe assemblies - Rotisseries - Clocks.



7. RANGE/OVEN/COOKTOP (Gas or Electric)

COVERED: All components and parts, except;

NOT COVERED: Clocks (unless they affect the function of the oven) - Meat probe assemblies - Rotisseries - Racks - Handles - Knobs - Sensi-heat burners will only be replaced with standard burners.



8. TRASH COMPACTOR

COVERED: All components and parts, except;

NOT COVERED: Lock and key assemblies - Removable buckets.



9. KITCHEN REFRIGERATOR

COVERED: All components and parts, except;

NOT COVERED: Racks - Shelves - Ice makers, ice crushers, beverage dispensers and their respective equipment - Interior thermal shells - Food spoilage - Freezers which are not an integral part of the refrigerator.



10. CEILING FANS

COVERED: All components and parts.



11. GARAGE DOOR OPENER

COVERED: Wiring - Motor - Switches - Receiver unit - Track drive assembly.

NOT COVERED: Doors - Hinges - Springs - Remote transmitters.

D. ADDITIONAL COVERAGE FOR THE HOME BUYER OPTIONAL COVERAGE FOR THE HOME SELLER

NOTE FOR SELLER: If the option is taken, items 1, 2, and 3 in Section D are subject to a combined \$1,500 maximum coverage limitation during the listing period. Seller's limitations of liability apply. Washer/Dryer Package is for Buyer only.



1. HEATING SYSTEM OR BUILT-IN WALL UNIT (If Main Source of Heat to the Home)

NOTE: Coverage available on heating and/or cooling systems with nominal heating and/or cooling capacities not exceeding five (5) tons.

COVERED: All components and parts necessary for the operation of the system (including Geothermal and/or water source heat pumps' components and parts located within the foundation of the home or attached garage which cool and/or heat the home), except;

NOT COVERED: Baseboard casings - Fuel storage tanks - Portable units - Solar heating systems - Fireplaces and key valves - Filters - Registers - Grills - Clocks -

American Home Shield: Good for Buyers. Good for Sellers.

With so many of a home's vital systems hidden from view, it's easy to take them for granted — until something goes wrong! Now there's a way to help **shield yourself** from unexpected and costly repair bills. An American Home Shield home warranty is good for **buyers and sellers**.

An American Home Shield (AHS) home warranty repairs or replaces,* for one full year, an existing home's covered mechanical systems and major built-in appliances that break down due to normal wear and tear. The types of breakdowns that are covered, and the limitations and exclusions of coverage, are described in detail in our contract, a copy of which is attached.

Day Or Night, AHS Is Always Here To Take Your Service **Requests.**

At American Home Shield, we're here around the clock to handle the most important call there is — **yours**.

When a covered item breaks down due to normal use,

- ◆ Call AHS at 1-800-PRO-HOME, 24 hours a day, 7 days a week to request service.
- ◆ AHS will contact an authorized service technician.
- ◆ The service technician will contact you to schedule a convenient time to diagnose the problem

For Sellers, An AHS Home Warranty Can Help You...

- ◆ **Sell Faster** because it may provide a competitive edge over other homes on the market and state **confidence** to the buyer.
- ◆ **Sell For a Higher Price** because when the buyer has confidence in your home, it can discourage downward price bargaining.
- ◆ **Sell With Less Inconvenience** because after you have moved out and the buyer has a mechanical or systems problem, they will call AHS, not you, offering you potential after-sale liability protection.

For Buyers, An AHS Home Warranty Offers You...

- ◆ **Security** because when you buy a home, you don't want unexpected repair or replacement* expense with the systems or appliances.
- ◆ **Budget Protection** because you pay a low trade call fee** for repair or replacement of any warranted item.
- ◆ **Convenience** because homeowners simply call AHS toll-free 24 hours a day, 7 days a week to request service. A local, qualified service technician will contact the homeowner to schedule a convenient appointment.

You Can Depend On Us To Do What We Say We Will Do.

American Home Shield is part of ServiceMaster, the largest and most respected home service company in the world. ServiceMaster is a \$5.6 billion international corporation with one simple, yet highly successful, philosophy.

When the customer needs service, we make sure the customer gets service.

* We will provide you a brand new, name brand appliance or system with comparable features, if we're unable to repair your covered equipment. In some situations, we may even allow you to opt for cash in lieu of replacement, which at times, may be less than retail.
** Trade service call fee is for each visit by a service technician. Additional charges may apply to certain repairs and replacements.
Please read contract for specific coverages, limitations, and exclusions.



Call 1-800-WE SERVE

ServiceMaster • Terminix • Merry Maids
TruGreen-ChemLawn • American Home Shield
Furniture Medic • AmeriSpec • Rescue Rooter

Home Warranty Application



THREE WAYS TO SUBMIT YOUR APPLICATION

Phone: 1-800-SEL-HOME (1-800-735-4663)
Mail With Payment: AHS P.O. Box 2803 Memphis, TN 38101-2803
Mail: AHS P.O. Box 849 Carroll, IA 51401-9901
Fax: 1-800-FAX-AHS8 (1-800-329-2478)

FOR SERVICE, CALL 1-800-776-4663

For service on your covered systems and appliances, call 1-800-776-4663, 24 hours a day, 365 days a year. **DO NOT call a contractor yourself. AHS** will not reimburse for work performed without its prior approval.

AHS SERVICE IS GUARANTEED!

If for any reason you are not totally satisfied with our service, American Home Shield will continue working with you until you are satisfied or will refund the amount of your trade service call fee.

COVERED ITEMS	Home Buyer	Home Seller
Heating System	♦	
Heat Pump	♦	
Air Conditioning/Cooler	♦	
Ductwork	♦	
Plumbing System	♦	♦
Sump Pump	♦	♦
Whirlpool Tub	♦	♦
Water Heater	♦	♦
Electrical System	♦	♦
Exhaust Fan	♦	♦
Dishwasher	♦	♦
Garbage Disposal	♦	♦
Built-In Microwave Oven	♦	♦
Range/Oven/Cooktop	♦	♦
Trash Compactor	♦	♦
Kitchen Refrigerator	♦	♦
Ceiling Fans	♦	♦
Garage Door Opener	♦	♦
Washer/Dryer	♦	

Coverage for Buyer and Seller **\$375**

Optional Heating, Air Conditioning, and Ductwork Coverage for Seller **\$60**

OPTIONAL COVERAGE AVAILABLE TO HOME BUYER

Well Pump	\$ 85	\$
Swimming Pool or Spa Equipment	\$160	\$
Swimming Pool w/ Built-In Spa Equipment	\$160	\$
Additional Pool or Spa Equipment	\$160	\$

TOTAL COST \$

\$60 option fee due at closing, expiration of listing, or cancellation whichever comes first.

\$50 trade service call fee per repair visit or actual cost of service, whichever is less.

Additional charges may apply to certain repairs and replacements. Please read contract for specific coverages, limitations, and exclusions.

Confirmation Number _____

(This will be provided when AHS receives your application)

American Home Shield Corporation
 American Home Shield Mid-Atlantic, Inc.

1. Seller Information:

Single-family residence (under 5,000 square feet*) to be covered:

NAME _____ PHONE NUMBER _____

ADDRESS OF PROPERTY TO BE COVERED _____

CITY _____ COUNTY _____ STATE _____ ZIP CODE _____

REAL ESTATE COMPANY _____

() _____
 PHONE NUMBER _____ AGENT _____

Listing Expiration Date _____

*For properties over 5,000 square feet, multiple units, or any other dwelling type, please call for quote. (See Section A of contract for details.)

2. Buyer Information:

CLOSING COMPANY NAME _____

() _____
 PHONE NUMBER _____ ESTIMATED CLOSING DATE _____ CLOSING NO. (If available) _____

REAL ESTATE COMPANY _____

() _____
 PHONE NUMBER _____ AGENT _____

HOME BUYER'S NAME _____ PHONE NUMBER _____

HOME BUYER'S MAILING ADDRESS (If different from property address) _____

CITY _____ COUNTY _____ STATE _____ ZIP CODE _____

The above named real estate company, in addition to representing the seller and/or buyer, acts as agent for AHS in connection with the sale of this home warranty plan. The plan fee is to be paid at closing and includes the full amount of fees due and payable to AHS for plan administration and provision of service, as well as optional reimbursement to the above named real estate company based on a good faith estimate of the value of its services and expenses incurred in promoting, selling, processing and advertising the plan.

I desire:

- home seller's and home buyer's coverage.
- home buyer's coverage.
- to 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 warranty plan.

Signature _____ Date _____

Why Is American Home Shield The Right Company For You?

Each and every day..

- ◆ AHS spent, on average, over **\$15,290 per hour** in repair and replacement costs across the country in the last year.
- ◆ AHS added, on average, over **75 customers per hour** across the country in the last year.
- ◆ AHS received, on average, over **2 claims per minute** from customers across the country in the last year.
- ◆ **At AHS, time is money for the customer.**



How do other home warranty companies compare? We believe they don't . . . you decide!

"The repairs covered by AHS saved us nearly \$1,000. Encouraging the sellers to put a home warranty on the house was insightful. In all our dealings with you, you have displayed professionalism, integrity, and genuine concern for our happiness. And we cannot stress enough what a great deal you offer your customers with the home warranty, because despite the best efforts of the seller, the agent, and the home inspector, you can never anticipate everything that can go wrong in a house."

VA, San Antonio, TX

"Your staff contacted the local service contractor who made an inspection, obtained approval to do the work, and performed the work in a 24 hour period. Everyone I dealt with was courteous and very professional. The two service technicians were very qualified to do the work, they did a thorough job, and left the work area spotless when they finished. Experiences such as this are the reasons I recommend a business to others."

RT, Hoover, AL

"When I purchased my home last year, I chose to protect my investment with a protection plan offered by AHS. Over the last year I have had to use the protection plan several times and was treated with professionalism and courtesy every time. It is because of this contact American Home Shield has a customer for life."

JP, Reading, CA

"I thought you'd like to hear about my experience with two plumbing experts who completed work at my home. Not only was the work covered by AHS, but the two service contractors completed the job as if they were working on their own home. This was my first exposure to AHS; I was extremely impressed. The service contractors were friendly and more than willing to answer questions. It's nice to know there's a business and people who still recognize what 'SERVICE' is all about. I hope this is the beginning of a great business relationship."

MF, St. Louis, MO

Call us toll-free at **1-800-SEL-HOME (735-4663)** and we'll arrange for your American Home Shield home warranty. We're here to help protect you against the high cost of home repair.



America's Oldest & Largest Home Warranty Company
American Home Shield Corporation
American Home Shield Mid-Atlantic, Inc.