



HOME WARRANTY TERMS & CONDITIONS

Revised October, 2006

This Warranty is between the Seller and Buyer of the property shown on the Registration form ("Covered Property") and R.S. Andrews Enterprises of Kansas, Inc. d/b/a A.B. May Company ("Company"). Services under this Warranty are provided by Company and other such companies under their direction may be used to perform repair service on the home mechanical systems outlined in this Warranty. The Company during the term of this Warranty and subject to the conditions hereof, warrants to Seller and Buyer (Seller and Buyer will sometimes hereinafter be referred to jointly as "Covered Persons" or individually as "Covered Person") to repair or replace, at Company's discretion, any covered appliance or home mechanical system (plumbing, heating, air conditioning, electrical) located at the Covered Property to normal operational condition. This Warranty covers only the appliances and systems which are noted on the reverse side as being covered and which are located on the Covered Property and in normal operating condition on the first date of the term of this Warranty.

TERM

The term of this Warranty for covered appliances and systems for Seller shall commence upon listing confirmation number being issued by Company and remain in effect for the initial listing period (but no longer than 180 days). The term of this Warranty for covered appliances and systems for Buyer shall be 12 months which will commence upon full payment therefore being received by Company and Company accepting the payment and issuing this Warranty. Company reserves the right to inspect the Covered Property and all covered appliances and systems before issuing this Warranty.

SERVICE

Company guarantees a minimum response time of 24 hours on emergency service, 24 hours daily, and 7 days weekly, including holidays, with FAST, PRIORITY service on all routine service requests. For non-emergency service requests it is the Covered Person's responsibility to provide access to the Covered Property for repairs during normal business hours.

SERVICE CALL FEES

For mechanical systems Seller – (during listing) \$95.00 (or actual charges, whichever is less) fee for each occurrence, Buyer – (after payment of Warranty is received in full) \$60 fee for each occurrence. Service fee(s) shall be charged for each occurrence, for items repaired or replaced under the same home mechanical system. Service calls for different trades cannot be combined into one call. Repairs performed under this Warranty will be warranted for 30 days on parts and labor. Service fees are in addition to Warranty Fees.

ITEMS COVERED

(listed [here](#), some items listed as options for Buyer only)

Sewer blockages within the property lines (30 day waiting period for tree roots in sewer lines); all drain cleaning; water heater-first system* (standard residential 50 gallon max); toilet mechanisms; toilet seats; dripping and broken faucets; all listed plumbing fixtures; hot water dispensers; washing machine hook-ups; concealed and underground leaks in pipes including polybutylene pipe with a \$500 max. for the life of the contract on the blue polybutylene (all pipes must be within property lines); whirlpools (motor and pump assembly); gas or electric furnace-up to two (2)*; electric central air conditioning-up to two (2)*; heat pumps-up to two (2)*; boiler controls (thermostat, flue damper, transformer, thermocouple, pilot, pilot safeties, sight glass, gas valve, electronic ignitor, coupler); built-in appliances-first system* (range, range hood, dishwasher, trash compactor, microwave); home electrical systems. When covered as an option for Buyer only; septic tank, distribution box, inlet & outlet Tee's and necessary pumping.

*Additional fees are applicable and coverage is required for additional HVAC systems, heat pumps, additional water heaters, and additional appliances.

ITEMS NOT COVERED HEREUNDER INCLUDE (BUT NOT LIMITED TO) THE FOLLOWING:

(Buyer/Seller)

Cosmetic defects; appliance failure resulting from rust or corrosion; poor water pressure or rust where original galvanized piping is still in place; color or purity of hot & cold water systems; grouting, caulking, cracked or broken ceramic, fiberglass, simulated marble, granite, tubs, sinks, tile, walls, floors, subflooring and any fixture; foundation and building structure; window air conditioning units; oil furnaces and geothermal systems; gas air conditioning systems; solar water heating and components; power vented water heaters; electric garage door openers; built-in or sub-zero refrigerators; lighting fixtures; exhaust fans; cracked or broken sewer lines; intercom systems; fire, smoke & security alarm systems; batteries; computerized/electronic management systems for energy, lighting system, security or appliances; and doorbell when part of an intercom system. Items damaged by abuse, negligence or improper use, hazardous or toxic materials; mold and/or fungus; chemicals; asbestos; duct cleaning; missing parts; detachable accessories for any covered item. Mechanical system failures due to local code violations, pre-existing conditions and concealed or camouflaged damage. Damage resulting from alterations or additions made to property or grounds and damage to any item as a result of fire, smoke, lightning, freeze, earthquake or settling of foundation, theft, storms, accidents, war, riots, vandalism, improper installation, acts of God, power failure or surge, pest/pet damage, neglect (including coil and blower cleaning) or misuse. Septic tank drain field lines and pumps within the septic tank. Boiler sections,

pipng, radiators, pumps and gauges. Treatment for wood infestation insects. Pool/Spa items not covered with optional coverage: heaters, structural defects, liners, lighting systems, cleaning equipment, any removable item, underground electrical, plumbing and gas lines.

LIMITATIONS

This Warranty applies only to a single family residence. This Warranty does not cover mobile homes. This Warranty covers only matters of which the Company is advised during the term of the applicable Warranty, and does not cover conditions which existed prior to the issuance of this Warranty. Company is not responsible for matching color or brand. Replacement is based on builders standard makes and models. Company will not reimburse other vendors for service performed without prior approval. Company will not be liable for consequential damages to property or personal injury resulting from the failure of any component, system or appliance or from Company's delay or failure to provide service due to conditions beyond Company's control such as, but not limited to, unavailability of materials or labor difficulties. Company is not responsible for code violations or design limitations in systems or appliances. Company will upgrade to code at Covered Person's expense, but such upgrades are not covered by this Warranty. If any system otherwise covered is rendered inoperable due to non-availability of one or more of its parts, the Company shall not be responsible for replacement of the entire non-operating system or appliance. Company shall be required only to make a reasonable allowance based on the reasonable value of comparable parts. It is the Covered Person's responsibility to provide access required to make repairs. The expense incurred to gain access, or the expense of repair of damage necessary in order to gain access such as, but not limited to landscaping, sheetrock, flooring, carpet, ceramic tile, bath or shower enclosures and paving and damage to finished areas such as paint, wallpaper and cosmetic damage resulting from any repair made under this Warranty shall be the responsibility of the Covered Person.

LIMITS OF LIABILITY

The express warranties and agreements set forth in this Warranty are the only obligations of the Company to the Covered Persons under the Warranty. All other agreements, undertakings and warranties by the Company, including but not limited to warranties of merchantability of fitness for a particular purpose are expressly excluded. This Warranty does not create, establish or confirm any obligation of Company to any person not designated as a Covered Person hereby. The maximum liability of the Company under this Agreement shall be \$2000.00 per occurrence for Buyer, \$500 per occurrence for Seller under the listing plan and a \$500 maximum coverage for the life of the contract on blue polybutylene. Under no circumstances shall the company be liable for consequential damages arising out of its performance or claimed nonperformance under this Agreement, including but not limited to, liability for damage to property, personal injury or death. In no event will Company be responsible for any loss, damage, illness or injury resulting from condensation leaks or frozen pipes or drains.

RENEWAL AND TRANSFER

At Company's sole discretion and option, this Warranty may be renewed for additional one year periods upon payment to the Company of the Company's then effective renewal charge for the renewal Warranty requested. This Warranty may be assigned during its term to a subsequent purchaser of the Covered Property (a "Transferee Covered Person"), but after such assignment this Warranty will only cover systems and appliances which are transferred to the Transferee Covered Person as part of the sale. For an assignment of this Warranty to be effective, the Transferee Covered Person must, within 30 days of the closing of the sale of the Covered Property, notify the Company in writing of the sale and of the name and address of the Transferee Covered Person. Company reserves the right to inspect the Covered Property and all covered appliances and systems before renewing or transferring Warranty.

PERFORMANCE GUARANTEE

This is not a contract of insurance.

TERMINATION AND CANCELLATION

This Warranty cannot be cancelled by Company except: 1) for owner's failure to pay service call fees to Company's Representative; 2) in the event of fraud or material misrepresentation by homeowner of any fact or circumstances relating to appliances, electrical or mechanical systems; 3) in the event the Covered Property is determined to be unsafe and the conditions are not corrected within 30 days of notification in writing by Company.

ENTIRE WARRANTY

This Warranty and the items listed on the Warranty Confirmation constitute the entire Warranty between the parties. No oral representation applies. This Warranty is not effective for Buyer until payment is received in full. The named Real Estate firm, in addition to representing the Seller/Buyer, has a business relationship with the Company to the extent that it serves as an agent for Company in the marketing and sale of this home service warranty. The Warranty Fee paid at closing includes the full amount of fees due and payable to Company for Warranty administration and service, as well as reimbursement of expenses and payment for services provided by the Real Estate firm. Any reimbursement of expenses and payment is based on a good faith estimate of expenses incurred and services rendered in promoting, selling, processing and advertising the Warranty for the Company. Purchase of the Warranty is not a condition for the purchase of the subject property.

*An emergency is defined as the failure of a covered item which may cause personal injury or substantial damage to property if not repaired within 24 hours of notification.