

## HOA WARRANTY PLAN SUMMARY

PLEASE REVIEW THIS AGREEMENT CAREFULLY. It describes the terms and conditions of Your HOA Warranty Plan. This Agreement, including all terms, conditions, limitations, exceptions, and exclusions constitute the entire agreement between HOA Warranty, Inc. and You. THIS AGREEMENT IS NOT AN INSURANCE POLICY.

Customer Information			
Customer Name		Covered Unit Address	
Phone Number		Covered Unit Type	
Email		Mailing Address	
Association Name		Association Address	
Association Phone Number		Unit Purchase Price	

Plan Information			
Plan Effective Date		Plan Term	
Plan Price		Plan Number	
Obligor Information	HOA Warranty, Inc. 3822 W 111 <sup>th</sup> Street Chicago, IL 60655 Email: <a href="mailto:Contact@hoawarranty.com">Contact@hoawarranty.com</a>		
Covered Systems/Structures	Roofs, Exterior Resurfacing, Tuckpointing, Heating/Cooling Systems, Balconies, Decks, Stairwells, Elevators, Windows, Garages – roofs, tuckpointing, mechanicals, Existing Pools, Existing Hot Tubs, Storage Areas, Sidewalks, Fences, Intercom Systems, Exterior Doors, Security Systems.		
Additional Benefits			

I (Customer) acknowledge that the information contained above is, to the best of my knowledge, true. I have read this HOA Warranty (“Agreement” or “Plan”) in its entirety, and I understand and agree to all of the provisions, terms, and conditions contained herein, including the exclusions, cancellation and transfer sections which are available electronically at [hoawarranty.com](http://hoawarranty.com), or in paper copy from the Obligor upon request. I agree to purchase this Plan in exchange for payment of the Plan Price shown above. I understand that this Plan has been issued in accordance with the information contained on this Plan Summary Page. I understand that prior authorization from Obligor is required on repairs covered by this Agreement.

\_\_\_\_\_  
Customer Signature

\_\_\_\_\_  
Date

## HOA Warranty Plan Terms & Conditions

### 1. DEFINITIONS

a. **“Agreement”** or **“Plan”** means this HOA Warranty, including all terms, conditions, limitations, exceptions, and exclusions.

b. **“Association”** means a corporation, limited liability company, association, or other legal entity responsible for the operation of a Community in which the voting membership is made up of Parcel owners or their agents, or a combination thereof, and in which membership is a mandatory condition of Parcel ownership, and which is authorized to impose assessments, including Special Assessments, that, if unpaid, may become a lien on the Parcel.

c. **“Community”** means the real property that is or will be subject to a declaration of covenants of the Association, including, but not limited to, all Parcels and related common areas.

d. **“Covered Breakdown”** means the complete and total Failure of a system or structure covered by this Agreement to perform its intended function(s) in normal service, providing it has received all scheduled maintenance as recommended by the manufacturer or in the owner’s manual of the system or structure. Covered Breakdown does not include the gradual reduction in operating performances caused by wear and tear where a Failure has not occurred.

e. **“Covered Unit”** means the Covered Unit identified in the Plan Summary.

f. **“Failure”** means the inability of an original or like replacement part or structure covered under this Agreement to function during normal service as intended by the manufacturer of the Covered System or Structure.

g. **“Parcel”** means a platted or unplatted lot, tract, unit, or other subdivision of real property subject to a declaration of covenants that subject the Parcel to jurisdiction and control of the Association.

h. **“Related Party”** means a family member, or person, association of individuals, or entity joined with the Customer by a pre-existing business relationship or common interest.

i. **“Special Assessment”** means a sum or sums of money payable to the Association in accordance with the Association’s governing documents to pay for the repair, replacement, or maintenance of a Covered System or Covered Structure.

j. **“We”, “Our”, “Us”** and **“Obligor”** means HOA Warranty, Inc., 3822 W. 111<sup>th</sup> Street, Chicago, IL 60655.

k. **“You”, “Your”, “Customer”,** and **“Covered Unit Owner”** means the customer who purchased this Plan identified in the Plan Summary.

### 2. WHAT QUALIFIES AS AN ELIGIBLE UNIT

An “Eligible Unit” is the real property located at the Covered Unit Address of the Covered Unit Type, each identified in the in the Plan Summary page, and

a. Membership in an Association is a mandatory condition of Covered Unit ownership;

b. The Association in which the Covered Unit Owner is a member as a condition of Covered Unit ownership contains no less than five (5) Parcels;

c. At the time of You closed on the purchase of the Covered Unit, there were no announced, pending or scheduled Special Assessments by the Association; and

d. Your purchase of the Parcel did not and will not, individually or jointly with any Related Party, provide You and/or a Related Party a majority of the voting interest in the Association.

### 3. WHAT IS COVERED

a. Plan Coverage. Subject to the terms and conditions of this Plan, including any applicable limits and exclusions listed in this Agreement, coverage under this Plan is available when a Covered System or Covered Structure of a Community in which the Covered Unit is included experiences a Covered Breakdown during the Plan Term and such Covered Breakdown results in a Special Assessment. In the event of a Covered Breakdown, We, in our sole discretion, will repair or replace the Covered Structure or Covered System, or indemnify You, subject to the Limit of Liability, for a Special Assessment arising from a Covered Breakdown of a Covered Structure or Covered System. The coverage provided by this Plan is subject to certain limitations and exclusions, including the Plan Limit of Liability and any applicable general limitation or exclusion. Please note that unless a system or structure of a Covered Unit is specified in the Plan Summary or this Section 3 as covered by this Plan, it is not covered. The items identified in the “Exclusions” section is not an exhaustive list of noncovered systems or structures (including components and parts) under your Plan, and general limitations and exclusions may still apply. Coverage under this Plan is limited to a single Covered Breakdown resulting in a Special Assessment during the Plan Term.

b. Covered System. Subject to the terms and conditions of this Plan, the following systems are eligible for coverage:

i. Heating/cooling systems, elevators, garage door systems, existing pools, existing hot tubs, security systems, and intercom systems.

c. Covered Structure. Subject to the terms and conditions of this Plan, the following structures and structural components of the Community are eligible for coverage:

i. Roofs, exterior resurfacing, tuckpointing, balconies, decks, stairwells, windows, garages – roofs, storage areas, sidewalks, fences, , athletic courts, exterior doors.

#### 4. EXCLUSIONS FROM COVERAGE

**UNLESS OTHERWISE EXPRESSLY COVERED UNDER THIS PLAN, THIS PLAN DOES NOT APPLY TO THE FOLLOWING UNLESS REQUIRED BY APPLICABLE LAW:**

a. **WE ARE NOT RESPONSIBLE FOR, AND WILL NOT PAY OR OTHERWISE REIMBURSE YOU FOR SPECIAL, SECONDARY, INCIDENTAL, INDIRECT, CONSEQUENTIAL, EXEMPLARY, OR OTHER RELATED COSTS OR DAMAGES RESULTING FROM A COVERED BREAKDOWN, OR DELAY OR NEGLECT, WHETHER DUE TO THE ASSOCIATION OR ITS SELECTED CONTRACTOR’S DELAY OR NEGLECT IN PROVIDING, OR FAILING TO PROVIDE, REPAIR, OR REPLACE A COVERED SYSTEM OR COVERED STRUCTURE, INCLUDING BUT NOT LIMITED TO LOSS OF INCOME, UTILITY BILLS, ADDITIONAL LIVING EXPENSES, OR PERSONAL AND/OR REAL PROPERTY DAMAGE;**

b. **BREAKDOWNS THAT OCCUR DUE TO ABUSE, MISUSE, HACKING, OR VANDALISM, INCLUDING, BUT NOT LIMITED TO, THE REMOVAL OF PARTS OR MISSING PARTS FROM THE COVERED SYSTEM OR COVERED STRUCTURE, AND PHYSICAL DAMAGE CAUSED BY PEOPLE, PESTS, OR PETS, ARE NOT COVERED;**

c. **BREAKDOWNS THAT OCCUR, DELAYS IN SERVICE, OR THE FAILURE TO PROVIDE SERVICE, THAT ARE CAUSED BY THE FOLLOWING ARE NOT COVERED: ENVIRONMENTAL EVENTS, SUCH AS LIGHTNING, MUD, EARTHQUAKE, STORMS, WIND, ICE, FIRE, FREEZING, AND FLOOD; SOIL MOVEMENT; SOIL SETTLEMENT; WATER DAMAGE; WAR; TERRORISM; CIVIL UNREST; ELECTRICAL FAILURE OR SURGE; EXCESSIVE OR INADEQUATE WATER PRESSURE; GOVERNMENT RESTRICTIONS OR**

**SHUTDOWNS; LABOR SHORTAGES, LABOR OR FACTORY STOPPAGES, OR STRIKE; SUPPLY CHAIN DISRUPTIONS; PUBLIC HEALTH EMERGENCIES INCLUDING PANDEMICS AND EPIDEMICS; OR OTHER CONDITIONS BEYOND OUR REASONABLE CONTROL;**

**d. BREAKDOWNS THAT EXISTED PRIOR TO THE START DATE OF THIS PLAN, OR IN THE CASE OF A COVERED ITEM A BREAKDOWN THAT EXISTED PRIOR TO THE INSTALLATION OF THE COVERED SYSTEM OR COVERED STRUCTURE, THAT WERE EITHER KNOWN BY YOU OR WERE REASONABLY DETECTABLE BY YOU ARE NOT COVERED;**

**e. COVERED BREAKDOWNS THAT ARE OTHERWISE COVERED BY A MANUFACTURER, DISTRIBUTOR, BUILDER, OR ANY OTHER THIRD-PARTY WARRANTY OR EXTENDED WARRANTY OR INSURANCE ARE NOT COVERED, REGARDLESS OF WHETHER THE MANUFACTURER HONORS SUCH WARRANTY;**

**f. COVERED STRUCTURE OR COVERED SYSTEM THAT HAS BEEN DETERMINED TO BE DEFECTIVE BY ANY GOVERNMENT ENTITY OR FOR WHICH A MANUFACTURER OR DISTRIBUTOR HAS ISSUED A WARNING, SERVICE BULLETIN, RECALL, OR OTHERWISE DETERMINED THE COVERED SYSTEM OR COVERED STRUCTURE IS DEFECTIVE IS NOT COVERED UNTIL SUCH DEFECT HAS BEEN REMEDIED BY THE MANUFACTURER OR DISTRIBUTOR.**

**g. UNLESS OTHERWISE EXPRESSLY STATED IN THIS PLAN, ANY REPAIR OR REPLACEMENT COSTS THAT INVOLVE, REMEDIATE, OR ARE RELATED TO HAZARDOUS OR TOXIC MATERIALS, WASTE, MOLD, MILDEW, BIO-ORGANIC GROWTH,**

**ROT, FUNGUS, OR SIMILAR CONDITIONS ARE NOT COVERED.**

**h. FAILURE TO FOLLOW THE MANUFACTURER'S INSTRUCTIONS OR RECOMMENDATIONS FOR OPERATION AND CARE OF THE COVERED SYSTEM OR COVERED STRUCTURE.**

**i. ANY INVOICE PRESENTED TO US FOR PAYMENT FOR SERVICES NOT PERFORMED AS DESCRIBED AT THE TIME OF CLAIM AUTHORIZATION;**

**j. ASSESSMENTS ISSUED BY AN ASSOCIATION FOR RESERVE INCREASES; AND**

**k. ASSOCIATION FEES, INCLUDING, BUT NOT LIMITED TO, RECURRING ASSOCIATION FEES.**

## **5. HOW TO FILE A CLAIM**

**a.** You must follow all of the procedures stated in this Section 5 to be eligible for coverage under this Plan. Your failure to comply with the procedures set forth in this Section 5 will disqualify Your claim. Failure of the Covered Structure or Covered System that results in a Special Assessment must be reported within thirty (30) days of the Association enacting a Special Assessment.

**i.** To file a claim, You may email Obligor at [contact@hoawarranty.com](mailto:contact@hoawarranty.com) or call the toll-free number at (833) 462-9768 between the hours of 9:00 AM and 5:00 PM CST, Monday through Friday.

**ii.** You will be required to provide the following information:

(1) Customer Name and Plan Number;

(2) Copy of communication or other official documentation from the Association confirming the Special Assessment being enacted;

(3) Authorization, on the form provided to You by Us, permitting Us to communicate with the Association on Your behalf with regard to a Special Assessment and to obtain any and all documentation We deem necessary from the Association to process the claim, which may include:

(a) Association meeting minutes;

(b) Copies of all quotes from licensed and insured contractors to repair the Covered Breakdown; and

(c) Association Questionnaire.

(4) Any other documents or information we deem necessary to evaluate Your claim.

iii. In a self-managed Community, We may require that an officer of the Association provide a signed statement confirming the Special Assessment amount, the reason for the Special Assessment, and copies of all quotes from licensed and insured contractors related to repair the Covered Breakdown.

We must receive any photos or other documentation that We may request within thirty (30) days of when You first reported Your claim otherwise Your claim may be denied.

**b.** Once Your claim is approved, We, at our sole discretion, will repair or replace the Covered System or Structure, subject to Our Limit of Liability; or pay the Association the Special Assessment in accordance with the Association's instructions. In the event the Association offers a payment plan in connection with a Special Assessment, We may elect, in our sole discretion, to either: (1) pay the Special Assessment in a single payment; or (2) instruct You to enter into the Association payment plan, and We will provide payments under such payment plan to the Association in accordance with the Association's payment plan terms.

**c.** For the avoidance of doubt, this Plan provides coverage for a single claim during the Plan Term. Following approval and satisfaction of any claim under this Plan, this Plan will immediately terminate.

## 6. PLAN TERM

**a.** The term of this Plan begins on the Plan Effective date identified in Your Plan Summary and continues for the time period stated in the Plan Summary, subject to the cancellation and renewal provisions of this Agreement. Further, this Plan shall terminate immediately following satisfaction of any single claim made during the Plan Term, subject to the Limit of Liability.

**b. Renewal.** This Plan is non-renewable.

## 7. CANCELLATION

**a. Cancellation by You:** You may cancel this Plan for any reason at any time by contacting Us at (833) 462-9768 or by writing to 3822 W. 111<sup>th</sup> St., Chicago, IL 60655. If You wish to cancel this Plan within thirty (30) days of receipt of this Plan, and no claims have been paid, You will receive a full refund of the Plan Price, less an administrative or cancellation fee not to exceed the lesser of 10% of the Plan Price or fifty-dollars (\$50.00). If You wish to cancel this plan within thirty (30) days of receipt of this Plan and a claim has been paid or after thirty (30) days of receipt of this Plan, You will receive a pro-rata refund equal to one hundred percent (100%) of the pro-rata unearned portion of the Plan Price, less the cost of any claims that have been paid or repairs that have been made, less an administrative or cancellation fee not to exceed 10% of the Plan price or fifty-dollars (\$50.00), whichever is less. A penalty of 10% per month will be added to any outstanding refund amount that is not provided to you within thirty (30) days after your Plan is cancelled.

**b. Cancellation by Us:** We may not cancel this Plan except for fraud, material misrepresentation, or non-payment by You, or if required to do so by law or a regulatory authority having jurisdiction over this Plan. A written notice will be provided at least thirty (30) days prior to cancellation at Your last

known email or mailing address, with the effective date of the cancellation and the reason for cancellation. If We cancel this Plan, You will receive a pro-rata refund of the Plan Price (based on the elapsed Coverage Term), less the costs of paid claims (if any).

## 8. **ARBITRATION**

a. Any dispute, controversy, or claim (collectively “**Claims**”) arising out of or relating to this Plan, including, but not limited to, Claims arising out of or relating to any underlying transaction giving rise to this Plan, and including further, without limitation, Claims arising under contract, tort, statute, regulation, rule, ordinance, or other rule of law or equity, shall be settled by arbitration administered by the American Arbitration Association under its Consumer Arbitration Rules in effect at the time the arbitration is commenced, and judgment on the award rendered by the arbitrator may be entered in any court of competent jurisdiction.

b. To initiate arbitration, You must notify the Us in writing of Your desire to submit Your issue to arbitration. You are responsible for providing the Us with at least three (3) proposed arbitrators. We have the right to question the proposed arbitrators to confirm neutrality and select any of the three to act as the Arbitrator. If We demonstrates that none of the three (3) proposed arbitrators are neutral, You may be asked to offer additional arbitrators until one is selected. You agree to abide by the Arbitrator’s decision and share the cost of arbitration equally unless the Arbitrator directs otherwise.

c. You and We understand and agree that this Plan and the transactions contemplated hereby will have a material connection to interstate commerce and intend that the Federal Arbitration Act applies hereto. An arbitration award may not be set aside except upon the limited circumstances set forth in the Federal Arbitration Act.

d. The time for commencing an arbitration asserting any Claim shall be determined by reference to the applicable statute(s) of limitations, including the

applicable rules governing the commencement of the limitations period, and a Claim in arbitration is barred to the same extent it would be barred if it were asserted in court rather than in arbitration.

e. If any portion of this provision (the “**Arbitration Provision**”) is deemed invalid or unenforceable, the remaining portions of this Arbitration Provision shall nevertheless remain valid and enforceable. In the event of a conflict or inconsistency between this Arbitration Provision and the other provisions of this Plan or any prior Plan, this Arbitration Provision governs.

f. Nothing herein is intended or should be construed as consent to class-action or representative arbitration.

g. If this section conflicts with the statutory or regulatory arbitration provision in the state in which this Plan was purchased, the state’s arbitration rules will govern.

**h. YOU AND WE AGREE THAT ANY ARBITRATION WILL TAKE PLACE ON AN INDIVIDUAL BASIS ONLY. THE PARTIES UNDERSTAND THAT THEY WOULD HAVE HAD A RIGHT TO LITIGATE THROUGH A COURT, TO HAVE A JUDGE OR JURY DECIDE THEIR CASE, AND TO BE PARTY TO A CLASS OR REPRESENTATIVE ACTION; HOWEVER, THEY UNDERSTAND AND CHOOSE TO HAVE ANY CLAIMS DECIDED INDIVIDUALLY, THROUGH ARBITRATION. YOU AND WE AGREE TO WAIVE THE RIGHT TO A TRIAL BY JURY.**

i. This Arbitration Provision shall survive the termination of this Plan.

## 9. **GENERAL PROVISIONS**

a. Subrogation. If We pay or render service for a loss, We may require You to assign Us Your rights of recovery against others. We will not pay or render service for a loss if You impair these rights to recover. Your rights to recover from others may not be waived. You

will be made whole before We retain any amount We may recover.

**b. Territory.** The Plan territory is limited to the United States of America, including the District of Columbia only. It does not include Canadian Provinces or U.S. Territories including Guam, Puerto Rico, or U.S. Virgin Islands.

**c. Insurance. THIS PLAN IS NOT AN INSURANCE POLICY.** HOA Warranty, Inc.'s obligations under this service contract are backed by the full faith and credit of HOA Warranty.

**d. Transferability.** This Plan is non-transferable.

**e. Deductible.** There is no deductible required to obtain service for repair, replacement or indemnification for a Special Assessment for a Covered Breakdown.

**f. Severability.** If any provision of this Plan is found to be invalid or unenforceable, the remaining provisions of this Plan shall continue in full force and effect.

**g. Entire Agreement.** This Plan, including the terms, conditions, limitations, and exclusions, and Your Purchase Confirmation constitute the entire agreement between You and Us. No verbal or written representations by any Selling Retailer or marketing materials outside of this Plan shall be of any legal effect to this Plan.

**h. Limit of Liability.** The most We will pay for any and all claims, including any covered Special Assessment arising out of or from this Agreement is the lesser of: (1) ten percent (10%) of the Covered Unit Purchase Price; or (2) \$10,000.

**i. Governing Law.** This Plan is governed by the law of the state where the Covered Unit is located.

**j. Communications.** We may communicate with You via letter mailed to the last mailing address provided by You to Us, by email, mobile phone text message, or via your

Plan Summary. By entering into this Plan, You expressly agree to such communication methods. All communications will be in English unless otherwise required by Applicable Law.

**k. Privacy Policy.** As part of the services provided to You by the Plan, We may collect, use and disclose personal information about You for the purposes of establishing, managing, and maintaining our relationship with you in accordance with our Privacy Policy, available at [hoawarranty.com](http://hoawarranty.com). Your information may be shared with our Service Contractors and other third parties as explained in Our Privacy Policy.

### **STATE SPECIFIC AMENDMENTS**

**Georgia.** The performance of this Plan is guaranteed by a surety bond written by [NAME OF SURETY]. If sixty (60) days have passed since a claim has been filed for which HOA Warranty has not paid the valid claim, You are entitled to make a direct claim against [NAME OF SURETY], [ADDRESS OF SURETY].

**Kentucky.** The performance of this Plan is guaranteed by a surety bond written by [NAME OF SURETY]. If sixty (60) days have passed since a claim has been filed for which HOA Warranty has not paid the valid claim, You are entitled to make a direct claim against [NAME OF SURETY], [ADDRESS OF SURETY].

**Minnesota.** We may cancel this Plan upon five (5) days' notice to you due to: (i) nonpayment of the Plan Price, (ii) a material misrepresentation made by you to us, or (iii) a substantial breach of your duties under this Plan Agreement. If We cancel this Plan for any other permitted reason, we will provide you with notice of cancellation and the reason for such cancellation at least (15) days prior to the stated effective date of the cancellation. We will send notice of such cancellation to Your last known email or mailing address, with the effective date of the cancellation and the reason for cancellation.

**Texas.** This Contract is issued pursuant to a license granted by the Texas Department of Licensing and Regulation (TDLR) and complaints in connection with this Contract may be directed to TDLR at [tdlr.texas.gov/complaints](http://tdlr.texas.gov/complaints) or P.O. Box 12157, Austin, TX 78711 or (512) 463-6599. YOU HAVE OTHER RIGHTS AND REMEDIES UNDER TEXAS DECEPTIVE TRADE PRACTICES – CONSUMER PROTECTION ACT WHICH ARE IN ADDITION TO ANY REMEDY WHICH MAY BE AVAILABLE UNDER THIS PLAN. FOR MORE INFORMATION CONCERNING YOUR RIGHTS, CONTACT THE CONSUMER PROTECTION DIVISION OF THE ATTORNEY GENERAL’S OFFICE, YOUR LOCAL DISTRICT OR COUNTY ATTORNEY OR THE ATTORNEY OF YOUR CHOICE. WE PAY PERSONS NOT EMPLOYED BY HOA WARRANTY FOR THE SALE, ADVERTISING, INSPECTION, OR PROCESSING OF A RESIDENTIAL SERVICE CONTRACT.