AFC HOME WARRANTY

AFC Home Club is a corporation organized under the laws of the state of Georgia.

THIS IS NOT A PRODUCT OF INSURANCE: Obligations of the provider under this service member are backed by the full faith and credit of the provider.

SILVER CONTRACT

A. COVERAGE OVERVIEW

Systems and components mentioned as "Covered" in the terms and conditions of this contract will be included for coverage so long as the systems and components meet the following criteria:

1. Your contract term (the dates that your contract is in effect), your contract fee, your Diagnostic Fee, and your equipment, systems, and appliances covered under this contract, are set forth in your coverage details. The first 30 days following the purchase date (the date upon which AFC receives initial payment) constitute the waiting period (see #5 below). Coverage becomes effective on the 31st day after the contract's purchase date and continues through the expiration date shown on the Declaration Page. Any service request(s) placed after the expiration date listed on the declaration page will be denied unless the contract has been renewed prior to the expiration date.
2. All covered items must have been in good working order upon the effective date of the contract. “Mechanical failure” occurs when a covered item becomes inoperable and unable to perform its designed function, subject to the limitations and conditions set forth herein. Current systems and appliances covered must be located inside the main foundation (except for pool/spa, well pump and air conditioner), and must be in proper working order on the effective date of this home warranty contract. They must have been maintained as specified by manufacturer’s requirements and recommendations. They must have been properly sized and installed to meet federal, state, and local regulations as well as manufacturer specifications and industry codes and standards. Known or unknown pre-existing conditions are not covered. This coverage is for one appliance/system unless otherwise stated below.
3. This contract covers single-family homes (including manufactured homes), new construction homes, condominiums, townhomes, and mobile homes under 5,000 square feet, unless the appropriate fee is applied and paid. Coverage is for occupied property that is owned or rented, not commercial property or premises converted into a business. Short-term rentals or leases, including but not limited to platforms such as Airbnb, VRBO, and similar services, are not covered under this agreement. This contract describes the basic coverage and options available. Coverage is subject to limitations and conditions specified in this contract. Please read your contract carefully.
4. The current systems and units in your home all have different life expectancy, and your contract is designed to help them reach their life expectancy. Your contract aims to provide some protection for out-of-pocket repair expenses. Coverage is not all-inclusive, and there may be situations in which you (the homeowner) will need to pay additional costs for parts or services not covered by the contract plan.
5. **Unless you are a renewing Member, you will have a 30-day review period from the date of purchase. During this time, no service requests can be accepted, nor will any failures that occur during this time or prior to the purchase of the contract be covered. During this time, it is the Member’s responsibility to review the Declaration Page and make sure all information is correct. It is the Member’s responsibility to inform AFC if documentation is not received within 7-10 business days. AFC will not be held responsible for the Member’s failure to notify AFC of unreceived paperwork. If the Member does not notify AFC to resend the contract packet, all guidelines will be held to the version published online at afchomeclub.com. To make changes to an account, please call 1-866-242-0629.**
6. **Items not explicitly classified as Covered or Non-Covered in the Membership Guidelines shall be deemed Non-Covered.**

DEFINITIONS INDEX

For the purposes of this Agreement, the following terms shall have the meanings ascribed to them below:

1. **Waiting Period**: The initial period, beginning from the date of purchase, during which no claims may be made. During this period, coverage is not active, and any breakdowns occurring within this time will not be covered.
2. **Covered Items**: The systems, appliances, and/or optional add-ons listed on the declaration page of this Agreement, subject to the specific limits, exclusions, and conditions set forth herein.
3. **Diagnostic Fee or Service Fee**: The non-refundable amount that the homeowner must pay prior to dispatching a technician or utilizing their own technician to assess a system or appliance and identify any issues.
4. **Exclusion**: Specific items, conditions, or types of damage that are not covered under this Agreement. Exclusions define the limitations of coverage and identify which systems, appliances, or situations are not eligible for warranty benefits.

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5. **Maintenance**: Routine care, cleaning, and servicing of systems or appliances, including regular inspections, adjustments, and minor repairs intended to prevent issues and extend the life of the item.
6. **Normal Wear and Tear**: The expected and natural deterioration of an asset resulting from regular, everyday use over time.
7. **Pre-Existing Failure**: Conditions or failures that existed prior to the commencement of the coverage period, which are excluded from coverage under this Agreement.
8. **Cash-in-lieu Payment**: A monetary sum provided as a substitute for repairing or replacing a Covered Item, intended to cover the value of the item in place of physical repair or replacement.
9. **Waiting Period**: The initial period, beginning from the date of purchase, during which no claims may be made. During this period, coverage is not active, and any breakdowns occurring within this time will not be covered.
10. **Practical Service Limits**: The scope of repair or replacement coverage based on the age, condition, and maintenance history of a covered item, reflecting reasonable adjustments for wear over its usable life.

B. SERVICE REQUESTS

SHOULD YOU NEED SERVICE, PLEASE READ YOUR COVERAGE CAREFULLY AND SUBMIT YOUR REQUEST THROUGH www.afchomeclub.com OR BY CALLING 770-973-2400.

1. By submitting a service request, whether online or by phone, you acknowledge and agree to the terms of service. The Member or an authorized representative must notify AFC immediately upon discovering any breakdown, provided that the breakdown occurs within the active contract term. AFC accepts service requests 24 hours a day, 7 days a week, through its online platform. Throughout the service process, AFC strongly encourages Members to take all reasonable measures to mitigate secondary damages, including but not limited to: shutting off water to the home in the event of a significant leak, discontinuing use of any item upon identification of a defect, and contacting emergency services if necessary.
2. Upon receipt of a service request, AFC will initiate service within twenty-four (24) hours. Once a technician has accepted the service appointment, AFC will provide the Member with the technician's contact information via phone, SMS text message, or email. In certain situations, the assignment of a technician may require more than forty-eight (48) hours to complete due to availability constraints.
    a. The Member will be responsible for the Diagnostic Fee (sometimes called a service fee),
    A service fee is applicable for each service request that results in the dispatch of a technician, whether from AFC or a vendor of your choice. Should you opt to engage your own vendor for diagnostics and they do not impose a service fee, the service fee associated with your policy will be deducted from any approval granted. This service fee pertains solely to the technician's diagnostic evaluation of each covered system or appliance and does not cover any repair work performed. It serves as a deductible and is non-refundable.
3. AFC has the sole and absolute right to select the technician to perform the service. AFC will not reimburse for services performed without prior approval and service-request-number verification. 3.1 All members have the option to obtain their own technician. Your request for service must be submitted to AFC via phone call or online. At this time, you will have the option to “request to use own technician.” All service requests must be approved prior to approving the repair. All approved technicians are required to be licensed and insured.
4. AFC requires the make, model, and serial number located on the appliance/system prior to service. In some cases, this can be found on the inspection report. If the technician is not able to locate such information or it is no longer visible, AFC will not accept a request on said appliance or system. It will not be a covered item.
    a. If approval is granted after the membership expiration date due to delays caused by an AFC-dispatched vendor, and the member chooses a replacement, a paid receipt must be submitted within 7 days from the approval date.
    b. Anything not listed under Covered or Non-Covered will subsequently be a Non-Covered item from the Membership Guidelines.”

C. COVERED ITEMS

Appliance

AFC will pay up to $3,000 per item per contract term for access, diagnosis, repair, or replacement unless otherwise stated in the item's specific terms or in the Limitations of Liability section below.

NOTE: AFC shows examples of “not-covered” components to assist with your understanding of this contract; examples are not exhaustive. It is important to review Limitations of Liability below and any optional coverage items on your declaration page.

SAMPLE

1. **OVEN/RANGE/COOKTOP (Gas or Electric; built-in or Freestanding)**
   COVERED: All components and parts. Double ovens that share parts are both covered, double ovens that do not share parts require an additional fee for coverage.
2. **CLOTHES DRYER**
   COVERED: All components and parts.
3. **CLOTHES WASHER**
   COVERED: All components and parts.
4. **DISHWASHER**
   COVERED: All components and parts.
5. **KITCHEN REFRIGERATOR**
   COVERED: All components and parts.
6. **GARBAGE DISPOSAL**
   COVERED: All components and parts. NOTE: AFC will pay up to $150.00 per contract term.
7. **GARAGE DOOR OPENER**
   COVERED: All components and parts of 2 units.
   NOT COVERED: Door, Track or Spring Assembly.
   NOTE: AFC will pay up to $500.00 per contract term.

NOT COVERED ITEMS ON APPLIANCES: Portable units, mini-refrigerators, wine coolers, under-counter refrigerators, countertop units, insulation, doors, glass, handles, refrigerator water lines, ice crushers, beverage dispensers, Filters, Valves, Leak Searches, Freon Leaks, Smart Appliance features such as, but not limited to, Display Screens, Touch Screens, T.V.tubs, baskets, drums, venting, damage to clothing, overloading, parts that do not affect the functionality of the equipment.

OPTIONAL COVERAGE

Unless the Declaration Page indicates that one or more of the following optional coverage item(s) was purchased, the following components are not included for coverage under this membership. Only one unit of each appliance/system is covered unless otherwise listed. Optional coverage may be purchased up to 30 days after the beginning of the membership without an inspection, with a new 30-day waiting period from the date at which the optional coverage item was purchased. After the 30 th day, optional coverage may be purchased once an inspection is performed (at Member's expense) and the inspection results are approved by AFC. Optional coverage, regardless of date of purchase, will continue only through the membership term.

1. **IN-GROUND POOL/SPA EQUIPMENT**
   COVERED: Both the in-ground pool and spa equipment are covered if they use common equipment. If they have separate pump and filtration systems, then only one is covered unless an additional fee is paid. Coverage applies to accessible working components and parts of the pumping system: main pool pump, primary heater, motor, gaskets, blower, timer, valves (limited to back flush, actuator, check, 2-way, and 3-way valves), relays and switches, pool sweep motor and booster pump, above-ground plumbing pipes and wiring that are associated with primary pump and filter.
   NOT COVERED: Filters, saltwater filtration/osmosis, salt water components, control panels, electronic boards, lights and solar equipment, liners, maintenance, housing and related equipment, structural defects, inadequate pressure, jets, ornamental fountains, waterfalls, and their pumping systems, above-ground/portable pools or spas built into decking.
   Note: AFC will pay up to $500 in aggregate per 12-month period for pool services in this section. This period starts on the contract effective date.
2. **WELL PUMP**
   (Main Source of Water to the Home)
   COVERED: Pump, drive coupling and cap, air volume control, flow kit control, foot valves, torque arrestor.
   NOT COVERED: Holding or storage tanks, digging, locating pump, pump retrieval, re-drilling of wells, well casings, pressure tanks, pressure switches and gauges, check valve, relief valve, drop pipe, piping or electrical lines leading to or connecting pressure tank and main dwelling (including wiring from control box to the pump), booster pumps, well pump and components for geothermal or water source heat pumps.
   NOTE: AFC will cover up to $500.00 per membership term.
3. **SUMP PUMP**
   COVERED: Sump pump for groundwater that is permanently installed within the foundation of the home or attached garage.
   NOT COVERED: Grey water, sewage ejector pumps, portable pumps, backflow preventers, check valves, piping modifications for new installs.
   NOTE: AFC will pay up to $500.00 per membership term.
4. **CENTRAL VACUUM**
   COVERED: All mechanical system components and parts.
   NOT COVERED: Accessories or hoses, removable attachments, clogged pipes and maintenance-related breakdowns. AFC is not responsible for the cost of gaining access to or closing access from the floor or walls either to locate the cause of malfunction or to affect repair or replacement.
   NOTE: AFC will pay up to $150.00 per membership term.
5. **STAND ALONE FREEZER**
   COVERED: All parts and components that affect the operation of the unit.
   NOT COVERED: Ice makers, crushers, dispensers or related equipment; internal shell; racks, shelves, or glass displays; lights; knobs, caps or dials; condensation pans; clogged drains or lines; grates; food spoilage; freon; disposal and recapture of freon; door seals or gaskets; door hinges or

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handles. NOTE: AFC will pay up to $500.00 per membership term.

6. **SECOND REFRIGERATOR**
   COVERED: All components and parts.
   NOT COVERED: Insulation; doors; refrigerator water lines; removable parts; ice crushers; beverage dispensers; refrigerant recapture, reclaim or disposal; ice maker unless an additional fee is paid and item is listed in additional coverage on the declaration page. NOTE: AFC will pay up to $500.00 per membership term
7. **DOUBLE OVEN**
   COVERED: All components and parts, for the second portion of a double oven.
   NOT COVERED: insulation, doors, glass, handles, removable parts that do not affect the functionality of the equipment such as racks, shelves, etc.
   NOTE: AFC will pay up to $500.00 per membership term.
8. **SEPTIC SYSTEM**
   COVERED: Sewage ejector pump, jet pump, aerobic pump.
   NOT COVERED: Tank, line from house, leach lines, field lines, lateral lines, tile fields and leach beds, insufficient capacity, clean out, pumping, grinder pump.
   NOTE: AFC will pay up to $500.00 per membership term.
9. **HOT WATER DISPENSER**
   COVERED: All components and parts.
   NOT COVERED: Rust, mold, corrosion, leaks or breaks of any kind.
   NOTE: AFC will pay up to $150.00 per membership term.
10. **ROOK LEAK REPAIR (Single-family homes only)**
    COVERED: Roof leaks.
    NOT COVERED:
    Porches, patios, cracked or missing material, metal roofs, eco-roofs; camwood shakes, masonite shingles, gutters, downspouts, items penetrating the roof (such as skylights, chimneys, and vents), roof-mounted installations (such as solar panels) and leaks associated with their attachments to the roof. NOTE: AFC will not dispatch a roofer to the property. You have the right to obtain your own roofer and submit the invoice for review. NOTE: AFC will pay up to $250.00 per membership term.

D. LIMITATIONS OF LIABILITY

1. The following are not covered during the contract term: (i) malfunction or improper operation due to rust or corrosion of any system or appliance, (ii) collapsed ductwork, (iii) known or unknown pre-existing conditions.
2. AFC does not cover secondary damage from a non-covered item. If failure of a covered part is caused by the malfunction of a non-covered item, the resulting damage will not be approved or included for coverage.
3. AFC is not responsible for the repair of cosmetic defects, the performance of routine maintenance or refrigerant recapture, reclaim, or disposal.
4. AFC evaluates the condition, age, and maintenance history of systems or appliances at the time of a service request to determine the extent of repair or replacement coverage. If an item is deemed unrepairable, coverage may be adjusted according to practical service limits, with any additional costs being the responsibility of the homeowner. If an appliance or system experiences a covered failure due to normal wear and tear, AFC may, at its sole discretion, offer a cash settlement in lieu of repair or replacement. The cash amount will be determined using an independent third-party source.
5. Electronic or computerized energy management systems, lighting and appliance management systems, or solar components and equipment are not covered.
6. AFC is not liable for service involving hazardous or toxic materials including, but not limited to: mold, carbon monoxide, lead paint, or asbestos, nor costs or expenses associated with the recovery, recycling, reclaiming or disposal of refrigerant. AFC is not liable for any failure to obtain timely service due to conditions beyond its control, including, but not limited to, labor difficulties or delays in obtaining parts or equipment.
7. If the contract is financed and the service request exceeds the total amount currently paid, the Member must pay the remaining balance before repairs can proceed. If monthly payments for the contract are past due, the Member will be subject to a $10.00 late fee. If the contract is cancelled, the Member is responsible for the total amount of claims paid by AFC, and this amount will be deducted from any refund.
8. AFC is not liable for repair of conditions caused by use of the self-cleaning function on any oven, chemical or sedimentary build-up, rust or corrosion, mildew, mold, misuse or abuse, failure to clean or maintain as specified by the equipment manufacturer, missing parts, structural changes, fire, freezing, electrical failure, electrical shorts or power surge, water damage, lightning, mud, earthquake, soil movement, soil settlement, settling of home, storms, accidents, pest damage, acts of God, or failure due to excessive or inadequate water pressure.
9. Annual limits are not compounding and do not carry over to the next contract year.
10. AFC is not liable for repairs related to costs of construction, carpentry or other incidental costs associated with alterations or modifications of appliances or components.
11. When replacement is authorized, the approval will be contingent solely upon the evaluation of the equipment cost, upon which authorization for full replacement will be granted.
12. AFC is not responsible for providing upgrades, components, parts, or equipment required due to the incompatibility of the existing equipment with the replacement system, appliance or component/part, including but not limited to

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efficiency as mandated by federal, state, or local governments.

MAINTENANCE

1. AFC is not liable for normal or routine maintenance or failure to perform normal or routine maintenance. Before accepting a service request on a HVAC system or tankless water heater, AFC requires a prior annual maintenance record from a licensed technician (often called a “check-up”) showing no suggested or required repairs. Annual is defined as occurring within 12 calendar months of the service request. In order to receive service on the HVAC or tankless water heater unit when a failure is discovered during annual maintenance, the Member must provide a previous maintenance record from within the last 12 months that shows no suggested or required repairs.
2. AFC is not liable for repairs caused by misuse, abuse, or failure to maintain manufacturer’s specified maintenance for items such as, but not limited to: coil cleaning, filtration changes, water heater flushing, consumable component replacement, proper refrigerant levels, or lubrication. This contract does not cover cleaning of any parts or equipment.

REAL ESTATE TRANSACTIONS

For plans purchased through a real estate transaction, coverage becomes effective on the day specified on your declaration page and continues through the elected date shown, though limitations and conditions apply:

RE-KEY SERVICE: AFC will reimburse up to $150.00 for Re-Keying or lock change services. A paid receipt must be submitted prior to expiration of the contract.

1. Payment must be received within 14 days of closing. If payment is not received within that time, coverage will begin on the date payment was received.
2. If a home inspection was not performed on the residence prior to purchase, coverage will be 30 days after the purchase date on the declaration page.
3. To waive the initial 30-day waiting period, the Member must provide an inspection report to AFC. This report must reflect that the items included in the coverage were inspected and are in good working condition, with no further recommendations, inspections, or repairs by a separate technician suggested for the coverage to apply. No pre-existing conditions will be accepted.
4. In the event a claim is filed within the first 30 days of coverage, the maximum payout will be $150.00 on covered items. After this period, normal limits will apply.

ACCESS AND CLOSING

1. AFC is not responsible for providing access to or closing access from any covered item which is concrete-encased or otherwise obstructed or inaccessible.
2. AFC shall not be responsible for payment of the cost to remove and replace any built-in appliances, cabinets, floor coverings, or other obstructions impeding access to walls, ceilings, and/or floors.

DISPOSAL

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

COMMERCIAL AND PROFESSIONAL GRADE EQUIPMENT

1. AFC is not liable for the repair or replacement of equipment, systems, or appliances that are commercial grade.

AFC RIGHTS

1. A service technician will not be assigned when the coverage for the given item is limited to $250.00 or less. In these instances, AFC may offer a buyout for the covered amount.
2. AFC reserves the right to obtain a second opinion at its own expense. Members have the right to receive a second opinion at their own expense via a licensed technician of their choosing. If the Member does not agree with the first technical assessment, the Member may submit his/her new technician’s assessment in writing directly to AFC for review.
3. Manufacturer’s Warranty, Recall, or Defects: AFC will not provide service for any unit that is under a manufacturer’s warranty, has been recalled, or is known to be defective. The Member is responsible for obtaining service directly from the manufacturer, as the manufacturer warranty ensures the manufacturer’s responsibility for repair or replacement. AFC will not be liable for any parts or labor costs related to manufacturer-covered repairs, which must go through the manufacturer's service process. In such cases, the Member must contact the manufacturer for service.
4. AFC will not pay for repairs or replacement of any covered systems or appliances that are inoperable because of known or unknown pre-existing conditions, long-term failures, deficiencies and/or defects.
5. AFC is not liable for negligence or other conduct of the technician, nor is AFC an insurer of technician's performance. By entering an AFC contract, the Member agrees that AFC is not liable for consequential, incidental,

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indirect, secondary, or punitive damages. The member expressly waives the right to all such damages. The Member's sole remedy under this Agreement is recovery of the cost of the required repair or replacement, whichever is less. The Member further agrees that in no event will AFC's liability exceed $3,000.00 per contract item for access, diagnosis, and repair or replacement, unless otherwise stated by AFC.

6. If AFC approves the Member to obtain their own licensed technician, please be aware:
   - AFC will not reimburse any Member for work done by an unlicensed technician.
   - AFC will not be held responsible for any failure or secondary damage caused by a system or appliance that was repaired or replaced by an unlicensed technician.
   - The Member waives all rights to service on the appliance or system that was repaired or replaced by an unlicensed technician.
7. AFC is not responsible for repairs related to inadequacy, lack of capacity, improper installation, mismatched systems, oversized or undersized equipment, or any modification to the system or appliance.
8. AFC reserves the right to send a technician at any time. Sending a technician in no way constitutes responsibility of service from AFC.
9. Unless otherwise stated, the aggregated total AFC will pay per contract term is $50,000.00.

ARBITRATION AGREEMENT

By agreeing to the Terms, you and AFC agree that all disputes, claims, or controversies between us, or between you and other users, or in any way arising out of relating to this agreement shall be resolved on an individual basis in binding arbitration, as set forth below. By agreeing to arbitrate, you and AFC are each waiving the right to go to court. By agreeing to arbitrate, you and AFC are also agreeing that arbitration will be conducted only on an individual basis, and you and AFC are each waiving the right to bring, to participate in, or to recover relief through any class, collective, coordinated, consolidated, or representative proceedings or any other kind of group, multi-plaintiff, joint, or mass action.

You expressly waive the ability to request more than the cost of equipment and any recovery shall not exceed the cost of the replacement equipment within your home. You and AFC agree that any dispute, claim or controversy between you and AFC; or (ii) between you and other users ; or (iii) arising out of or relating to this contract in any way; or (iv) involving the existence, formation, breach, termination, enforcement, interpretation, validity, or scope of this agreement to arbitrate, shall be settled by binding arbitration administered by New Era ADR, Inc. (www.neweraadr.com) and not by a court or jury, in accordance with New Era ADR, Inc.' applicable arbitration rules and procedures effective at the time a claim is made. These rules and procedures are available at www.neweraadr.com. You further agree that judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. You consent to electronic service of process, with service to be made to the email address we have on record for your account.

You and AFC agree that if one party refuses to comply with an arbitrator's award and the other party obtains judicial confirmation or enforcement of the arbitrator's award, then the party that refused to comply shall pay the other party the costs, attorney's fees, court fees, and any other fees incurred in obtaining such confirmation or enforcement. Notwithstanding any choice of law or other provision in this contract you and AFC agree and acknowledge that this arbitration agreement evidences a transaction involving interstate commerce and that the Federal Arbitration Act, 9 U.S.C. § 1 et seq. ("FAA"), will govern its interpretation and enforcement and proceedings pursuant thereto. You and AFC agree that the FAA and the arbitration rules of New Era ADR, Inc. shall preempt all state laws to the fullest extent permitted by law.

AFC may request that the arbitrator order cancellation of the customer's contract as a final resolution of the dispute. If the contract is canceled, any pro rated refund due will be calculated and issued by AFC, less any claims previously paid. Any reduction for arbitration fees will apply only if expressly awarded by the arbitrator.

CLASS ACTION WAIVER

By agreeing to arbitrate, you and AFC are also agreeing that arbitration will be conducted only on an individual basis, and you and AFC are each waiving the right to bring, to participate in, or to recover relief through any class, collective, coordinated, consolidated, or representative proceedings or any other kind of group, multi-plaintiff, joint, or mass action.

You acknowledge and agree that you and AFC are each waiving the right to a trial by jury or to participate as a plaintiff or class member in any purported class action or representative proceeding. Unless both you and AFC otherwise agree in writing, any arbitration will be conducted only on an individual basis and not in a class, collective, consolidated, or representative proceeding. However, you and AFC each retain the right to seek injunctive or other equitable relief in a court of competent jurisdiction to prevent the actual or threatened infringement, misappropriation or violation of a party's copyrights, trademarks, trade secrets, patents or other intellectual property rights. You agree that any and all communications and evidence related to any dispute ultimately resolved by arbitration or mediation with New Era ADR, Inc. arising out of or relating to this contract agreement shall be held and will remain confidential, and that you will not take any action that will harm the reputation of any of the other parties to the arbitration or mediation or AFC, or which would reasonably be expected to lead to unwanted or

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unfavorable publicity to and of the parties, AFC or other entities involved in or incidental to the arbitration or mediation. You understand that those parties and entities include but are not limited to the claimant, respondent, witnesses, and AFC.

GOVERNING LAW

This Agreement shall be Governed by and construed in accordance with the Law of the State of Georgia, without regard to its conflicts of Law Rules.

BUILDING AND ZONING CODE REQUIREMENTS OR VIOLATIONS

(A) AFC will not be held liable for services to meet current requirements of building or zoning codes or to correct code violations, nor will AFC assist with services when permits cannot be obtained. AFC will not pay for the cost to obtain permits.

(B) AFC has a limit set forth of $150.00 as a goodwill to assist with upgrades. This can be used at the members discretion for upgrades.

MULTIPLE UNITS AND INVESTMENT PROPERTIES

(A) If the contract is for duplex, triplex, or four-plex property, each dwelling within must be covered by an AFC contract for coverage to apply to all units included in the contract, with applicable optional coverage to apply to common systems and appliances. Otherwise, all dwellings within the property will be covered by one AFC contract, and coverage for each individual unit included in the contract will be provided only on the first unit on which AFC offers assistance.

(B) If this contract is for a unit within a multiple unit of 5 or more, then only items contained within the confines of each individual unit are covered. Common systems and appliances are excluded.

(C) Except as otherwise provided in this section, common systems and appliances are excluded.

TRANSFER OF CONTRACT & RENEWAL

(A) If the covered property is sold during the term of this contract, the Member must notify AFC of the change in ownership and submit the name of the new Owner by filling out a transfer request form to transfer coverage to the new Owner. (B) The Member may transfer this contract to a new Owner at any time. There is a $50.00 fee to transfer contract. Once the transfer is confirmed, the new Member will be subject to the most current updated terms, which will be sent to the new Member and will reflect with their contract number. Any monetary amount used of the limits by the prior Owner will apply to the new Owner of the property.

(B) This contract may be renewed at the option of AFC and where permitted by state law. AFC has the sole discretion to decide whether contract will be renewed.

(C) All contract terms are renewed automatically 30 days prior to the contract expiration date unless canceled before that period by AFC or the Member. Payment information provided initially will be used for all renewals unless the Member provides new information prior to payment date. Coverage ends in the event of non-payment. Renewed contracts do not feature a 30-day, 100% money-back-guarantee review period, nor do they feature a waiting period.

(D) If a system or appliance was subject to the Cash Buyout option during the current contract, AFC will not include coverage on the same item upon renewal. If the Member purchased a new item after the Cash Buyout was concluded, AFC will include coverage for the renewal term, i.e. 1-3 years, as long as the receipt has been submitted and confirmed.

CANCELLATION

THIS IS NOT A contract OF INSURANCE.
This contract shall be non-cancelable by AFC except for:

1) Nonpayment of contract fees; Failure to make payment of initial or monthly payment;
2) If the contract is canceled for non-payment, no refund is due.
3) Nonpayment of Diagnostic Fee, as stated in Section III; (3) If the Member threatens; threatens to harm; uses threatening language; makes an AFC agent fear for their safety or wellbeing; harms an AFC agent (not limited to salespersons, service representatives, or technicians); or uses discriminatory language based on race, sex, religion, creed, or sexual orientation. The Member will be notified of this termination in writing/email within 7-14 calendar days or the action. Any services paid shall be deducted from any refund due.
4) Fraud or misrepresentation of facts material by the Member to the Issuance of this contract;
5) Mutual agreement of AFC and the Member. New Members may cancel within the first 30 days of the purchase date for a refund of the paid contract. If canceled after 30 days, the Member shall be entitled to a pro rata refund of the paid contract from the date the Cancellation is received in writing, less any service request(s) paid by AFC and time used in the contract.
6) No contract shall be reinstated once a signed cancellation requested is received by AFC. Prorated refunds are assessed by the number of days that have elapsed since the purchase date of the contract. All refunds will be returned to the original payment method used. After the initial 30-day waiting period, a $75.00 Cancellation Fee applies.

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7) AFC reserves the right, in its sole discretion, to refund the full contract cost in full, including the fee paid for any purchased optional or enhanced coverages, in full and complete satisfaction of any rights or claims of the Member, which shall operate as a full release of AFC against any and all claims and damages of the Member.
8) Regarding month-to-month contracts, enrollment fees are non-refundable after the 30-day review period. If canceled, no refund is due.
9) If The Member cancels the contract, any open service request(s) will be terminated immediately upon receipt of the Cancellation Letter.

To cancel your contract, please send a signed letter addressed to:
AFC Home Club
Cancellation Department
1300 Ridenour BLVD Suite 200, Kennesaw, GA 30152
cancelsupport@afchomeclub.com

MISCELLANEOUS STATE PROVISIONS

Alabama Residents
Governing Law - Service contracts purchased in the state of Alabama shall be held in the county in which the contract holder lives and shall be governed by the laws of Alabama.
Cancellation - Mutual Cancellation: Mutual Agreement between you and AFC Home Club. New Members may cancel within the first 30 days of the order date for a refund of the paid Contract. If canceled after the 30-day waiting period, the Member shall be entitled to a pro rata refund of the paid Contract from the date the Cancellation is received in writing, less any service request(s) paid by AFC Home Club and time used in the Contract.
No Contract shall be reinstated once a signed cancellation request is received by AFC Home Club. Prorated refunds are assessed by the number of days that have elapsed since the purchase date of the Contract. All refunds will be returned to the original payment method used. After the initial 30-day waiting period, a $25.00 Cancellation Fee applies.

Arizona Residents
Under AFC RIGHTS, 6. The following is added:
AFC will not knowingly dispatch or approve an unlicensed technician to perform repairs. If a customer chooses to hire their own technician, AFC requires written approval prior to service and must receive proof that the technician is properly licensed. If valid licensing cannot be provided, AFC may deny reimbursement. This does not apply to technicians dispatched by AFC, who are always properly licensed as required by law.

While arbitration is mandatory, the outcome of any arbitration shall be non-binding on the parties. You have the right to file a complaint with the AZ Department of Insurance and Financial Institutions by contacting the Department at (602) 364-2499.

If the Contract is cancelled outside the initial 30 day waiting period, a $75.00 cancellation fee or 10% of the purchase price of the service contract whichever is less will be applied to any refund due. The cancellation fee will not exceed the amount of any refund due.
"Regarding month-to-month contracts, enrollments are non-refundable after the 30-day review period. If canceled, no refund is due.", is removed from the contract.

Georgia Residents
THIS IS NOT A CONTRACT OF INSURANCE; however, the performance of this Contract is guaranteed by a Surety Bond written by Great American Insurance Company. If sixty (60) days have passed since a Service Request has been filed for which AFC Home Club has not paid or refunded the consideration paid for the Contract, the Contract holder is entitled to make a direct claim against Great American Insurance Company at 301 E 4th Street Cincinnati, OH 45202.

Cancellation: AFC may only cancel this contract for fraud, material misrepresentation, or nonpayment. Notice of such cancellation stating the reason for and effective date of cancellation shall be given to You, in writing no less than 30 days before the effective date of such cancellation. If AFC cancels this contract You shall be refunded 100% of the unearned pro rata purchase price, less any claims paid. AFC will charge a cancellation fee of 10% or $75.00 whichever is less.

Any references to a $75 cancellation fee are amended to be 10% of the unearned pro rata purchase price or $75.00, whichever is less.

For any refund that is not issued or credited within 45 days after the return of the contract a 10% penalty per month will be paid until the refund is paid or credited.

The Arbitration Agreement is removed in its entirety.

Under A. Coverage Overview, paragraph 2. the second to last sentence is changed to read, Known pre-existing conditions are not covered.

IOWA Residents
AFC will add a 10% penalty per month to any refund that is not paid within 30 days.
If AFC cancels your contract they will provide written notice of termination at least 15 days before the date of the termination. The Iowa Commissioner of Insurance is Doug Ommen. The Insurance Division address is 1963 Bell Avenue, Suite 100, Des Moines, IA 50315 – 505-654-6600.

Kentucky Residents
THIS IS NOT A CONTRACT OF INSURANCE; however, the performance of this Contract is guaranteed by a Performance Bond written by Great American Insurance Company. If sixty (60) days have passed since a Service Request has been filed for

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which AFC Home Club has not paid or refunded the consideration paid for the Contract, the Contract holder is entitled to make a direct claim against Great American Insurance Company at 301 E 4th Street Cincinnati, OH 45202.

MISSOURI Residents

If a refund is not paid within 45 days after you return this contract to AFC, AFC will pay a 10% penalty per month until the refund is Paid.

NEVADA Residents

AFC Home Club is the provider of this contract.
Section A. COVERAGE OVERVIEW, subparagraphs 5. and 6. are replaced with the following:
5. Unless you are a renewing Member, you will have a 30-day review period from the date of purchase. During this time, no service requests can be accepted, nor will any failures that occur during this time or prior to purchase of the Contract be covered. During this time, it is the Member's responsibility to review the Declaration Page and make sure all information is correct. It is the Member's responsibility to inform AFC if documentation is not received within 7-10 business days. AFC will not be held responsible for the Member's failure to notify AFC of unreceived paperwork. If the Member does not notify AFC to resend the Contract packet, all guidelines will be held to the version published online at afchomeclub.com. To make changes to an account, please call 1-866-242-0629.
Cancellations – Are administered in accordance with NAC 690c.120. AFC may not cancel this Service Contract after it has been in effect for seventy (70) days except for any of the following: (a) You fail to pay an amount when due; (b) You have been convicted of a crime which results in an increase in the service required under the Service Contract; (c) There is discovery of fraud or material misrepresentation by You in obtaining the Service Contract, or in presenting a claim for service thereunder; (d) Discovery of an act of omission by You or a violation of any condition of the Service contract by You; (e) There is a material change in the nature or extent of the required service or repair which occurs after the effective date of the Service Contract and which causes the required service or repair to be substantially and materially increased beyond that contemplated at the time that the Service Contract was issued or sold.
If AFC Home Club cancels this Contract, the cancellation does not become effective until at least fifteen (15) days after the notice of cancellation is mailed to Your last known address. No Cancellation fee will be charged to You if this Contract is canceled by AFC Home Club, and AFC Home Club will refund an amount equal to the unearned pro-rata purchase price paid for this Service Contract. If You have Financed this Service Contract and there is a balance owed the refund sent to your lender will not exceed Your outstanding balance owed.
AFC Home Club will refund the purchase price of the Contract within forty-five (45) days after the contract has been returned to AFC Home Club by You. A ten percent (10%) penalty will be added to Your refund for each thirty (30) day period that the refund remains unpaid. If You have financed this Service Contract and there is a balance owed the refund sent to Your lender will not exceed Your outstanding balance owed.
For mutual Agreement of AFC Home Club and Your cancellation. New Members may cancel within the first 30 days of the order date for a refund of the paid Contract. If canceled after the initial 30-day waiting period, the Member shall be entitled to a pro rata refund of the paid Contract from the date the Cancellation is received in writing, less any service request(s) paid by AFC Home Club and time used in the Contract.
No Contract shall be reinstated once a signed cancellation request is received by AFC Home Club. Prorated refunds are assessed by the number of days that have elapsed since the purchase date of the Contract. All refunds will be returned to the original payment method used. After the initial 30-day waiting period, a $25.00 Cancellation Fee applies.
Diagnostic Fee - This coverage includes a Diagnostic Fee, the amount of which is listed on the Declaration Page. This fee is paid by the Member in the event of a service call for a failure reported by the Member. A repair is defined as the necessary work to correct a single covered failure for the equipment and components covered by this Service Contract. A service call includes, without limitation, the action of inspecting, diagnosing, and/or performing service for the repair or replacement of a malfunctioning item. For covered items, the Diagnostic Fee is due at the service call.
The Member will be responsible for and shall pay the authorized service professional directly for the service call and for actual work performed and/or items installed, up to the amount of the Diagnostic Fee at the time of the visit(s), in the manner acceptable to the authorized technician. Any amounts due for service performed or parts installed that are not covered under the terms, conditions, and provisions of this Contract are also the Member's responsibility and shall be paid directly to the service professional. If diagnosis indicates that the failure is Not-Covered under the Contract, the Member is responsible for the reimbursement to the service professional for any trip, diagnostic, repair, or replacement charges. This would also include any amount in excess of the Diagnostic Fee.
Governing Law - This Agreement shall be Governed by and construed in accordance with the Law of the State of Nevada, without regard to its conflicts of Law Rules.
Service Requests - If the contract holder is not satisfied with the manner in which AFC Home Club is handling the claim on the contract, the holder may contact the Commissioner by use of the toll-free number of the Division, (888) 872-3234.
Emergency Service - If a covered repair involves the loss of heating or cooling, loss of plumbing (optional coverage required) Substantial loss of electrical service or any other condition which renders a dwelling uninhabitable, for which you have coverage, it will be considered a temporary emergency condition. In event of temporary emergency conditions, You should take all reasonable steps, including but not limited to, vacating the premises and contacting the proper authority if necessary and then notify AFC Home Club of such fact through our 24 hour emergency toll free number (855) 613-4555. If the determination has been made by

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AFC Home Club that the failure is covered, AFC Home Club will give the proper authorization to a bonded, insured and licensed service professional for repair or replacement of covered failures. Emergency service work will begin no later than 24 hours after the report of the covered failure. If the emergency service involving the goods covered in this Contract renders a dwelling unfit for a person to live in because of defects that endanger the health and safety of the occupants, AFC Home Club will provide a status report to the holder no later than three (3) calendar days after the report of the claim, if AFC Home Club cannot complete the repairs within three (3) calendar days.

OKLAHOMA Residents

This is not an insurance contract. Coverage afforded under this contract is not guaranteed by Oklahoma Insurance Guaranty Association.

The provider of this contract is AFC Home Club located at 1300 Ridenour BLVD Suite 200, Kennesaw, GA 30152, Oklahoma license number 513101392.

CANCELLATION Paragraphs (6) and (7) are replaced with the following:

If you cancel the contract, you will be entitled to a return of 90% of the unearned Contract fee pro rata less the actual cost of any service provided.

If AFC cancels the contract you will be entitled to a return of 100% of the unearned Contract fee less the actual cost of any service Provided.

Oregon Residents

The obligor under this contract is America's First Choice Home Club (AFC)

While arbitration is mandatory, the outcome of any arbitration shall be non-binding on the parties, and either party shall, following arbitration, have the right to reject the arbitration award and bring suit in a district court of Oregon.

South Carolina Residents

Cancellation - If AFC Home Club does not provide a refund within 45 days of cancellation, a 10% penalty per month shall be added to the refund.

Texas Residents

This contract is issued pursuant to a License granted by the Texas Real Estate Commission, and complaints in connection with this contact may be directed to the Commission at P.O. Box 12188, Austin, Texas 78711, 512-936-3049. The purchase of a Residential Service contract is optional and similar coverage may be purchased through other Residential Service Companies or Insurance Companies authorized to transact business in Texas. No Contract shall be reinstated once a signed cancellation requested is received by AFC. Prorated refunds are assessed by the number of days that have elapsed since the purchase date of the Contract. All refunds will be returned to the original payment method used. After the initial 30-day waiting period, a $25.00 Cancellation Fee applies.

NOTICE: YOU, THE BUYER, HAVE OTHER RIGHTS AND REMEDIES UNDER THE TEXAS DECEPTIVE TRADE PRACTICES-CONSUMER PROTECTION ACT WHICH ARE IN ADDITION TO ANY REMEDY WHICH MAY BE AVAILABLE UNDER THIS CONTRACT. FORE 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.

NOTICE: THIS COMPANY PAYS PERSONS NOT EMPLOYED BY THE COMPANY FOR THE SALE, ADVERTISING, INSPECTION, OR PROCESSING OF A RESIDENTIAL SERVICE CONTRACT UNDER TEXAS OCCUPATIONS CODE §539.62(b)

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Member Signature

UTAH Residents

The service contract provider is CRAST Inc., dba America's First Choice Home Club.

Claim Service Toll-Free Number – 855-613-4555.

CANCELLATION 3. is deleted from the contract.

CANCELLATION 4. Is revised to state, In the first 60 days, fraud or misrepresentation of facts material by the Member to the Issuance of this contract;

CANCELLATION 7. is deleted from the contract.

If we cancel the contract, we will provide written notice of cancellation at least 10 days in advance for cancellation due to non-payment of the contract fee and at least 30 days in advance for all other reasons.

ANY MATTER IN DISPUTE BETWEEN YOU AND THE COMPANY MAY BE SUBJECT TO ARBITRATION AS AN ALTERNATIVE TO COURT ACTION PURSUANT TO THE RULES OF New Era ADR, Inc., A
COPY OF WHICH IS AVAILABLE ON REQUEST FROM THE COMPANY. ANY DECISION REACHED BY ARBITRATION SHALL BE BINDING UPON BOTH YOU AND THE COMPANY. THE ARBITRATION AWARD MAY INCLUDE ATTORNEYS FEES IF ALLOWED BY STATE LAW AND MAY BE ENTERED AS A JUDGEMENT IN ANY COURT OF PROPER JURISDICTION.

GOVERNING LAW is revised to state, This Agreement shall be Governed by and construed in accordance with the Law of the State of Utah, without regard to its conflicts of Law Rules.

Contract Price is paid monthly via phone (866)-242-0629, online portal afchomeclub.com or check mailed to 1300 Ridenour Blvd, Suite 200, Kennesaw, GA 30152.

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This contract is subject to limited regulation by the Utah Insurance Department. To file a complaint, contact the Utah Insurance Department.

Coverage afforded under this contract is not guaranteed by the Property and Casualty Guaranty Association. Lexington National Insurance Corporation, toll free number is (888) 838-2245.

WISCONSIN Residents

THIS CONTRACT IS SUBJECT TO LIMITED REGULATION BY THE OFFICE OF THE COMMISSIONER OF INSURANCE.

If we do not provide, or reimburse or pay for, a service that is covered under this contract within 61 days after you provide proof of loss, or if we become insolvent or otherwise financially impaired, you may file a claim directly with Lexington National Insurance Corporation for reimbursement, payment or provision of the service. Lexington may be contacted at 11426 York Road, 2nd Floor; Cockeysville, MD 21030

The **ARBITRATION** provision is deleted in its entirety.

The Cancellation provision is replaced by the following:

CANCELLATION THIS IS NOT A CONTRACT OF INSURANCE.

This Contract shall be non-cancelable by AFC except for:

(1) Nonpayment of Contract fees; Failure to make payment of initial or monthly payment; if the Contract is cancelled for non-payment of Contract fees the Company will provide a written cancellation notice at least 5 days prior to the effective date of cancellation.

If the Contract is canceled for non-payment, no refund is due.

(2) Fraud or misrepresentation of facts material by the Member to the Issuance of this Contract;

The Member will be notified of this termination in writing/email within 7-14 calendar days or the action. Any services paid shall be deducted from any refund due.

(3) New Members may cancel within the first 30 days of the purchase date for a refund of the paid Contract. If canceled after 30 days, the Member shall be entitled to a pro rata refund of the paid Contract from the date the Cancellation is received in writing, less any service request(s) paid by AFC and time used in the Contract.

No Contract shall be reinstated once a signed cancellation request is received by AFC. Prorated refunds are assessed by the number of days that have elapsed since the purchase date of the Contract. All refunds will be returned to the original payment method used. After the initial 30-day waiting period, 10% of the provider fee, Cancellation Fee applies.

(4) AFC reserves the right, in its sole discretion, to refund the full Contract cost in full, including the fee paid for any purchased optional or enhanced coverages, in full and complete satisfaction of any rights or claims of the Member, which shall operate as a full release of AFC against any and all claims and damages of the Member.

(5) Item 8 in the Cancellation section is deleted.

(6) If The Member cancels the Contract, any open service request(s) will be terminated immediately upon receipt of the Cancellation Letter.

(7) If we do not pay a refund within 45 days after the return of your service contract, we will pay a 10% per month penalty of the refund amount outstanding which we will add to the amount of the refund.

(8) In the event of a total loss of the property, You are entitled to a pro rata refund of any unearned provider fee, less any claims paid. No cancellation fee is applicable in the event of a total loss of the property.

To cancel your Contract, please send a signed letter addressed to:

AFC Home Club
Cancellation Department
1300 Ridenour BLVD Suite 200, Kennesaw, GA 30152
cancelsupport@afchomeclub.com

WYOMING Residents

The following is added to the CANCELLATION section: A 10% penalty per month shall be added to a refund that is not paid or credited within 45 days after return of this contract to Us.

The ARBITRATION AGREEMENT is replaced with the following: By agreeing to the Terms, you and AFC may voluntarily agree that all disputes, claims, or controversies between us, or between you and other users, or in any way arising out of relating to this agreement may be resolved on an individual basis in binding arbitration, as set forth below. By voluntarily agreeing to arbitrate, you and AFC will each waive the right to go to court. By voluntarily agreeing to arbitrate, you and AFC are also agreeing that arbitration will be conducted only on an individual basis, and you and AFC are each waiving the right to bring, to participate in, or to recover relief through any class, collective, coordinated, consolidated, or representative proceedings or any other kind of group, multi-plaintiff, joint, or mass action.

If you agree to arbitration, You expressly waive the ability to request more than the cost of equipment and any recovery shall not exceed the cost of the replacement equipment within your home. You and AFC agree that any dispute, claim or controversy between you and AFC; or (ii) between you and other users ; or (iii) arising out of or relating to this Contract in any way; or (iv) involving the existence, formation, breach, termination, enforcement, interpretation, validity, or scope of this agreement to arbitrate, shall be settled by binding arbitration administered by New Era ADR, Inc. (www.neweraadr.com) and not by a court or jury, in accordance with New Era ADR, Inc.' applicable arbitration rules and procedures effective at the time a claim is made. These rules and procedures are available at www.neweraadr.com. You further agree that judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. You consent to electronic service of process, with service to be made to the email address we have on record for your account.

You and AFC agree that if one party refuses to comply with an arbitrator's award and the other party obtains judicial

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confirmation or enforcement of the arbitrator's award, then the party that refused to comply shall pay the other party the costs, attorney's fees, court fees, and any other fees incurred in obtaining such confirmation or enforcement. Notwithstanding any choice of law or other provision in this Contract you and AFC agree and acknowledge that this arbitration agreement evidences a transaction involving interstate commerce and that the Federal Arbitration Act, 9 U.S.C. § 1 et seq. ("FAA"), will govern its interpretation and enforcement and proceedings pursuant thereto. You and AFC agree that the FAA and the arbitration rules of New Era ADR, Inc. shall preempt all state laws to the fullest extent permitted by law.

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