

# ALLIED'S "CLIFF NOTES" FOR RESIDENTIAL SERVICE CONTRACTS

A summary of typical residential service contract terms and conditions

## 1) Normal Wear and Tear:

Coverage is provided for systems and appliances that become inoperable due to normal wear and tear (other than Surge Protection which, if purchased, includes coverage for damage caused by lightning or power surge).

## 2) Pre-existing Conditions:

Covered systems and appliances must be in good working order at the start date of the service contract. (These conditions may be covered if you have "No Fault" coverage, which is included in Allied's real estate transaction service contracts.)

## 3) Unauthorized Repairs, Reimbursement

Contact your residential service contract provider when a repair is needed. No reimbursement for unauthorized repairs. Any reimbursement for authorized repairs will be at the residential service contract provider's cost for the repairs, which is less than retail.

## 4) Overtime and Emergency Charges:

For service outside normal business hours (M-F after 5pm and weekends) or emergency service, client is responsible for additional charges and overtime.

## 5) Limits on Liability:

There are specific limitations on liability for locating, accessing, diagnosing, repairing and replacing covered items.

## 6) Improperly Installed, Mismatched or Maintained Systems:

Improperly installed, mismatched or poorly maintained systems are not covered. (These conditions may be covered if you have "No Fault" coverage, which is included in Allied's real estate transaction service contracts.)

## 7) Restoration, Cosmetic Defects, Lack of Capacity, Removal of Old Equipment:

Restoration costs, cosmetic defects, lack of capacity, removal of old equipment, noises and repairs that do not affect operation are not covered items.

## 8) Service Provided or Cash Paid:

Residential service contract company providers select their own affiliated or unaffiliated service providers to make the repair or replacement of the covered item, or they may elect to pay the cash value to the homeowner for the repair. The cash value may be less than the retail value.

## 9) Major Repairs Incur Additional Charges for Non-covered Items:

For major repairs, expect to pay to bring your house up to code, to improve/modify your systems to work with the newly replaced or repaired equipment, for city work permits, for disposal of equipment and/or hazardous materials, among other items. For example, major system repairs or replacements often require additional non-covered work paid by the homeowner which could cost from \$500 to \$1,500 or more depending upon your home and other factors.

## 10) Code Violations and Modifications:

Bringing systems up to code in order to make a repair is not covered. Modifications or upgrades required for newly repaired or replaced equipment are not covered. (These conditions may be covered up to a \$500 limitation if you purchase the Premium Upgrade, which is an optional upgrade for Allied's whole home residential service contracts.)

## 11) Upgrades, Brands, Colors or Dimensions:

System or appliance upgrades are the responsibility of the homeowner. Specific brands, colors and dimensions are not covered, and replacements are made with similar features, capacity and efficiency (not an exact match).

## 12) Repairs Outside the Perimeter of the Home:

For whole home residential service contracts, only systems within the perimeter of the home are covered (however, HVAC and pool/spa equipment are also included). For exterior water, sewer or gas line plans, systems outside the perimeter of the home are covered.

## 13) Indirect, Special, or Consequential Damages:

Fire, secondary damage, prior damage, acts of God (such as flood, freeze, lightning), mold, fungus, structural changes, vandalism, pests or pet damage are not covered (other than Surge Protection coverage which, if purchased, includes coverage for damage caused by lightning or power surges).

## 14) Pool/Spa and Refrigerators:

If purchased, pool/spa coverage is for pump, heater and filtration systems only - not for jets, cleaning, electronic management or other equipment. If purchased, refrigerators are replaced with similar features, capacity and efficiency (not an exact match and not the same brand).

## 15) Read the Contract:

This summary is an effort to provide you with typical residential service contract information. However, all residential service contracts are different, so read and understand your provider's contract. (You can view Allied's residential service contract by logging into your online account at [www.AlliedHomeWarranty.com](http://www.AlliedHomeWarranty.com). This summary does not replace or amend Allied's service contract.)

Email questions to [Service@AlliedHomeWarranty.com](mailto:Service@AlliedHomeWarranty.com). Thank you for using Allied Home Warranty!

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