

# *New Enhanced Coverage!*

- Lack of Maintenance
- Faulty Equipment Disposal
- Crane Charges
- Permits
- Outside Plumbing & Electrical
- Rust, Corrosion and Sediment
- Unknown Pre-Existing Conditions
- Improper Previous Repair
- Homeowners Insurance Deductible Coverage...and more!

**HISCO**  
**HOME WARRANTY PLANS**  
The Real Choice In Home Warranties



**Protection**



**Integrity**



**Service**

**ONLY  
\$265**



**OUR  
PROMISE:**  
You will never pay  
a service fee unless  
we actually perform  
a repair



Charter member of the Home Warranty Association of California

**Since 1977 we've saved California homeowners millions of dollars for repairs and replacements**

# APPLICATION

To Order: Fax in 800-344-4726 • Call in 800-831-8200 • Mail this form: Box 2696, Dublin, CA 94568 • www.hiscohome.com

Buyer  Seller

Applicant Name: \_\_\_\_\_

Applicant Email: \_\_\_\_\_

## Address of Property to Be Covered

Street: \_\_\_\_\_

City: \_\_\_\_\_

State: \_\_\_\_\_ Zip: \_\_\_\_\_

## Real Estate Firm Information

Firm Name: \_\_\_\_\_

Street: \_\_\_\_\_

City: \_\_\_\_\_

State: \_\_\_\_\_ Zip: \_\_\_\_\_

Agent's Name: \_\_\_\_\_

Agent's Email: \_\_\_\_\_

Firm Phone Number: ( ) \_\_\_\_\_

## Escrow Information

Company Name: \_\_\_\_\_

Street: \_\_\_\_\_

City: \_\_\_\_\_

State: \_\_\_\_\_ Zip: \_\_\_\_\_

Officer's Name: \_\_\_\_\_

Phone Number: ( ) \_\_\_\_\_

Officer's Email: \_\_\_\_\_

Estimated Date of Closing: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

Escrow Number: \_\_\_\_\_

Buyer's Name: \_\_\_\_\_

## Standard One-Year Coverage

Single Family Home up to 5,000 sq. ft. ....\$265

Condominium, Townhome, Mobile Home ....\$230

*New*  Duplex \$400  Triplex \$500  Fourplex \$600

Add \$140 for each unit above 4

*New*  New Construction (Years 2-5) ....\$455

## Bonus Plan Coverage Package

Combines Standard Coverage + Air Conditioning + Total Care ... *A Savings of \$30* ..\$355

## Optional Coverage (Covered for Buyer only)

Air Conditioning  
(Electric, central or built-in wall or evaporative cooler) ....\$60

**Total Care**  
(Extends coverage and expands limits to over 50 additional items) ..\$60

Swimming Pool or Spa or Combined Pool and Spa Equipment ...\$125

Roof Leak Repair—Limited  
(Includes attached garage, excludes tar & gravel and flat roofs) ...\$85

Refrigerator .....\$50

*New*  Sub-Zero Refrigerator .....\$100

Washer/Dryer .....\$75

*New*  Washer/Dryer Refrigerator Combo .....\$100

Well Pump (Domestic use only) .....\$100

Septic Tank Pumping .....\$30

\$ \_\_\_\_\_

For price quotes for Homes over 5,000 sq. ft. call 1-800-831-8200

## Seller's Coverage (Excluding Optional Coverage)

Single Family Home .....73¢ a day

Condominium, Townhome, Mobile Home .....63¢ a day

**Service Call Fee - \$50**

**Important** This plan does not cover known defects. Defects known to exist by either applicant and/or agent must be excluded below. (Excluded items will be reinstated if Hisco receives proof of repair from a licensed contractor before close of escrow.)

Excluded Items: \_\_\_\_\_

**Acceptance of Coverage and Authorization of Payment** Applicant has read the terms and conditions of coverage contained herein and accepts the coverage and authorizes escrow holder to pay Hisco upon close of escrow. Applicant understands Hisco is responsible for services rendered under this plan and not the broker/agent.

**Rejection of Coverage** I/We acknowledge that I/We have been offered valuable protection within this warranty. I/We understand that I/We are foregoing such valuable protection of my/our own violation. I/We agree to hold harmless and release the Real Estate Agents, Brokers and Closing Agents from any and all liability, including my/our rights under Civil Code Section 1542, for the repair and replacement of any system, physical condition and/or appliance that could have been covered under this warranty.

Signature of Applicant(s) X \_\_\_\_\_ DATE \_\_\_\_\_

*Broker/agent is not a representative of HISCO and is not compensated for offering this Plan.*

## TOTAL CARE

For additional peace of mind, Hisco offers the **TOTAL CARE** upgrade. **TOTAL CARE** expands your coverage to the following items:

- New**  **Accessible Outside Plumbing and Electrical**
- New**  **Homeowners Insurance Deductible Coverage**
- New**  **Stoppages**
  - Heating System**
  - Plumbing System**
  - Water Heaters**
  - Dishwasher**
  - Range/Oven/Cooktop**
  - Built-in Microwave**
  - Trash Compactor**
  - Refrigerator**
  - Garage Door Opener**
- New**  **Air Conditioner**
- New**  **Permits**
- New**  **Disposal of Faulty Equipment**
- New**  **Crane Charges**
  - \$2,500 Limit For Repair Of Radiant, Steam Heating And Glycol Transfer Units**
  - \$2,500 Limit For Access To Concrete Encased And Enclosed Items**
  - \$500 Limited Building Code Allowance**
  - \$1500 Limit For Roof Leak Repair**

See contract for details of coverage.

## BONUS PLAN COVERAGE PACKAGE

**(Standard Plan + Air Conditioning + Total Care)**

Competitively priced and still more than \$6,000 additional coverage when compared to some company's upgraded plans!



**YOUR HISCO HOME WARRANTY will save you money when unexpected breakdowns occur in your new home.**

COVERED ITEM	YOUR COST WITH HISCO	YOUR COST WITHOUT HISCO*
<b>FURNACE</b> Repair/Replacement	\$50	\$100 - \$2,200
<b>RANGE/OVEN</b> Repair/Replacement	\$50	\$90 - \$1,700
<b>ELECTRICAL PANEL</b> Repair/Replacement	\$50	\$125 - \$1,500
<b>DISHWASHER</b> Repair/Replacement	\$50	\$90 - \$900
<b>WATER HEATER</b> Repair/Replacement	\$50	\$85 - \$900
<b>TOILET</b> Repair/Replacement	\$50	\$60 - \$600
<b>SHOWER or TUB VALVE</b> Repair/Replacement	\$50	\$75 - \$550
<b>GARAGE DOOR OPENER</b> Repair/Replacement	\$50	\$70 - \$450
<b>GARBAGE DISPOSAL</b> Repair/Replacement	\$50	\$60 - \$425

\* Estimated retail cost for repairs or replacement of the named items in the Los Angeles Metropolitan Area and the San Francisco Bay Area.

# CALIFORNIA'S FIRST LICENSED HOME WARRANTY COMPANY

Lower Prices • Comprehensive Coverages • More Protection • Guaranteed Service



The HISCO philosophy is to offer a product with broad, standard coverages, and then to offer the choice of options that tailors the coverage to the house. Having designed the broadest policy in the industry, we then offer that policy at the best possible price, and then we take care of the homeowner's problems fast.

Your service needs are handled by a staff with a unique background of warranty experience combined with having been in the retail service contracting business. When you report a problem, we understand it because we have actual "hands-on" experience in addressing service problems. Your satisfaction is our goal. Our experience and integrity guarantee it.

With the first licensed\* Home Warranty Company in the state, HISCO has the financial strength to meet your needs. The California Department of Insurance oversees the strict financial requirements imposed on home protection companies, and HISCO has never failed to meet, or exceed those standards.

\* State of California Department of Insurance License # 3351-4

## HISCO'S STANDARD PLAN

Competitively priced and still more than \$3,000 additional coverage when compared to some home warranties!

Single Family  
**\$265.00**

Townhome/Condo  
**\$230.00**

(\$50 Service Call)

### BASIC COVERAGES\*

ELECTRICAL SYSTEM	COOKTOP
HEATING SYSTEM	RANGE HOOD FAN
PLUMBING SYSTEM	MICROWAVE
DUCT SYSTEM	TRASH COMPACTOR
WATER HEATER	INSTANT HOT WATER DISPENSER
GARBAGE DISPOSAL	BUILT-IN FOOD CENTER
TUB AND SHOWER VALVES	EXHAUST FANS
PRESSURE REGULATOR	ATTIC FANS
STOPPAGES	CENTRAL VACUUM SYSTEM
TOILETS	DOORBELL
SEWER EJECTOR PUMP	GARAGE DOOR OPENER
SUMP PUMP	CEILING FANS
CIRCULATING PUMP	TELEPHONE WIRING
BATHTUB WHIRLPOOL EQUIPMENT	LACK OF MAINTENANCE, IMPROPER PREVIOUS REPAIRS, MISMATCHED HEATING & A/C SYSTEMS,
DISHWASHER	SERVICE CALL GUARANTEE
RANGE/OVEN	
RUST, CORROSION AND SEDIMENT	

### OPTIONAL COVERAGES\*

- AIR CONDITIONING
- SWIMMING POOL/SPA
- ROOF LEAK REPAIR
- REFRIGERATOR
- SUB-ZERO REFRIGERATOR
- CLOTHES WASHER/DRYER
- CLOTHES WASHER/DRYER & REFRIGERATOR COMBO
- WELL PUMP
- SEPTIC TANK
- TOTAL CARE

\* Limitations Apply, See Contract For Details.

## Ask Your Agent To Order

**Important Note:** Brokers/Agents offer this plan in the best interest of their clients and receive no commission or compensation for offering this service.



# 1 YEAR HOME WARRANTY PLAN

## TERMS OF COVERAGE

**Seller:** Optional Seller's Coverage commences when order is received by COMPANY and is limited to basic plan items only. Coverage is for Seller occupied property for up to 180 days during the listing and escrow periods and must be ordered in conjunction with a Buyer's policy. Seller's coverage for heating systems is limited to \$500, and dishwashers rusted beyond repair are not covered.

**Buyer:** Coverage begins on close of escrow and continues for one year from that date. Payment is due at close of escrow and must be received within ten days. During the policy term HISCO (hereafter "COMPANY") will repair or replace the covered systems, components and appliances that fail because of normal wear and tear that occurs after coverage starts. Coverage is limited to the items specifically listed as covered and excludes all others. Covered items must be located inside the main foundation of the house or garage except for optional items, and must be in proper working order when coverage starts. Known defects are not covered; unknown defects will be covered if they are discovered after coverage starts, if they are covered defects and if they could not have been discovered by a visual inspection and operational test. Failures to a covered system or appliance due to lack of maintenance, rust, corrosion or sedimentary build up will be covered provided they were not obvious problems before the policy went into effect.

**Company will not reimburse any expense incurred for unauthorized repairs.**

## COVERED SYSTEMS

- ELECTRICAL SYSTEM:** Covered: Electrical panels, sub-panels, buss bars, breakers, GFI breakers, doorbells, light switches, wall receptacles, wiring. *Not Covered:* Fixtures, stretched outlets, alarms, chimes, overloads.
- HEATING SYSTEM:** Covered: Gas, electrical, forced air, floor, gravity, wall, heat pump (utilizing R-22 or R-410A refrigerant), radiant heat or steam system. All parts and components necessary for the operation of the system. For specific heat pump coverage please see paragraph 1 of Optional Coverages. *Not Covered:* Portable heaters, oil fired systems, electric radiant heat, cable heat, inaccessible refrigerant lines, flues, vents, filters, fireplaces, wood or pellet stoves.
- DUCT SYSTEM:** Covered: Repair or replacement of ducts from the heating unit to the point of attachment at the register or grill which have failed due to normal wear and tear. Repairs limited to \$1,000. *Not Covered:* Insulation, registers, dampers, sealing, testing, inspections or certifications.
- PLUMBING SYSTEM:** Covered: Repair leaks or breaks in supply, riser, drain, waste, vent and gas lines.
  - WATER HEATERS:** All parts and components including the internal tank.
  - GARBAGE DISPOSAL:** All parts and components.
  - VALVES:** Tub, shower and diverter valves, angle stops, gate valves, and pressure regulator.
  - STOPPAGES:** In drain, waste and sewer lines that can be cleared from a ground level accessible clean-out.  
*Not Covered:* Roots
  - PUMPS:** Permanently installed sewer ejector, circulating and sump pumps. All parts and components.
  - TOILETS:** Tanks, bowls, wax ring seals and flushing mechanisms.
  - BATHTUB WHIRLPOOL EQUIPMENT (Built-in):** Motor and pump assembly.
  - PLUMBING SYSTEM:** *Not Covered:* Shower pans, tubs, enclosures, caulk, grout, faucets, fixtures, flues, vents, toilet lids/seats, septic systems, obstruction or damage to lines caused by roots, whirlpool jets.
- BUILT-IN APPLIANCES\*:** (Includes free standing ranges, dishwashers and trash compactors transferred with the sale of the covered property).
  - DISHWASHER:** All parts and components\*
  - RANGE/OVEN/COOKTOP (Gas & Electric):** All parts and components\*
  - RANGE HOOD FAN:** All parts and components\*
  - MICROWAVE (Built-in):** All parts and components\*
  - TRASH COMPACTOR:** All parts and components\*
  - INSTANT HOT WATER DISPENSER:** All parts and components\*
  - BUILT-IN FOOD CENTER:** All parts and components\*

\**Not Covered on any appliance:* Racks, baskets, rollers, runners, handles, hinges, shelves, knobs, dials, clocks, Browning units, lights, interior linings, glass, rotisseries, removable attachments/accessories. Sensitemp burners replaced with standard units.
- EXHAUST FANS & CEILING FANS:** Covered: All parts and components.  
*Not Covered:* Heating/lighting units, light fixtures, noises, balancing.
- ATTIC FANS & WHOLEHOUSE FANS:** Covered: All parts and components.  
*Not Covered:* Louvers, grills, timers, vents.
- CENTRAL VACUUM SYSTEM:** Covered: Motor, wiring, switches only.  
*Not Covered:* Attachments, pipes, clogged pipes.
- GARAGE DOOR OPENER:** Covered: All parts and components of the opener unit only.  
*Not Covered:* Doors, hinges, springs, remote transmitters.
- TELEPHONE WIRING:** Covered: The telephone wire for residential use located within the main foundation of the home. *Not Covered:* Lights, phone jacks or plugs, cover plates, phones, phone fuses, alarm circuits, wiring owned by a third party.

## OPTIONAL COVERAGES

Available only for buyers when an additional premium was paid at close of escrow.

**1. AIR CONDITIONING (Electric only):** Covered: 2 units not exceeding 5 tons each. Central or built-in wall unit utilizing R-22 or R410A refrigerant, or evaporative cooler. All parts and components necessary for the operation of the system. Company will provide the necessary equipment to comply with the currently required 13 SEER energy efficiency standards for an air conditioning system which cannot be repaired and must be replaced. *Not Covered:* Portable or window units, inaccessible refrigerant lines, gas air conditioning, any water cooled air conditioner or heat pump, geothermal units, components or units of any description not specifically mentioned as covered.

**2. SWIMMING POOL OR SPA OR COMBINED POOL AND SPA EQUIPMENT:** Covered: Filter, heater, pump, motor, gaskets, relays, impeller, manual valves, time clocks, above ground plumbing and wiring, pool sweep motor and pump, blower. *Not Covered:* Lights, solar heating, underground and/or inaccessible electrical, gas, plumbing lines or components, clogged lines, fill lines, fill valves, jets, cleaning equipment/systems, chlorinators, ozonators, pool sweeps or related equipment, motorized valves, auxiliary motors and/or pumps, structural defects and problems due to lack of maintenance and/or chemical imbalance.

**3. ROOF LEAK REPAIR:** Covered: Repair of leaks caused by rain to serviceable pitched roofs utilizing shake, shingle, composition shingle, metal or tile roofing materials that occur over the occupied living space of the home or attached garage, provided that roof was watertight at close of escrow. Coverage is limited to the repair of specific leaks in the existing roof; COMPANY's total obligation under this policy shall not exceed \$1,000. If replacement of the existing roof, in whole or in part, is necessary then COMPANY'S liability is limited to COMPANY'S average cost incurred for repair of similar leaks. *Not Covered:* Flat or built-up roofs, including tar, gravel or capsheet roofs, roof replacement, materials not listed as covered, cracked or missing shingles or tiles, skylights, gutters, downspouts, flashing, sheet metal, decks, balconies, leaks at, or caused by intentional penetration(s) of the roof membrane (e.g. air conditioning units, skylights, chimneys, patio cover attachment points, etc.) leaks in porch, breezeway, carport or patio roofs.

**4. REFRIGERATOR:** Covered: Refrigerator located in the kitchen of the covered property. All parts and components necessary for the operation of the refrigerator including its internal freezer. *Not Covered:* Ice makers, ice crushers, fluid or ice dispensers, and all components related thereto, food loss, shelves, racks, bins, light and socket, interior lining, thermal shell, freezer not operated by the refrigerator compressor.

**5. SUB-ZERO REFRIGERATOR:** Covered: Refrigerator located in the kitchen of the covered property. All parts and components necessary for the operation of the refrigerator including its internal freezer. *Not Covered:* Ice makers, ice crushers, fluid or ice dispensers, and all components related thereto, food loss, shelves, racks, bins, light and socket, interior lining and thermal shell.

**6. CLOTHES WASHER/DRYER:** Covered: All parts and components of individual freestanding washer or dryer. Coverage for stack laundry units is limited to repair only. *Not Covered:* Soap or fluid dispensers, filters, screens, knobs, dials, mini-tubs, touch-tone panels, venting, clothes damage.

**7. WELL PUMP:** Covered: All components of well pump used exclusively for domestic water for main house. Above ground plumbing and electrical. Holding and storage tanks covered up to \$500. *Not Covered:* Below ground plumbing and electrical, secondary pumps, well casing, re-drilling, access, multi-user well, damage due to low water.

**8. SEPTIC TANK PUMPING:** Covered: COMPANY will pump the septic tank one time during the contract year to clear a stoppage caused by back up of the septic tank. Limitation: a copy of the certification must be supplied to the COMPANY at the time of service. *Not Covered:* Repair or replacement of the system or any of it's components, the cost for locating and/or accessing the tank, sewer hook-ups, chemical treatment, waste disposal.

## TOTAL CARE

When ordered and paid for at close of escrow the following items will be covered:

**Accessible Outside Plumbing and Electrical:** Covered: Above ground plumbing and wiring, outlets, hose bibs, stop and waste valves and in-line shut off valves. All covered items must be located within 50' of home. *Not Covered:* fixtures, alarms, sprinkler timers, coverage for pools, spas, well pumps and septic will only be covered if the appropriate coverage is purchased.

**Homeowners Insurance Deductible Coverage:** If a claim is paid by your Homeowners Insurance for damages caused by a covered system or appliance failure, Hisco will reimburse up to a maximum of \$500 total of your Homeowners Insurance deductible per Warranty Plan term.

**Stoppages:** Covered: Clearing stoppage through roof vent or by pulling of toilets.

**Heating System:** Covered: Flues, vents, grills, registers, filters, heat lamps.

**Plumbing System:** Covered: Faucets, shower heads and shower arms (replaced with builders standard chrome finished units when replacement is required), hose bibs, toilets replaced with like quality up to \$600 per occurrence.

**Water Heaters:** Covered: Flues, vents.

**Dishwasher:** Covered: Baskets, racks and rollers.

**Range/Oven/Cooktop:** Covered: Clocks, dials, handles, interior linings, knobs, lights, rotisseries.

**Built-in Microwave:** Covered: Clocks, dials, door glass, interior lining.

**Trash Compactor:** Covered: Buckets, lock and key assemblies.

**Refrigerator:** Covered: Ice maker (when optional Refrigerator coverage is ordered and paid for).

**Garage Door Opener:** Covered: Springs, hinges and remote transmitter.

**Air Conditioner:** Covered: Freon recapture, grills, registers, filters, and window units (when optional Air Conditioner coverage is ordered and paid for).

**Permits:** Covered: \$250 per occurrence with a \$500 aggregate per policy. Hisco will not be responsible if permits are not available.

**Disposal of Faulty Equipment:** Company will pay to remove faulty equipment on a covered system or appliance.

**Crane Charges:** Company will pay for Crane Charges on a covered system or appliance.

**\$2,500 Limit For Repair Of Radiant, Steam Heating And Glycol Transfer Units:** (\$500 Increase) The policy limits set out in Paragraph 4 of Limitation of Liability for repair of these items is increased to \$2,500. All other policy provisions apply.

**\$2,500 Limit For Access To Concrete Encased And Enclosed Items:** (\$500 Increase) The policy limits set out in Paragraph 4 of Limitation of Liability for repair of water, drain, waste, vent or gas lines is increased to \$2,500. All other policy provisions apply.

**\$500 Limited Building Code Allowance:** (\$250 Per occurrence) When a furnace, heat pump, water heater, electrical panel or sub-panel, need to be replaced to effect repair COMPANY will pay up to \$250.00 per occurrence towards mandatory local building code compliance or upgrade costs. The total amount that COMPANY will pay towards these costs is a maximum aggregate of \$500 during the contract year.

**\$1500 Limit For Roof Leak Repair:** (\$500 Increase) When Roof Leak Repair Option is ordered and paid for the policy limits for roof leak repair is increased to \$1,500. All other policy provisions apply.

## TERMS AND CONDITIONS

**SERVICE REQUESTS - CALL 1-800-831-8200** - The homeowner must telephone COMPANY and report covered malfunctions during normal working hours and before policy expiration; reports of emergencies are accepted year round, 24 hours a day. COMPANY'S contractors will be given the report within 3 hours during normal working hours, and within 48 hours on weekends and holidays. COMPANY'S contractors will only service the specific problems reported to COMPANY, and cannot service problems not included on their work order from COMPANY.

**SERVICE CALL DEDUCTIBLE FEES** - Homeowner shall pay the service call deductible fee (or the actual cost of service if less) for each separate trade call at the time of service. Company is not responsible for rendering service if deductible fee is not paid. Service work of the authorized contractor is guaranteed for 30 days on the parts installed and the labor actually performed; failure of the parts that were installed or failure of the authorized contractor's labor that are reported to COMPANY within 30 days of service will not require an additional service call deductible.

**SCOPE OF COVERAGE AND EXCLUSIONS** - This plan covers single family homes, condominiums, townhomes or mobile homes of 5000 square feet, or less; dwellings used for any commercial purpose (e.g. rest homes, group homes, day care etc.) or any commercial grade equipment are not covered. Common areas, systems, or facilities of mobile home parks, condominiums and townhomes are not covered. Multi units, common systems and appliances not located within the confines of each individual unit are excluded.

**BUILDING CODE / UPGRADE** - COMPANY is not responsible for service or costs, for inspections, certifications or locating leaks in ductwork or diagnostic testing of ductwork required by state regulations, or any increased cost required to upgrade, replace or change the size, efficiency, capacity or safety features of any covered system to comply with any Federal, State, or Local building/zoning codes, laws, administrative or utility regulations, or any changes thereto unless otherwise stated elsewhere in this policy. Hisco will repair or replace a system or appliance that has failed due to lack of maintenance, mismatched system, improper installation, repair or modification. If the lack of maintenance, mismatched system, improper repair or modification violates a code requirement, the \$250 code limit will apply.

**CONTROLLED OR HAZARDOUS SUBSTANCES** - The control, remediation, abatement or removal of mold, mildew, fungi or bacteria or their by-products, are not covered even if the failure of an otherwise covered system, component or appliance is the actual or suspected cause of the mold, mildew, fungi or bacteria; necessary service to a covered item that is located in or adjacent to any area affected by mold, mildew, fungi or bacteria will be undertaken only after the homeowner has abated the condition. Where toxic, hazardous or controlled materials or contaminants including, but not limited to, asbestos, PCBs, lead paint or the like are found or suspected COMPANY shall be under no obligation to service or repair the affected item or system.

**LEASE OPTION / EARLY OCCUPANCY** - In cases of lease options or early occupancy the full premium is due when the buyer takes possession.

**RENEWAL** - This policy is renewable at COMPANY'S option and subject to applicable rates, terms and conditions at time of renewal. Company reserves the right to amend coverage at time of renewal.

**VOIDABILITY** - COMPANY may declare this plan void in cases of concealment or misrepresentation of any material facts or circumstances relating to the condition of the covered premises, or in the event policy premium Buyer/Seller is not paid in full; COMPANY may pro-rate policy term.

**DISPUTE RESOLUTION** - Any controversy or claim arising out of or relating to this policy, or the breach thereof, shall be settled by arbitration filed by the aggrieved party with, and administered by, the American Arbitration Association, hereafter referred to as "AAA", in accordance with its Commercial Arbitration Rules, and the award rendered by the arbitrator shall be in conformity with substantive California law and may be entered in any court of proper jurisdiction. Each party shall bear its own cost and expenses in accordance with the AAA rules.

## LIMITATION OF LIABILITY

1. Company is not responsible for secondary or consequential damage or for delays in rendering service due to circumstances beyond its control.
2. COMPANY has the exclusive right, which it can assign, to select the contractor responsible for resolving covered problems; COMPANY reserves the sole discretion as to whether it will repair, or replace, or pay the homeowner COMPANY'S estimated cost for the covered repairs or replacements. COMPANY reserves the right to manufacture, or rebuild parts and components and use such parts for any covered repair. Hard to service areas, Hisco will allow the contract holder to obtain their own licensed contractor only after given authorization and they agree to accept Hisco's guideline repair/replacement pricing. An authorization number must be given before any work is performed. Hisco does not reimburse for unauthorized repairs/replacements.
3. The following items, conditions or systems are not covered: Casings, pans, trays, cosmetic flaws (defects that don't affect the operation of the item) electrolysis, computerized controls, energy management systems, zone control(s), electronic air cleaners, filters, grills, humidifiers, insulation, intercoms, low voltage systems, rusty water, calcium/lime build-up, noises, remote controls, septic systems, any solar or heat pump assisted system(s) or component(s), storage/holding tank(s), odors, water pressure, water damage, water treatment systems, irrigation or fire sprinkler or suppression systems.
4. Repair of radiant, steam heating or glycol transfer systems including diagnosis, access and restoration to a rough finish of concrete encased lines is limited to a total of \$2,000; COMPANY will provide access through unobstructed interior walls, ceilings, and slab floors to effect repair of water, drain, waste, vent, or gas lines that are concrete encased or enclosed within walls, and will restore openings caused by COMPANY to a rough condition, provided that the total cost to COMPANY for diagnosis access, repair and restoration shall not exceed \$2,000.
5. Except as set forth in Paragraph 4 above, COMPANY is not responsible for providing access, relocation of equipment or for space and/or systems reconfiguration or alterations including, but not limited to, the removal or installation of walls, wall coverings, floors, floor coverings, ceilings, sheet metal, roof mounted units and the supporting structure, paint, countertops, cabinets or the like that is required to effect or complete otherwise covered repairs.
6. COMPANY is not liable for matching brand names, exact features, dimensions, or equipment. COMPANY is neither responsible nor liable for mechanical, technical or chemical incompatibility that may occur as a result of replacing a covered system, component or appliance with units that meet current standards on the date of installation by COMPANY; replacement of toilets will be with white builders standard and replacement of tub and shower valves will be with standard chrome valves; all other covered replacements done by COMPANY shall be with units of comparable function to those being replaced. COMPANY is not liable for disposal or haul away of replaced systems or appliances unless the TOTAL CARE OPTION is purchased.
7. Systems, components or appliances that are subject to a recall, or safety warning, mandatory efficiency upgrade, or other restriction, whether issued by the manufacturer or the Consumer Product Safety Commission, or any other regulatory or administrative body, are not covered; failures of systems, components or appliances caused by improper materials, or manufacturer's defect are not covered.
8. This contract does not cover systems, components or appliances covered by a third party warranty, including a manufacturer's or installer's warranty or service contract, and COMPANY is not responsible for service or repair to such items including routine or warranty service or recalls.
9. COMPANY is not liable for: cleaning, routine or preventative maintenance, missing parts or material, design deficiencies, problems or damage caused by remodeling, attempted repairs, adequacy or capacity of systems or appliances, diminution of efficiency or capacity due to age or modifications, acts of God, fire, theft, wind, storms, floods, lightning, freezing, water, earthquake, soil movement, riot, terrorism, war, vandalism, animal or pest damage, power failure, shortage or surge or any other occurrence other than ordinary wear and tear caused by reasonable use.