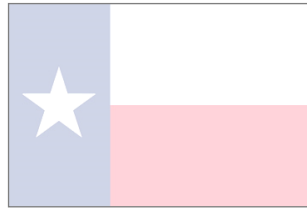




STRUCSURE
HOME WARRANTY



**Express Limited Warranty
Coverage Booklet for:**

10-Year Major Structural Defects

- RESIDENTIAL -

By accepting the provisions of this Express Limited Warranty, the Homeowner(s) agrees to resolve any claims, disputes, and controversies with the Builder, the Administrator, and/or the Insurer through binding arbitration and not litigation. The warranties established herein supersede all implied warranties.



StrucSure Home Warranty, LLC

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SECTION 1: OVERVIEW OF THE STRUCSURE HOME WARRANTY EXPRESS LIMITED WARRANTY

Congratulations Homebuyer(s)! Your Builder is a member of the StrucSure Home Warranty program and sold You a Home that includes Express Limited Warranty protection. StrucSure Home Warranty is the warranty Administrator.

This warranty booklet defines standards for the various components of a Home, the time period covered by this Express Limited Warranty, coverages and Exclusions, Homeowner responsibilities, and how to request warranty service and/or file a claim.

Please note that You may have been provided sample warranty booklets during the process of purchasing Your Home; however, Your actual warranty booklet is assigned at closing. After Your warranty goes into effect, You will be able to access information on Your warranty coverage and download Your warranty booklet and Certificate of Warranty Coverage via our Warranty Portal at <http://warranty.strucsure.com>. If You don't have Internet access, You can request Your warranty documents by mail.

Please note that Your warranty will not go into effect until the signed Home Enrollment Application (HEA) and warranty payment have been received and processed by StrucSure Home Warranty.

Please read this warranty coverage booklet in its entirety so that You may fully understand the terms and conditions. Please contact our customer service department at 1.877.806.8777 with questions or for more information.

- (1) This warranty is an insurance-backed, Express Limited Warranty provided to You by Your Builder. This warranty coverage booklet embodies the entire extent of the Express Limited Warranty.
- (2) This Express Limited Warranty is not a maintenance agreement, service contract, or an insurance policy.
- (3) This document is not homeowner's insurance. There is no Builder Responsibility for any loss paid, covered claim, repair or the like if the same is available through any insurance or third-party warranty.
- (4) In this Express Limited Warranty, reference to a person includes entities and vice versa. Use of the singular includes the plural. Use of one gender includes the other gender. Words that are capitalized are defined in the Definitions section.
- (5) Under this Express Limited Warranty, the coverage period for residential construction is as follows:
 - (a) Ten (10) years for Major Structural Components of the Home.
**Please reference the schematic at the back of this booklet to understand the different structural Home components.*
- (6) Please note that for Major Structural Defects, the Warrantor is the Insurer for the complete warranty period (years one (1) through ten (10)).
- (7) The Warrantor's liability and obligations are limited to the repair, replacement, or payment of the reasonable cost of repair or replacement, or payment of the Diminution in Value of the Home of warranted items not to exceed an aggregate equal to the original sales price of the Home (as shown on the Home Enrollment Application (HEA)) or \$3 million, whichever is lower. The choice to repair or replace or make payments and determination of Diminution in Value is solely determined by the Warrantor.
- (8) Repair or replacement is NOT intended to restore the Home to a like-new condition.
- (9) This Express Limited Warranty is limited to Major Structural Defects (MSD) which occur during the Warranty Term as defined above. The existence of a Major Structural Defect (MSD) does not constitute a breach of this Express Limited Warranty.
- (10) Warranted Major Structural Defects (MSD) must occur within the Warranty Term or the item(s) are not covered.
- (11) The obligation of StrucSure Home Warranty under this warranty is solely to act as the warranty Administrator.
- (12) When a request for warranty performance is filed and the Major Structural Defect (MSD) cannot be observed under normal conditions, it is Your responsibility to substantiate that the need for warranty performance exists including any costs involved.
- (13) The warranty cannot go into effect until the signed Home Enrollment Application (HEA) has been accepted by SHW. By signing the HEA, the Home Purchaser(s) accepts the provisions of this Express Limited Warranty and agrees to resolve any claims, disputes, and controversies with the Builder, the Administrator, and/or the Insurer through binding arbitration and not litigation.
- (14) Coverage is limited to those items selected on the Home Enrollment Application (HEA), if applicable.
- (15) Neither repairs, payments, nor any other action or inaction of the parties will extend the warranty period.
- (16) This Express Limited Warranty is separate and apart from any contracts between You and Your Builder, including any sales agreements. It cannot be altered, affected or amended in any manner by any other agreement except only through a formal written agreement signed by the Builder, the Insurer, the Administrator, and You.
- (17) Any agreements, understandings, promises, negotiations, representations, or obligations implied by law, custom, practice, or other source that are not documented in this warranty, including representations about this warranty, are not covered by this warranty.

- (18) This Express Limited Warranty provides coverage only in excess of coverage provided by other warranties or insurances, whether collectible or not. This limited warranty does not take the place of the Builder's general liability insurance or Your Homeowner's insurance.
- (19) The Warrantor provides no warranties which extend beyond this document. All other warranties, express or implied, including, but not limited to, all implied warranties of fitness, merchantability, or habitability are disclaimed and excluded to the extent allowed by law. The warranties established herein supersede all implied warranties.
- (20) This warranty does not cover special, incidental, indirect, or Consequential Damages and does not reimburse parties for their attorney's fees or costs.
- (21) This Express Limited Warranty is binding on the Builder and You and Your heirs, executors, Administrators, successors and assigns. An assignment or transfer of benefits, rights or sums payable under this warranty is prohibited except as expressly allowed in this Express Limited Warranty.
- (22) If any term, condition, or provision of this warranty is found to be void or a violation of law or public policy by a court of competent jurisdiction, it shall be deemed modified to the extent necessary so that it is no longer void or in violation of law or public policy. Any binding decisions that determine a part of the warranty is void, or in violation of law or public policy, will not serve to invalidate the enforceability of any other term, condition or provision of this warranty.
- (23) In order to carry out the responsibilities of the Warrantor and/or Warrantor's designees, the Warrantor and/or Warrantor's designees will require access to the home, the property, and Improvements. The Warrantor and/or Warrantor's designees shall be allowed full access during normal business operations for testing, inspection, and repairs. Refusal or delay of more than 30 calendar days upon verbal or written request of the Warrantor and/or Warrantor's designees will waive and void any responsibility, unless mutually agreed upon in writing by the parties.
- (24) If performance under this Express Limited Warranty is delayed by an event beyond a party's control, such performance will be excused until the delaying effects of the event are remedied. Such events include, but are not limited to, concealed or unknown conditions such as soil conditions, unavoidable accidents or circumstances, encountering hazardous materials, damage caused by a utility company, acts of God or nature, acts of the common enemy, fire, war, riot, civil commotion or sovereign conduct, material shortages or unusual material delivery delays, abnormal adverse weather conditions not reasonably anticipated, labor disputes, acts of terrorism, government action, and/or acts or omissions by You or a person or entity not a party to this Express Limited Warranty. Such delay shall operate to extend the time period for performance but shall not act to extend the term(s) of warranty coverage(s).
- (25) If an element or component of a Home is not described particularly in this booklet, the element or component shall be constructed in accordance with the applicable written agreement. If there is no agreement, the element or component shall be constructed in accordance with the usual and customary residential construction practices, or practices for similar Improvements in the geographic region shall govern and the element or component shall perform for the purpose for which it is intended for the period of the applicable warranty.
- (26) When an inconsistency exists between the Code, manufacturer's instructions, and specifications, the standard required by the United States Department of Housing and Urban Development for Federal Housing Administration or Veterans Administration programs, and/or ANSI/ASHRAE Standard (62.2-2003), the most restrictive requirement shall apply if reasonable under the circumstances.
- (27) Violations of local or national building Codes, Residential Codes, standards or ordinances, or federal regulations are not the responsibility of the Insurer. The obligation of the Insurer under this limited warranty is solely to resolve Warranted Defects and/or Deficiencies.
- (28) This warranty shall be interpreted and enforced in accordance with the laws of the state in which the Home is located. Please note that individual state laws may provide additional limitations, Exclusions, and/or coverage.
- (29) This Express Limited Warranty is subject to change as required by various regulating bodies.
- (30) Notwithstanding a Performance Standard stated in this Express Home Warranty, a specialty feature, which is work performed or material supplied incident to certain design elements shown on the construction plans and specifications and agreed to in writing by the Builder and the homeowner, shall be deemed to be compliant with the Performance Standards stated herein so long as all items are compliant with the Code.
- (31) This Express Limited Warranty is fully transferable along with Your rights and obligations to subsequent owners during the Warranty Term. There is no limit to the number of transfers during the Warranty Term or any cost as a result of such transfer(s).
- (32) All notices required under this Express Limited Warranty must be in writing, sent certified mail, return receipt requested.

SECTION 2: DEFINITIONS

Administrator: StrucSure Home Warranty, LLC is the Administrator of the StrucSure Home Warranty Program and performs certain warranty-related functions as described in this warranty coverage booklet.

Arbitrator: The person selected to determine and enforce arbitration awards in the event of an Unresolved Warranty Issue. If You and the Administrator cannot agree on an independent arbitration service, then both parties agree to use Construction Dispute Resolution Services (CDRS) for the arbitration.

ASCE Guidelines: "Guidelines for the Evaluation and Repair of Residential Foundations," Version 2, published by the Texas Section of the American Society of Civil Engineers (2009).

Builder: The person, corporation, partnership, or other entity which is a member of the StrucSure Home Warranty Program and is listed on the StrucSure Home Warranty Home Enrollment Application (HEA).

Builder Responsibility: A statement of the corrective action required by the Builder to repair the construction defect and any other damage resulting from making the required repair.

Certificate of Warranty Coverage: A certificate that is generated upon project completion, Homeowner acceptance, and receipt of the warranty fees. The certificate includes the Home Enrollment Application (HEA) number and the Effective Date of Warranty. The certificate can be accessed via StrucSure's warranty portal at <http://warranty.strucsure.com> or by phone (for those who don't have Internet access).

Code: The International Residential Code.

Common Elements: Any portion of a multi-family building which is defined as a Common Element in either common interest or ownership laws or in the declaration establishing such community that is shared between units. Common Elements may include, without limitation, hallways, roofs, exterior finishes, and electrical, plumbing, and mechanical distribution systems.

Consequential Damages: All damages or costs for which a remedy is not expressly provided for in this warranty which includes but is not limited to costs of shelter, transportation, food, moving, storage or other incidental expenses, including those related to relocation during any work performed under this warranty; kenneling of animals, veterinary expenses, pet daycare; loss of use, loss of wages, inconvenience, annoyance, or Diminution in Value of the Home; any and all consequential loss or damage to personal property, and damage to property which You do not own; physical or mental pain and suffering and emotional distress; medical or hospital expenses; or lost profits and/or wages.

Date of Homeowner Acceptance: The date indicated on the Home Enrollment Application (HEA) whereby the Homeowner agrees that the Home is complete and there are no outstanding Defects and/or Deficiencies.

Defect/Deficiency: A condition of any item warranted by this Express Limited Warranty which exceeds the allowable tolerances or does not meet the Performance Standards. Failure to complete construction of the Home or any portion thereof, in whole or in part, is not considered a Defect or Deficiency.

Diminution in Value: That amount which is equal to the fair market value of the Home *with* the Defect compared to the Home's market value *without* the Defect.

Effective Date of Warranty: The date of closing, first title transfer, first date of occupancy, or the date the Certificate of Occupancy was issued for a single-family home (whichever occurred earlier). For multi-dwelling units such as condominiums, townhouses, and duplexes, the Effective Date of Warranty and Common Elements coverage is the date the first Certificate of Occupancy was issued for the building.

Excessive: A quantity, amount, or degree that exceeds that which is normal, usual, or reasonable under the circumstance.

Exclusion: Items, conditions, or situations not warranted or not covered under this warranty.

Express Limited Warranty: The Express Limited Warranty described by the terms and provisions contained within this warranty coverage booklet.

Extreme Weather Condition(s): Severe or unseasonal weather or weather phenomena that are at the extremes of the historical distribution. Weather conditions in excess of or outside of the scope of the design criteria stated or assumed for the circumstance or locale in the Code.

Golden Insurance Company (GIC): A Risk Retention Group which, subject to the terms contained in this warranty booklet, provides insured warranty coverage for this warranty product.

Home: The dwelling or property as identified by the address on the Home Enrollment Application (HEA).

Homeowner: The person(s) listed as the Homeowner(s) on the original Homeowner Enrollment Application (HEA), and who must hold legal title to the Home; or, any subsequent Homeowner who holds legal title to the Home.

Homeowner Responsibility: An action required by the Homeowner for proper maintenance or care of the Home or the element or component of the Home concerned. A Homeowner's failure to substantially comply with stated Homeowner responsibility creates an Exclusion to the warranty for the Performance Standard.

Improvement(s): Any labor, materials, or other work supplied by the Builder or its independent contractors or suppliers in performance of the contract documents or other written agreements including but not limited to design plans or specifications.

Insurer: Golden Insurance Company, A Risk Retention Group, (GIC). The Insurer is the Warrantor in years one (1) through ten (10) for Major Structural Defects.

Major Structural Components: The load-bearing portions, and the integral connection between them, of the following elements of a home:

- (a) Load-bearing foundation systems and footings,
- (b) Load-bearing floor framing systems,

- (c) Load-bearing walls and partitions,
- (d) Load-bearing roof framing systems,
- (e) Load-bearing beams,
- (f) Load-bearing headers,
- (g) Load-bearing girders,
- (h) Load-bearing lintels (other than those supporting veneers),
- (i) Load-bearing columns (other than a column that is designed to be cosmetic), and
- (j) Load-bearing masonry arches (other than a masonry arch that is designed to be cosmetic).

Major Structural Defect (MSD): Please refer to the Major Structural Defect Coverage section in this warranty booklet for the definition of a Major Structural Defect.

Manufactured Product: A component of the Home that was manufactured away from the site of the Home and that was installed in the Home without significant modifications to the product as manufactured. Manufactured Products which are covered by a manufacturer's warranty include, but are not limited to, appliances, fixtures, and items of equipment (including attachments and appurtenances). This warranty does not cover systems Deficiencies that are caused by a failure of any Manufactured Product or failure to comply with manufacturer's warranty requirements. This includes air conditioning units, attic fans, boilers, burglar alarms, carbon monoxide detectors, ceiling fans, central vacuum systems, doorbell systems, dishwashers, dryers, electronic air cleaners, exhaust fans, fire alarms, freezers, furnaces, garage door openers, garbage disposals, gas and electric meters, heat exchangers, heat pumps, humidifiers, intercoms, interior sprinkler systems, microwave ovens, oil tanks, outside lights or motion lights not attached to the Home, ranges and range hoods, refrigerators, sewage pumps, smoke detectors, solar collectors, space heaters, sump pumps, thermostats, trash compactors, washers, water pumps, water softeners, water heaters, whirlpool bathtubs, whole house fans and similar items/appliances. For purposes of this booklet, a Manufactured Product includes any component of a Home for which the manufacturer provides a warranty, provided that the manufacturer permits transfer of the warranty to the Homeowner.

Original Construction Elevations: Actual elevations of the foundation taken before, on, or about the Effective Date of Warranty of the residential construction project. Such actual elevations shall include elevations of porches and garages if those structures are part of a monolithic foundation. To establish original construction elevations, elevations shall be taken at a rate of at least one elevation per 100 square feet showing a reference point and shall be taken at a rate of at least one elevation per 10 linear feet along the perimeter of the foundation, subject to obstructions. Each elevation shall be taken on the surface of the foundation or on the surface of the floor covering on the foundation, if any. For elevations taken on floor coverings, the type of floor covering shall be recorded at each elevation location. If no such actual elevations are taken then the foundation for the habitable areas of the home are presumed to be level +/- 0.75 inch (three-quarters of an inch) over the entire area of the foundation.

Performance Standard: The standard(s) to which a Home or an element or component of a Home constructed as a part of new Home construction, a material Improvement, or interior renovation must perform. Performance Standards are set forth in this warranty booklet.

Residential Code: The requirements specified in the text of the Residential Code officially adopted by the state, city, county (or parish) in which Your Home is located.

Span (L): The distance between two supports for structural elements supported at both ends. For cantilever elements, L shall be determined as twice the distance from the last support to the unsupported end of the element. For calculating overall deflection or tilt of slab foundations, L shall be defined as the edge to edge distance across any slab cross-section for which deflection or tilt is to be calculated.

StrucSure Home Warranty (SHW): The Administrator of this Express Limited Warranty. SHW is neither the Warrantor nor the Insurer.

Unresolved Warranty Issue: A request for performance under the warranty that has not been met by the Builder and/or his subcontractors.

Warranted Defect/Warranted Deficiencies: A condition of a warranted item that, according to the Performance Standards described in this Express Limited Warranty, requires action by the Warrantor (Insurer). Failure to complete construction of the Home or any portion of the Home in whole or in part is not considered a Warranted Defect.

Warrantor: The Insurer (GIC) in years one (1) through ten (10) for Major Structural Defects.

Warranty Term: The period during which a Warranted Major Structural Defect must first occur in order to be covered and is that period which begins on the Effective Date of Warranty as defined above and ten (10) years thereafter.

You/Your: You/Your means the person(s) listed as the Homeowner(s) on the original Home Enrollment Application (HEA), and who must hold legal title to the Home; or, any subsequent Homeowner(s) who holds legal title to the Home.

SECTION 3: LIMIT OF LIABILITY

- (1) Subject to the provisions of this warranty, the Builder's or Insurer's (as applicable) total aggregate limit of financial liability under this warranty shall not exceed the original sales price of the Home (as shown on the Home Enrollment Application (HEA)) or \$3 million, whichever is lower. The Insurer's obligations under this warranty are limited to its obligations that are explained in this warranty booklet.
- (2) The aggregate obligation of the Builder or Insurer (as applicable) for all claims under this warranty is equal to the sales price of the Home listed on the Home Enrollment Application (HEA) or \$3 million, whichever is lower. This means that every time Your Builder or the Insurer (as applicable) pays for costs of determining the existence and/or extent of a covered Defect and/or Deficiency, pays for a repair, pays legal costs, or pays a claim, those aggregate payments are deducted from the sales price of the Home listed on the HEA (the warranty limit). Once that total equals the sales price of the Home on the HEA or \$3 million (whichever is lower), there is no further warranty coverage. If the payment is made for the repair of a Common Element of a Condominium, the payment shall be deducted pro-rata from the sales price listed on the HEA for each unit in the building.
- (3) If at any time during the Warranty Term, the limit of liability has been reached, regardless of whether costs were incurred singularly or aggregately, the entire warranty is automatically and permanently terminated. Any rights You may have under this warranty are then automatically terminated.
- (4) The Insurer may, where appropriate, make payment for any claim for \$10,000 or more jointly to You and Your Mortgagee as Your interests may appear. The Mortgagee is bound by the claim resolution reached with You.

SECTION 4: MULTI-DWELLING UNIT COVERAGE

- (1) Subject to all provisions of this warranty, this coverage applies only to multi-dwelling units such as condominiums, townhouses, and duplexes. In addition to the Exclusions section of this warranty, clubhouses, recreational facilities, exterior structures, exterior walkways, decks, balconies, arches, or any non-residential structure(s) that are a part of the multi-dwelling unit (whether attached or not) are not covered by this warranty. Equipment, items, or systems that are owned by the condominium association or designated as a condominium common area are not covered. All other provisions of this warranty apply to this coverage, except as noted below.
- (2) The Common Elements of the multi-dwelling unit are only covered by this warranty if all units are enrolled in the 10-Year Major Structural Defects warranty program. Common element Defects must be reported within the applicable Warranty Term. Coverage will not be provided for Common Element exterior stairways and landings, unless they are constructed entirely of metal or concrete (or in any combination of these two materials).
- (3) If Your Home is an individual residence located within a multi-dwelling unit and You have 10-year Major Structural Defect coverage, the coverage applies only to the components of the unit that You individually own. Coverage is the same as stated elsewhere within this warranty, except as noted in this coverage section.
- (4) The Insurer's liability for warranty performance shall be limited to only those units of a multi-dwelling unit which have been warranted by StrucSure Home Warranty, LLC. The limit of liability shall be pro-rated based upon the number of warranted units under this warranty.
- (5) Should a request for warranty performance involve Common Elements of a multi-dwelling unit, then the owners of each unit affected and in need of warranty performance shall be responsible for the non-refundable processing fee of \$250.00 per unit in the building or \$5,000 per building (whichever is less). *This non-refundable fee is required for each Notice of Major Structural Defect Claim Form submitted to the Administrator (StrucSure Home Warranty, LLC).*
- (6) For multi-dwelling units such as condominiums, townhouses, and duplexes, the Effective Date of Warranty and Common Elements coverage is the date the first Certificate of Occupancy was issued for the building.
- (7) Should notification of a structural claim involve Common Elements of a condominium, then an authorized representative of the condominium association must make the request.

SECTION 5: HOMEOWNER DUTIES & RESPONSIBILITIES

You have duties and responsibilities under the law and under this warranty. This warranty is expressly conditioned on Your full performance of duties (express or implied) relating to residential construction and the warranty. These duties include, but are not limited to:

- (1) You have a duty to ensure that any plans, specifications, or other information supplied to the Builder are accurate and suitable for the construction of the project and to provide all information relating to the project that is not known or reasonably discoverable by the Builder.
- (2) You have a duty to work toward the mutual goal of achieving a successful project, to not cause any unreasonable delay in the start of the project, to not delay, hinder, or interfere with the performance of other parties, to not act arbitrarily with respect to requests for extensions of time, to perform all of the contractual obligations in good faith, and to not take any action that would prevent the Warrantor from pursuing Your rights and remedies against other parties responsible for Your loss.
- (3) You have a duty to make reasonable efforts to minimize or avoid losses.

- (a) Upon observation of a circumstance that You cannot control and may cause damage to the Home or a Home component and/or may make the house uninhabitable, You shall take immediate and reasonable action to prevent it.
 - (b) You agree that only those repairs necessary to make the house habitable or mitigate further damage shall be performed. You agree that any and all repairs performed beyond such measures will not be covered by the warranty. Any unauthorized repairs made by You or someone under Your direction, other than those permitted in this paragraph, will not be reimbursed or compensated.
- (4) You are responsible for the proper maintenance of Your new Home. Regular preventative maintenance is necessary to prolong the life of the Home. Your obligation is to care for Your Home in such a way as to prevent or minimize damage to it. You should be aware that all new Homes go through a period of settlement and movement. During this period, Your Home may experience some minor material shrinkage, cracking, and other events which are normal and customary.
 - (5) Maintenance of the Home and the lot on which the Home is located is essential to the proper functioning of the Home, and You are responsible for that maintenance. You are responsible for maintenance items described in this section and those maintenance items identified separately in this warranty booklet. Additionally, You are responsible for ongoing maintenance responsibilities that affect the performance of the Home but that may not be expressly stated in this booklet. Such ongoing maintenance responsibilities include, but are not limited to:
 - (a) Periodic repainting and resealing of finished surfaces as necessary,
 - (b) Caulking for the life of the Home,
 - (c) Regular maintenance of mechanical systems,
 - (d) Regular replacement of HVAC filters,
 - (e) Cleaning and proper preservation of grading around the Home and drainage systems to allow for the proper drainage of water away from the Home, and
 - (f) Other standard and customary maintenance repairs.
 - (6) You shall properly maintain each component of the Home including proper cleaning, care, and upkeep of the Home. You shall use Home components for the purposes for which they are intended and shall not damage, misuse, or abuse Home components.
 - (7) You shall use and perform periodic maintenance on all Manufactured Products according to the manufacturer's instructions and specifications. The misuse, abuse, neglect or other failure to follow manufacturer's specifications with regard to Manufactured Products may void the manufacturer's warranty. The Builder has no responsibility for Manufactured Products.
 - (8) You shall take measures to reduce/prevent swelling soil as it can cause damage by either expanding when moisture is added or shrinking when it dries out (which can cause uplift to concrete slabs and other property damage). Best practices include, but are not limited to: maintaining adequate runoff drainage slopes; cleaning gutters and downspouts; ensuring that lawns and gardens are not over watered; properly maintaining sprinkler systems; preventing landscaping materials or plants, trees, and/or shrubs from contacting the exterior surface of the Home and from interfering with the proper drainage of water away from the foundation; positive slopes in your yard; sealing old construction joints and cracks that develop over time; inspecting concrete and walls; and repairing cracks that are found as soon as possible
 - (9) You should not improperly alter the proper drainage pattern or grade of the soil within ten (10) feet of the foundation so that it negatively impacts the Home's performance or fails to comply with the Residential Code.
 - (10) You shall take action to prevent Excessive moisture accumulation by properly using ventilation equipment, preventing Excessive temperature fluctuation, and taking any other action reasonably necessary to avoid Excessive moisture, dampness, humidity, or condensation in the Home that may lead to damage due to Excessive moisture or dryness.
 - (11) You have an obligation to cooperate with the mediation, inspection, and investigation of any warranty request. Your warranty file may be closed should You fail to cooperate or respond to requests within thirty (30) days.
 - (12) You agree to provide this Express Limited Warranty to any subsequent purchaser of Your Home.

SECTION 6: EMERGENCY PROCEDURES

An emergency is a condition that if not immediately repaired may cause damage to the Home or a Home component, may cause danger to the Home's occupants, and/or may make the house uninhabitable.

- (1) If You have a Ten-Year Major Structural Defect warranty coverage emergency, You must contact the Administrator (StrucSure Home Warranty) at 1.877.806.8777 in order to receive authorization for any emergency repairs. If You are unable to contact the Administrator for emergency authorization, You must make minimal repairs until authorization for more extensive repairs has been approved by the Administrator. You must take action in order that further damage can be mitigated and You must report the emergency to the Administrator on the next business day.

SECTION 7: EXCLUSIONS

This warranty does NOT provide coverage for repair, loss, or damage resulting from or made worse by any of the items listed in this section. This warranty also does not cover any of the following item(s), cause(s), or condition(s), regardless of whether any of them acted alone, in sequence, or in concurrence with any other item(s), cause(s), or condition(s) to create the loss or damage.

- (1) The Builder's failure to finish any or all construction of the Home including, but not limited to, walkthrough or punch list items on or before the Effective Date of Warranty, or damages arising from such failure. Failure of the Builder to complete construction, or to construct the Home in compliance with the original plans and specifications, or to perform any washing or cleaning of any kind. *Note: an incomplete item is not considered a Warranted Defect; however, the Builder may be obligated to complete such items under separate agreements.*
- (2) Any condition, Defect, or Deficiency You were aware of prior to the Effective Date of Warranty, whether appearing on a "walk through" or "punch" list or not.
- (3) Any request for warranty performance submitted after unreasonable delay or after the expiration of the applicable Warranty Term.
- (4) Any changes, modifications, additions, or Improvements made to the Home after the Effective Date of Warranty.
- (5) Homeowner delay in reporting a known construction Defect or Deficiency or failing to take reasonable action necessary to prevent further damage to the Home. Failure of the Homeowner to minimize or prevent loss or damage in a timely manner.
- (6) Any warranted Defects or Deficiencies You repair prior to receiving written authorization from the Administrator unless it is an emergency. Please reference the Emergency Procedures section in this warranty booklet for more information.
- (7) Any loss, damage, Deficiency, cost, or expense which is caused, in whole or in part, by any peril or occurrence which is covered by Homeowner's insurance, from another warranty or insurance policy, or for which compensation is provided by state legislation and/or public funds.
- (8) Failure of the Homeowner to comply with the Homeowner's responsibilities and perform routine maintenance on the Home as set forth under the Homeowner Responsibilities section in this warranty booklet.
- (9) Any dampness or condensation due to Your failure to maintain guttering, caulking, flashing, or adequate ventilation.
- (10) You or Your condominium, townhouse, or other association's failure to perform routine maintenance on the Home, common areas, Common Elements, or Your or the association's grounds.
- (11) While the Home is being used primarily for nonresidential purposes.
- (12) Property and/or Improvements that have been subject to a foreclosure.
- (13) Green Building Compliance: Any and all green building requirements, standards, certifications or otherwise are controlled by those written standards applicable to and agreed upon between the Builder and the initial owner(s), if any, after which there is no warranty or guarantee related to or concerning any such green building requirements, standards, certifications or otherwise to any subsequent owner of the property and/or improvements.
- (14) Systems or items that service commercial space even though they may also service covered residential unit(s).
- (15) Use for which the Home or the component of the Home was not designed.
- (16) Use that exceeds the normal design loads prescribed by the Code or the engineer of record.
- (17) Violations of local or national building Codes, Residential Codes, standards, or ordinances.
- (18) Normal wear and tear or deterioration to any component of the Home. This includes, but is not limited to, the deterioration of concrete surfaces caused by salt, chemicals, implements, or any other any factors.
- (19) The negligence, improper maintenance, misuse, abuse, failure to follow manufacturer's recommendations, failure to take reasonable action to mitigate damage, failure to take reasonable action to maintain the residence, or other action or inaction of anyone other than the Builder or persons providing work or material at the direction of the Builder.
- (20) The negligence, abuse, misuse, improper operation or maintenance of the Home, a Home component, its systems, or a Manufactured Product.
- (21) Any modification or addition to the Home or the property under or around the Home made by You. Work performed or material supplied incident to construction, modification, or repair to the Home performed by anyone other than Your Builder or persons providing work or materials at the direction of the Builder.
- (22) Changes to the grading or drainage surrounding the Home made by anyone other than Your Builder or persons providing work at the direction of the Builder. This includes, but is not limited to, soil erosion or runoff caused by Your failure to maintain the Builder-established grades, changes in the grading caused by erosion, or changes in the level of the underground water table, drainage structures, devices or swales, stabilized soil, sodded, seeded or landscaped areas.
- (23) Alterations to, or the failure to maintain the grade of the soil that are not in compliance with the Code, applicable governmental regulations, or in compliance with an applicable drainage plan.

- (24) Sound transmission and sound proofing unless these components were part of the Home's construction.
- (25) Glass breakage unless the condition is the result of construction activities.
- (26) Wiring (to and between) communication devices from the source of power, whether connected to the Home or not. Such devices shall include, but may not be limited to, television cable, telephone systems, intercom systems, computer(s), and security systems. Sources of power shall include, but may not be limited to, service entrance conductors, switches, outlets, receptacles and junction boxes.
- (27) Improvements not part of the Home itself, including but not limited to garage slabs, driveways, detached garages, carports, outbuildings, swimming pools, tennis courts, basketball courts, recreational facilities, boundary and/or retaining walls, bulkheads, landscaping, sod, seeding, shrubs, trees, plantings, fences, lawn sprinkler systems, subsurface draining systems (other than footer drains), streets, sidewalks, and adjacent properties.
- (28) Elements of the Home constructed separately from foundation walls or other structural or non-structural elements of the Home including but not limited to decks, balconies, patios, porches, porch roofs, porticos, porte-cocheres, chimneys, concrete floors of basements, "floating" floor slabs, garage slabs, and attached garages.
- (29) Patios, porches, and stoops which are not a load-bearing and structurally attached integral component of the Home. Decks and balconies not bolted to or cantilevered from the main structure of the Home.
- (30) Structural slab foundation systems that may have experienced movement but are within performance criteria as noted by ASCE Performance Criteria.
- (31) Any condition that does not result in actual physical damage to the home, including, but not limited to the presence of radon gas, formaldehyde or other pollutants or contaminants, or the presence or effect of mold, mildew, toxic material, or volatile organic compound, unless such condition is a direct result of a construction defect.
- (32) Acts of God or nature, war, nuclear hazards, contamination accidents, explosion, riot, civil commotion, terrorism, vandalism, malicious mischief, theft, burglary, power failure or shortage, electrical surge, Excessive or inadequate voltage, artificially-generated electrical currents, electrical wiring that is not to Code, blasting, steam or water escape, condensation, mud or mud slides, sinkholes, Extreme Weather Conditions, drought, windstorm, hail, lightning, ice, snow, blizzard, hurricane, tornado, tsunami, flood, earthquake, land shock waves or tremors occurring before, during, or after volcanic eruption or by any other external cause (whether sudden or gradual), mine subsidence, faults, fissures, crevices, falling trees or other objects, or accidents involving aircraft, vehicles, or boats.
- (33) Damage resulting directly or indirectly from Excessive or inadequate water pressure, flood, surface water, waves, tidal water, overflow of a body of water (whether wind driven or not), wetlands, springs, or aquifers. Water which backs up from sewers or drains, water below the surface of the ground (including water which exerts pressure on, seeps, or leaks under or through a Home, building, sidewalk, driveway, foundation, swimming pool, or other structure). Change in the underground water table that exerts pressure on, seeps, or leaks under the Home, sidewalk, driveway, foundation or other structure or causes subsidence or sinkholes.
- (34) Any loss or damage caused by buried debris, underground springs, mineshafts, uncontrolled fill, improperly compacted fill, or other anomalies.
- (35) Erosion or accretion of soils unless such loss or damage is a direct result of a construction Defect.
- (36) The quality and potability of water unless caused by a construction Defect.
- (37) Damage to or Deficiency in water supply systems, sewage disposal systems, septic systems, leach fields, sewer systems, and drains.
- (38) Defects, Deficiencies, or destruction caused by micro-organisms, plants, fungus, decay, wet rot, dry rot, soft rot, or any other kind of rotting, mold, mildew, termites, insects, vermin, rodents, birds, wild or domestic animals, corrosion, rust, radon, radiation, formaldehyde, asbestos, any solid, liquid, or gaseous pollutant, contaminant, toxin, irritant, or carcinogenic substance, whether organic or inorganic, or an electromagnetic field or emission. This Exclusion includes any claim of health risks or inhabitability as a result of Volatile Organic Compounds (VOC'S) or any of the foregoing items.
- (39) Damage to real property which is not a part of Your Home, bodily damage, personal injury, or Consequential Damages and expenses. Consequential damages is defined as all damages or costs for which a remedy is not expressly provided for in this warranty which includes, but is not limited to:
- (a) Costs of shelter, transportation, food, moving, storage, or other incidental expenses including those related to relocation during any work performed under this warranty;
 - (b) Kenneling of animals, veterinary expenses, pet daycare;
 - (c) Loss of use, loss of wages, inconvenience, annoyance;
 - (d) Diminution in Value of the Home (unless the Administrator elects this remedy in lieu of repair, replacement, or payment for a warranted Defect and/or Deficiency);
 - (e) Any and all consequential loss or damage to personal property and damage to property which You do not own;
 - (f) Physical or mental pain and suffering and emotional distress;

- (g) Medical or hospital expenses;
 - (h) Lost profits or wages.
- (40) Loss, damage, or injury to land, person, animals, personal property, Improvements, and structures other than items in the Home as identified in this Express Limited Warranty.
- (41) Manufactured Products including, but not limited to, appliances, fixtures, and items of equipment (including attachments and appurtenances). This warranty does not cover systems Deficiencies that are caused by a failure of any Manufactured Product or failure to comply with manufacturer's warranty requirements. This includes air conditioning units, attic fans, boilers, burglar alarms, carbon monoxide detectors, ceiling fans, central vacuum systems, doorbell systems, dishwashers, dryers, electronic air cleaners, exhaust fans, fire alarms, freezers, furnaces, garage door openers, garbage disposals, gas and electric meters, heat exchangers, heat pumps, humidifiers, intercoms, interior sprinkler systems, microwave ovens, oil tanks, outside lights or motion lights not attached to the Home, ranges and range hoods, refrigerators, sewage pumps, smoke detectors, solar collectors, space heaters, sump pumps, thermostats, trash compactors, washers, water pumps, water softeners, water heaters, whirlpool bathtubs, whole house fans, and similar items/appliances.
- (42) Any Exclusions set forth under any Performance Standards in this warranty booklet.
- (43) Fire, smoke, or water damage.
- (44) Diminished value of the Home.
- (45) Fraudulently enrolled Homes.
- (46) Collusion with any other party with the intention to defraud the Builder and/or Insurer.
- (47) Acts of omission by You, Your agents, employees, licensees, or invitees.

SECTION 8: MAJOR STRUCTURAL DEFECT COVERAGE

Major Structural Defects are warranted for a Ten-Year Warranty Term from the Effective Date of Warranty. The Insurer will repair or replace those elements or components of a Home that meet the conditions defined below during the applicable warranty period.

SECTION 9: PERFORMANCE STANDARDS FOR MAJOR STRUCTURAL COMPONENTS UNDER THE 10-YEAR STRUCTURAL DEFECT WARRANTY.

This section describes the Performance Standards for the various Major Structural Components of a Home as described. The Insurer will repair or replace those elements or components of a Home that do not meet these standards during the applicable warranty period.

(A) PERFORMANCE STANDARDS FOR SLAB FOUNDATIONS

- (1) Slab foundations should not move differentially after they are constructed, such that a tilt or deflection in the slab in excess of the standards defined below arises from post-construction movement. The protocol and standards for evaluating slab foundations shall follow the ASCE Guidelines with the following modifications:
- (a) Overall deflection from original construction shall be no greater than the overall length over which the deflection occurs divided by 360 ($L/360$) and must not have more than one associated symptom of distress, as described in Section 5 of the ASCE Guidelines, that results in actual observable physical damage to the home. L shall be defined as the edge to edge distance across any slab cross-section for which overall deflection is calculated. Calculations of overall deflection shall be based upon the change in elevation at each point for which an Original Construction Elevation was taken.
 - (b) The slab shall not tilt after construction in excess of one (1) percent across any overall dimension of the home or cause structural component(s) or masonry veneer to rotate into a structurally unstable position such that the weight vector of the component part falls outside the middle third of its bearing area. Calculations of tilt shall be based upon the change in elevation at each point for which an Original Construction Elevation was taken.
- (2) If measurements and associated symptoms of distress show that a slab foundation does not meet the deflection or tilt standards stated in this subsection, the Builder shall implement the recommendations of a Texas licensed Professional Engineer, which shall be based on the appropriate remedial measures as described in Section 7 of the ASCE Guidelines.

(B) PERFORMANCE STANDARDS FOR MAJOR STRUCTUAL COMPONENTS OF A HOME OTHER THAN SLAB FOUNDATIONS

(1) Floor over pier and beam foundations:

- (a) A floor over a pier and beam foundation shall not deflect more than $L/360$ from original construction and have that movement create actual observable physical damage to the components of the home identifiable in Section 5.3 of the ASCE Guidelines. L shall be defined as the edge to edge distance across any slab cross-section for which overall deflection is calculated. Calculations of overall deflection shall be based upon the change in elevation at each point for which an Original Construction Elevation was taken.

- (b) If a floor over pier and beam foundation deflects more than L/360 from its Original Construction Elevation and the movement has created actual observable physical damage to the components of a home identifiable in Section 5.3 of the ASCE Guidelines, the Builder shall implement the recommendations of a Texas licensed Professional Engineer, which shall be based on applicable remedial measures as described in Section 7 of the ASCE Guidelines.

(2) **Structural components:**

- (a) A defined structural component, other than the concrete elements of a slab foundation, shall not crack, bow, become distorted or deteriorate, such that it compromises the structural integrity of a home or the performance of a structural system of the home resulting in actual observable physical damage to a component of the home. If a structural component of a home, other than the concrete elements of a slab foundation, cracks, bows, is distorted or deteriorates such that it results in actual observable physical damage to a component of the home, the Builder shall take such action as is necessary to repair, reinforce or replace such structural component to restore the structural integrity of the home or the performance of the affected structural system.

(3) **Deflected structural components:**

- (a) A structural component, other than the foundation, shall not deflect more than the ratios allowed by the Code. If a structural component of the home, other than the foundation, is deflected more than the ratios allowed by the Code, the Builder shall repair, reinforce or replace such structural component to restore the structural integrity of the home or the performance of the affected structural system.

(4) **Damaged structural components:**

- (a) A structural component, other than the foundation, shall not be so damaged that it compromises the structural integrity or performance of the affected structural system. If a structural component, other than the foundation, is so damaged that it compromises the structural integrity or performance of a structural system of the home, the Builder shall take such action as is necessary to repair, reinforce or replace such structural component to restore the structural integrity of the home or the performance of the affected structural system.

(5) **Separated structural components:**

- (a) A structural component, other than the foundation, shall not separate from a supporting member more than 3/4 of an inch or such that it compromises the structural integrity or performance of the system. If a structural component, other than the foundation, is separated from a supporting member more than 3/4 of an inch or separated such that it compromises the structural integrity or performance of a structural system of the home, the Builder shall take such action as necessary to repair, reinforce or replace such structural component to re-establish the connection between the structural component and the supporting member, to restore the structural integrity of the home and the performance of the affected structural system.

(6) **Non-performing structural components:**

- (a) A structural component, other than the foundation, shall function as required by the Code.

SECTION 10: HOW TO REPORT A MAJOR STRUCTURAL DEFECT CLAIM

If You believe Your Home has a Major Structural Defect (MSD) covered under this warranty, You must notify the Administrator upon discovery of the Defect in writing as provided below. **Notice cannot be Initiated with a phone call.** Your written request for warranty performance must be received before the expiration of the applicable warranty period (ten (10) years for Major Structural Defects).

(1) **Notice to Administrator (StrucSure Home Warranty, LLC) for Major Structural Defects during Years One (1) through Ten (10).**

- (a) If a Warranted Defect occurs during years one (1) through ten (10), You must notify the Administrator (StrucSure Home Warranty, LLC) in writing. Please complete the Notice of Major Structural Defect Claim Form at the back of this booklet and send it to StrucSure Home Warranty, LLC, Attn: Warranty Service Division, 6825 East Tennessee Avenue, Suite #410, Denver, CO 80224. **Notice cannot be Initiated with a phone call.**
- (b) There is a \$250.00 non-refundable processing fee made payable by You to the Insurer (Golden Insurance Company). *This non-refundable fee is required for each Notice of Major Structural Defect Claim Form submitted to the Administrator (StrucSure Home Warranty, LLC).*
- (c) The written notice must be sent certified mail, return receipt requested.
- (d) Such notice must be received before the expiration of the applicable warranty period.
- (e) Your request for warranty performance must describe the condition of the warranted Major Structural Defect in detail.
- (f) Once Your written notice has been received, the Administrator (StrucSure Home Warranty, LLC) will process Your request for warranty performance in accordance with the provisions of this warranty.
- (g) The Administrator (StrucSure Home Warranty, LLC) will investigate to determine whether the Defects described in the complaint are covered under this Express Limited Warranty and will respond to Your claim within thirty (30) days.
- (h) You agree to provide the Administrator (StrucSure Home Warranty, LLC) with any information or evidence in Your possession to support Your claim along with any inspector's, engineer's, and/or other expert's reports, photographs, videos, etc. related to and in support of Your claim. You also must provide the Administrator (StrucSure Home Warranty, LLC) and

the Insurer (Golden Insurance Company) a reasonable opportunity to inspect Your Home (both the interior and/or exterior, as necessary) during normal business hours.

- (i) You have an obligation to cooperate with the Administrator (StrucSure Home Warranty, LLC) and the Insurer (Golden Insurance Company) concerning the arbitration, inspection, investigation, repair, and claim settlement. Your failure to cooperate may jeopardize Your warranty coverage.
- (j) In connection with the investigation and determination of your claim, You may be sent a series of recommendations to be implemented. Failure to implement the recommendations may result in a denial of a future claim for benefits if the failure to implement the recommendations caused or contributed to a Defect in the Home.

SECTION 11: CONDITIONS OF WARRANTY PERFORMANCE

- (1) Actions taken to repair Defects and/or Deficiencies will not extend the periods of coverage provided in the Warranty Term(s).
- (2) If a Major Structural Defect claim qualifies for coverage in years one (1) through ten (10), the Insurer has the right to choose to repair or replace, pay the reasonable cost of repair or replacement, or pay You the Diminution in Value of any covered Major Structural Defect. If the Insurer elects to make a cash settlement for a Warranted Defect, the settlement must be in writing. The Homeowner shall have up to 45 days upon the receipt of settlement agreement to accept. Failure to accept the settlement within this timeframe may result in the claim being closed.
- (3) Any events which cause a delay in the performance of the warranty obligations of the Administrator, and/or the Insurer, and which are beyond the control of the Administrator, and/or the Insurer, shall excuse the Administrator, and/or the Insurer from performing until the effects causing the delay are remedied.
- (4) The right to repair or replace is solely that of the Insurer, the decision to make payment in lieu of implementing the covered repairs is solely that of the Insurer, and the decision to pay You the Diminution in Value of any covered Defect is solely that of the Insurer. Replacement does not mean an obligation to purchase Your Home in the event of a claim nor under any other circumstance.
- (5) If the Insurer repairs, replaces, or pays You the reasonable cost to repair or replace, or pays You the Diminution in Value of any Warranted Item, the Insurer shall be subrogated to all Your rights of recovery against any person or entity. You must sign and deliver to the Builder, Administrator, and the Insurer a full and unconditional release, in recordable form, of all legal obligations and rights to recovery (including subrogation rights) with respect to the Warranted Defects and/or Deficiencies, and any condition arising from the warranted items. This must occur prior to payment for the reasonable cost of repair, replacement, or Diminution in Value. You must execute and deliver any and all instruments and documents, and take any and all other actions necessary to secure such rights including, but not limited to, assignment of proceeds of any other insurance or other warranties to the Insurer. You shall do nothing to prejudice these rights of subrogation.
- (6) In connection with a repair of a Major Structural Defect, any repairs performed by the Insurer will include those components of the home that have to be removed or altered in order to repair the Defect. Any repair will be finished or touched up to match the surrounding area as closely as practical but not necessarily to a like-new condition. Imperfections and variations may exist and should be expected. A repair or action bringing a variance within the standard under this warranty shall not cause the period of the applicable warranty to be extended.
- (7) The Insurer is not responsible for exact color, texture or finish matches when replacing or repairing materials, repainting areas, or when items or materials have been discontinued. Surfaces altered incident to any repair will be finished or touched up to match the surrounding area as closely as practical. In connection with the repair or finish or surface material such as paint, wallpaper, flooring or a hard surface, the Insurer will match the standard and grade as closely as reasonably possible. The Insurer will attempt to match the finish, but will not be responsible for discontinued patterns or materials, color variations, or shade variations. When the surface finish material must be replaced and the original material has been discontinued, the Insurer is responsible for installing replacement material substantially similar in appearance to the original material. Repair or replacement is NOT intended to restore the Home to a like-new condition. Imperfections and variations may exist and should be expected.

SECTION 12: MEDIATION AND INSPECTION

Within thirty (30) days following the Administrator's receipt of appropriate notice of request for warranty performance, the Administrator may review and mediate Your request by communicating with You and Your Insurer and any other individuals or entities who the Administrator believes possess pertinent information.

If, after thirty (30) days, the Administrator has not been able to successfully mediate Your request, or at any earlier time when the Administrator believes that You and Your Insurer are at an impasse, then the Administrator will notify You that Your request has become an Unresolved Warranty Issue and that You may proceed to arbitration.

At any time following the receipt of appropriate notice of Your request for warranty performance, the Administrator may schedule an inspection of the item(s). You must provide the Insurer reasonable access to the interior and/or exterior during normal business hours for any such inspection. The Administrator, at its discretion, may schedule a subsequent inspection to determine compliance.

When a request for warranty performance is filed and the Major Structural Defect (MSD) cannot be observed under normal conditions, it is Your responsibility to substantiate that the need for warranty performance exists including any costs involved.

You have an obligation to cooperate with the mediation, inspection, and investigation of Your warranty request. Your warranty file may be closed should You fail to cooperate or respond to requests within thirty (30) days.

SECTION 13: ARBITRATION

The parties to this Express Limited Warranty intend and agree that any and all claims, disputes and controversies by or between the Homeowner, the Builder, the Administrator, and/or the Insurer, or any combination of the foregoing, arising out of or related to this Express Limited Warranty, any alleged Major Structural Defect (MSD) in or to the subject Home or the real property on which the subject Home is situated, or the sale of the subject Home by the Builder, including, without limitation, any claim of breach of contract, negligent or intentional misrepresentation, or nondisclosure in the inducement, execution, or performance of any contract, including this arbitration agreement, or breach of any alleged duty of good faith and fair dealing, shall be settled by binding arbitration in a manner consistent with this arbitration agreement. Agreeing to arbitration means You are waiving Your right to a trial by a judge and/or a jury.

You must begin the arbitration process by giving the Administrator written notice of Your request for arbitration of an Unresolved Warranty Issue. After the Administrator's receipt of Your notice of request for arbitration, any Unresolved Warranty Issue that You have with the Insurer or Administrator shall be submitted to an independent arbitration service mutually agreed upon by You, the Administrator, and the Insurer. If You, the Administrator, and the Insurer cannot agree on an independent arbitration service, then all parties agree to use Construction Dispute Resolution Services (CDRS) for the arbitration. This binding arbitration is governed by the procedures of the Federal Arbitration Act, 9 U.S.C. 1 et seq., as amended (FAA), and any rules of the independent arbitration service employed by the parties to the arbitration. Should any conflict exist between the FAA and the rules of the independent arbitration service selected, the FAA shall control.

You understand that should You submit a request for arbitration, all administrative fees of the arbitration service and fees of the arbitrator shall be allocated to the parties as provided in the rules of the arbitration service, subject to the discretion of the arbitrator to reallocate such fees in the interests of justice.

Since this Express Limited Warranty requires mandatory binding arbitration of Unresolved Warranty Issues, if any party hereto commences litigation in violation of this Express Limited Warranty, such party shall reimburse the other parties named in the litigation for their costs and expenses, including reasonable attorney fees and expert fees, incurred in responding to and/or requesting dismissal or stay of such litigation. The parties to this Express Limited Warranty intend that no party to any arbitration hereunder may make a claim for punitive damages as part of the arbitration proceeding and that the Arbitrator shall not have the authority to award punitive damages to any party hereto.

This arbitration agreement shall inure to the benefit of, and be enforceable by, the Builder's subcontractors, agents, vendors, suppliers, design professionals, Insurers, and any other person alleged to be responsible for any Defects and/or Deficiencies in or to the subject Home or the real property on which the subject Home is situated. Any party shall be entitled to recover reasonable attorney's fees and costs incurred in enforcing this arbitration agreement. The decision of the Arbitrator shall be final and binding and may be entered as a Judgment in any State or Federal court of competent jurisdiction.

This arbitration agreement shall be deemed to be a self-executing arbitration agreement. Any disputes concerning the interpretation or the enforceability of this arbitration agreement, including, without limitation, its revocability or voidability for any cause, the scope of arbitration issues, and any defense based upon waiver, estoppel or laches, shall be decided by the Arbitrator.

The initiation of or participation by any party in any judicial proceeding concerning this arbitration agreement or any matter arbitrable hereunder shall not be deemed a waiver of the right to enforce this arbitration agreement, and, notwithstanding any applicable rule of law to the contrary, shall not be asserted or accepted as a reason for delay, refusal to participate in, or refusal to enforce this arbitration agreement.

The arbitration hearing shall take place at or near the residence covered by the Express Limited Warranty unless both You and the Insurer mutually agree to hold the arbitration at a different location.

The Insurer or Administrator shall have the right, in advance of the arbitration proceeding, to re-inspect any Home (both the interior and/or exterior, as necessary) which is the subject to the arbitration proceeding if the request for arbitration was made more than sixty (60) days following the last claim decision of the Insurer or Administrator concerning such Home. No arbitration proceeding shall involve more than one single-family detached dwelling or more than one multi-dwelling unit.

The parties expressly agree that this Express Limited Warranty and this arbitration agreement touch and concern interstate commerce and are governed by the provisions of the FAA and the rules of the independent arbitration service selected by the parties to the arbitration to the exclusion of any contrary or inconsistent state or local laws, ordinances, or judicial rules.

If any provision of this arbitration agreement shall be determined by the Arbitrator or by any court to be unenforceable or waived, the remaining provisions shall be deemed to be severable and enforceable according to their terms. The duty to arbitrate hereunder survives the termination of this Express Limited Warranty.

SECTION 14: ENFORCEMENT OF ARBITRATION AWARD

The Arbitrator will determine the amount of time within which all awards must be completed. Deadlines may be extended depending on special circumstances (for example, inclement weather). In such circumstances, the Insurer will complete such repairs or replacement as soon as possible without incurring overtime or weekend expenses.

- (1) If the independent Arbitrator makes an award in favor of the Homeowner concerning a dispute under this warranty's Major Structural Defect Coverage, then the arbitrating parties will receive notice of the award and the Insurer will either: a) complete the repair(s) awarded, or b) complete a full payment for the cost of the repair(s) to the Homeowner. The independent Arbitrator may grant an extension of time if complicated or time-consuming engineering investigation/design development is involved in order to make the structural repairs.
- (2) Under no circumstance will any independent Arbitrator be allowed to create, establish, or fix a monetary sum as an award to any arbitrating party unless this is expressly agreed to by all of the arbitrating parties and the Insurer. The refusal of the Insurer to agree to a monetary award does not invalidate any provision stated.
- (3) Within twenty (20) calendar days immediately following the expiration of the applicable compliance period, the prevailing party may request a compliance inspection by contacting the Insurer in writing. Any cost associated with a compliance inspection must be pre-paid by the requesting party.

SAMPLE

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SAMPLE

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SAMPLE

WARRANTY PROTECTION FOR HOMEBUYERS



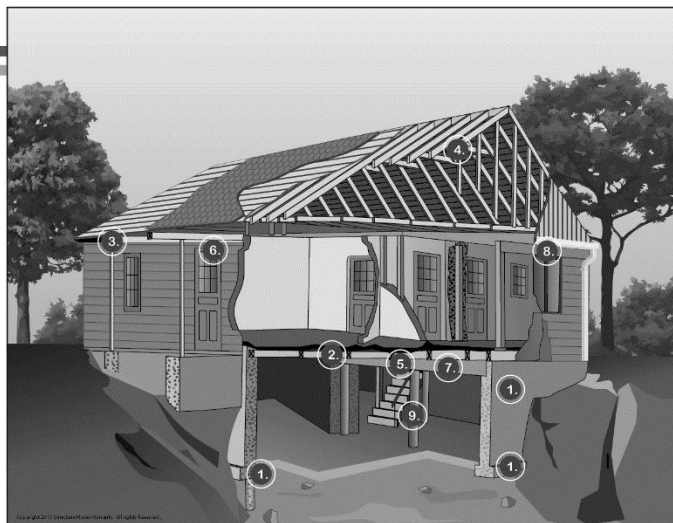
StrucSure Home Warranty provides third-party, insurance-backed new-home warranties to builders across the United States. Those builders then include our warranty protection on the homes they sell to reinforce their commitment to quality and service, build buyer confidence, and offer peace-of-mind to homeowners. Like many types of insurance, the hope is you will never need it, but if a problem emerges, you'll be glad you're covered.

10-YEAR WARRANTY

StrucSure's 10-year structural warranty provides direct coverage from the day of closing for **major structural defects**. If a major structural defect occurs in your home within the 10-year warranty term, it will be repaired, replaced, or paid for by StrucSure Home Warranty. Coverage includes the following home components:

1. Load-bearing foundation systems, footings, and piers
2. Load-bearing floor framing systems
3. Load-bearing walls and partitions
4. Load-bearing roof framing systems
5. Load-bearing beams
6. Load-bearing headers
7. Load-bearing girders
8. Load-bearing lintels (other than those supporting veneers)
9. Load-bearing columns (other than those designed to be cosmetic)
10. Load-bearing masonry arches (other than those designed to be cosmetic)

Please reference your Warranty Coverage Booklet for specific terms, conditions, and exclusions.



StrucSure Home Warranty is a member of
STRUCSURE
RISK MANAGEMENT GROUP

At StrucSure Home Warranty, our goal is to support the American dream of home ownership, promote healthy builder/buyer relationships, and provide a worry-free experience for homeowners. Enjoy the benefits of warranty coverage by purchasing a home backed by a new-home warranty from StrucSure and sleep better at night knowing you're covered by one of the industry's leading warranty providers.



**CONTACT YOUR BUILDER OR STRUCSURE
TO LEARN MORE ABOUT THE BENEFITS
OF WARRANTY COVERAGE.**

1.877.806.8777 | www.strucsure.com



StrucSure Home Warranty is a proud member of the National Association of Home Builders

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STRUCSURE

HOME WARRANTY

6825 East Tennessee Avenue, Suite #410 | Denver, CO 80224

1.877.806.8777 (toll-free) | 303.806.8688 (office) | 303.806.9897 (fax) | www.strucsure.com

NOTICE OF MAJOR STRUCTURAL DEFECT CLAIM FORM

Please read the SHW Express Limited Warranty Coverage Booklet before completing this form. This form must be completed in its entirety and submitted along with a copy of the Home Enrollment Application (HEA). This form must be received by StrucSure Home Warranty prior to the expiration of the applicable warranty period. A non-refundable warranty service fee may be required. Please contact a Claims Representative at 1.877.806.8777 for more details.

Name _____

Claim Address _____
Street City State Zip

Home Phone () Business Phone () Cell Phone ()

Email Address _____

Effective Date of Warranty _____ Home Enrollment Application No. _____
Month Day Year SHW HEA #

Please note that the warranty provides Limited Major Structural Defect Coverage, which is subject to Exclusions and conditions. You are encouraged to review and understand the Major Structural Defect Coverage provisions of the Express Limited Warranty Coverage Booklet.

1. Have You read the definition of a Major Structural Defect in the Express Limited Warranty Coverage Booklet? Yes No
2. Have You read the Exclusions in the Express Limited Warranty Coverage Booklet? Yes No
3. Do You feel Your Home is unlivable because it is unsafe? Yes No
4. Do You feel Your Home is unlivable because it is unsanitary? Yes No
5. Do You feel that Your Home is unlivable for some other reason? Yes No

Please describe the nature of the Defect as accurately and specifically as possible (if necessary, attach a separate sheet of paper):

Date Defect was first observed _____
Month Day Year

Name of Mortgage Company _____

Address of Mortgage Company _____

Loan Number _____

Attach copies of any relevant correspondence between You and Your Builder involving this matter.

Homeowner signature Date

Homeowner signature Date

It is unlawful to knowingly provide false, incomplete, or misleading facts or information to any warranty company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of coverage, and civil damages. Violators will be prosecuted to the full extent of the law. This form is not confirmation of warranty coverage. Warranty coverage is confirmed by a separate written confirmation.



STRUCSURE

H O M E W A R R A N T Y

SAMPLE

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