



## HOME WARRANTY SAMPLE CONTRACT AND APPLICATION

### Sell or Buy With Confidence.

Both seller and buyer can get the benefits from a warranty by the **Hana Home Protection Company, Inc.** For sellers, it gives a valuable edge over other houses on the market. As a serious buyer, if you are deciding between two similar homes, would the one with a home warranty be more attractive? For buyers, a home warranty eliminates the worries of unexpected and sudden repair costs and adds confidence in the investment value of a new home.

### Here is why:

We respond quickly and professionally, 24 hours a day, 7 days a week. Whenever you call to report a problem, we will have a carefully selected service contractor from our trusted network contact you within 48 hours. And we will ensure that you are happy and satisfied with our service! Your satisfaction is guaranteed, with our simple philosophy: Whenever the customer needs service, we make sure the customer gets professional service.

### It's As Easy As Calling 1-888-311-0001

Call us toll-free and we will arrange a home warranty designed specifically for your needs. The number again is **1-888-311-0001**. We are looking forward to serving you.

Brokers and agents are not compensated for presenting this program - your protection is their only objective.

### COVERAGE

**HANA** will repair or replace components of covered items, at **HANA's** sole discretion during the full one year (twelve month) period, subject to the terms and conditions of this contract, provided that the items are permanently and properly installed within the perimeter of the main foundation of the single family residential-use property (not more than 5,000 square feet) or attached garage, with the exception of the optional coverage items, and further provided that the items are in a good, safe and functionally operating condition on the effective date of this contract, if the covered item breaks down due to wear and tear with normal usage (service) during the coverage period. You are obligated to provide information relating to the cause and nature of break down, including inspection reports and other supporting documentation. Only one set of items specifically mentioned in this contract (including optional items) are covered, and excludes all others including but not limited to, duplicate items, and commercial and non-standard items, systems, or equipment. **HANA** is not responsible for any malfunction or defect prior to the effective date of this contract. Coverage is only provided for malfunctions which occur during the term of this contract. If a malfunction or defect is discovered by a public utility company at the time the utility service is activated, the defect or malfunction shall be considered a non-covered prior condition.

The coverage will begin at the close of Escrow and will continue for one year from that date, provided the coverage premium is received by **HANA** within 5 working days. Items listed under the optional coverage designation will be covered only if the designated additional premium has been received by **HANA**. Additional fees must be paid to receive coverage on additional sets of systems and appliances. If any optional coverage is selected after the close of Escrow, an inspection report must accompany the optional coverage application which shows that all optional items to be covered are operating properly. If **HANA** accepts the application, the coverage period shall commence upon receipt of payment and continue through the period of base coverage. During the first 30 days, coverage will be limited to repair only (not replacement) for any covered items. If a property is vacant and utilities are not on at the time of walk-through, and/or inspection, coverage will begin 10 days after all systems and appliances have been activated, tested, and determined to be operating properly.

### CUSTOMER SERVICE FOR SERVICE CALL 1-888-311-0001

1. Our customer service department phone lines are open 24 hours a day, 7 days a week.
2. After placing a service call, a qualified contractor selected by **HANA** will contact you directly within 48 hours to schedule a convenient appointment to perform the requested and confirmed service during normal business hours. Outside of normal business hours, you will be responsible for the payment of additional fees, including overtime. Service delays may occur. Only specifically authorized services by **HANA** will be performed. **HANA** will not pay for services performed without **HANA's** prior authorization. **HANA** will not reimburse for unauthorized services. DO NOT arrange any service without **HANA's** knowledge.
3. Customers shall pay a \$35.00 service call fee for each covered item, prior to the performance of any service. Failure to pay the service call fee shall result in termination of further coverage and **HANA** will not respond to any new requests for service, until all unpaid service call fees are paid. The service call fee for optional roof coverage is \$50.00.
4. **HANA** guarantees any service performed for 30 days. Any additional service calls for the same diagnosis serviced within this 30 day period shall be performed at no charge.
5. A request for service must be reported prior to the expiration of the contract. Before requesting service, please read your contract to make sure the problem is covered. This contract does not cover everything, and does not necessarily cover the entire cost of any contract item.

### LIMITATIONS OF LIABILITY

1. This contract covers only single family residential-use properties (not used for any commercial purposes) and attached garages, under 5,000 square feet, unless specifically amended by **HANA**. Any alternative development types must be specifically applied for and accepted by **HANA**. Alternative development types include but are not limited to condominiums, town houses, mobile homes, or multi-family or apartment buildings. Coverage for Alternative development types is limited to the systems and appliances located within the particular units. Common areas or common systems or appliances are excluded.

2. **HANA** is not responsible for corrections, repairs, replacement or upgrades due to inadequate or lack of capacity, diminution of efficiency, inadequacy, improper installation, unworkman like construction or improper previous or attempted repair, out dated (obsolete) equipment, age, design deficiency, manufacturer's defect, unknown manufacturer, structural defects or any modification to the system or appliance, or failure to meet applicable governmental regulations: including building or zoning requirements or safety standards, nor for services required when permits cannot be obtained. **HANA** is not responsible for the cost of hauling away old equipment and does not perform routine maintenance and cleaning.

3. If it becomes necessary to gain access by opening and/or removing a wall, floor or ceiling, including concrete-encased systems, cabinets, any decorations or appliances, **HANA** will not restore the opened area and will pay no more than an aggregate of \$500.00 per contract for access, diagnoses, repair and/or replacement of components or parts, including labor.

4. This contract does not provide coverage for any consequential, incidental, special, liquidated, secondary and/or mold damages caused to the property, person or its contents by malfunctioning systems or appliances and/or failure to provide timely service due to conditions beyond **HANA's** control including but not limited to delays in securing parts, equipment and/or labor difficulties. Failure or malfunctions that are the result of improper routine or preventative cleaning or maintenance, improperly disassembled units and/or missing parts, or damaged parts are not covered.

5. Services including asbestos, other known or suspected toxic or hazardous materials, are not covered under this contract, nor will **HANA** pay the costs related to the recapture or disposal of refrigerants or contaminants, systems, appliances.

6. **HANA'S** liability is limited to the failure of systems or appliances due to wear and tear with normal usage. Property owners are required to perform routine maintenance. Units rusted or otherwise damaged beyond repair are not covered. This contract is non-cancelable, however, **HANA** shall terminate this contract in the case of fraud or misrepresentation of any fact or circumstance. If the contract is terminated, the provider of funds (or contract holder) shall be entitled to a pro-rata refund of the contract fee for the unexpired term, less administrative fees and any service costs incurred by **HANA**. Items under manufacturer's, distributor's, or service warranty are excluded from this contract.

7. **HANA** is not responsible for repairs of conditions caused by corrosion, chemical or sedimentary build-up, misuse or abuse, neglect, failure to clean or maintain, disassembled and/or missing or damaged parts, or material, crane charges, casings, pans, trays, remote controls, attachments or accessories, wiring inside walls, structural changes, theft, power failures or surges, inadequate or excessive water or gas pressure, war, riot, vandalism, accidents, pet or pest damage, odors, fire, freeze, water or mud damage, soil movement, lightning, earthquake, storms or similar acts of God.

8. Electronic, remote or computerized management systems, and appliance management systems or the like, including but not limited to, solar systems, and the management system's components are not covered.

9. **HANA** will not alter the structure to repair or replace components, nor refinish nor replace cabinets, counter-tops, ceilings, walls, floor coverings, tiling, paints, decorations or the like, nor will **HANA** repair any cosmetic defects. There will be additional charges to remove or restore unrelated systems in order to complete a covered repair, including but not limited to the costs of locating the issue or problem with a camera, detector and/or like devices. The homeowner must provide access to the covered items.

10. **HANA** will determine whether to repair or replace components of the covered items, and is not responsible for any delays in obtaining parts or replacements of components, and reserves the right to get a second opinion on the costs of repairs or replacements of components. Parts for replacements or repairs will be covered up to an aggregate of \$500.00 per trade (such as plumbing: including water heater; heating & air conditioning; electrical system including garage door opener, central vacuum, and telephone system; kitchen appliances including pest control; pool & spa; washer and dryer, and refrigerator), and an aggregate of \$2,000.00 per contract, including labor and any additional costs. **HANA** is responsible for installing replacement components with a builder's standard and one that conforms to appliance legal standards, but not for matching dimensions, brand or color. **HANA** is not responsible for the cost of construction, carpentry, or other modification made necessary by installing replacement components.

11. Any dispute, controversy, interpretation or claim of any nature whatsoever shall be submitted to final and binding arbitration under the Rules and Procedures of the American Arbitration Association. Client understands and agrees to any such final and binding arbitration.

12. This contract may be renewed subject to **HANA's** approval (subject to **HANA's** discretion only, at the sole option of **HANA**), of any new applicable rates and terms.

NO POSTAGE  
NECESSARY IF  
MAILED IN THE  
UNITED STATES

BUSINESS REPLY MAIL  
FIRST CLASS MAIL PERMIT NO. 73484  
LOS ANGELES, CA  
POSTAGE WILL BE PAID BY ADDRESSEE



**HANA HOME PROTECTION COMPANY, INC.**  
2140 West Olympic Boulevard, Suite 418, Los Angeles, CA 90006



## HOME WARRANTY PLANS

This contract is for home warranty protection service.  
**HANA** is a Home Protection Insurance Business.

The Quality You Demand  
The Service You Deserve  
From People You Depend On

(888) 311 - 0001

TEL: ( 213 ) 380 - 8111  
FAX: ( 213 ) 380 - 3189

www.hanahome.com

**2140 West Olympic Boulevard  
Suite 418  
Los Angeles, California 90006**

**HANA HOME PROTECTION COMPANY, INC.  
WARRANTY PLANS**

**HANA HOME PROTECTION COMPANY, INC.  
TELEPHONE: 1-888-311-0001**

**STANDARD COVERAGE** OPTIONAL COVERAGE AVAILABLE IN ADDITION TO STANDARD COVERAGE

- PLUMBING SYSTEM
- SUMP PUMP
- WATER HEATER
- HEATING SYSTEM
- ELECTRICAL SYSTEM
- EXHAUST FANS
- DOOR BELLS
- GARAGE DOOR OPENER
- CENTRAL VACUUM
- TELEPHONE SYSTEM
- PEST CONTROL
- OVEN / RANGE / COOKTOP
- MICROWAVE OVEN
- DISHWASHER
- GARBAGE DISPOSAL
- TRASH COMPACTOR
- BUILT-IN FOOD CENTER
- HOT WATER DISPENSER
- SEPTIC TANK (PUMPING ONLY)
- CENTRAL AIR CONDITIONING (ELECTRIC)
- SWIMMING POOL / SPA
- WASHER AND DRYER
- KITCHEN REFRIGERATOR
- ROOF LEAK REPAIR

**CALL FOR QUOTE**

- SINGLE FAMILY HOMES OVER 5,000 SQUARE FEET
- MULTIPLE UNITS
- DUPLICATE SYSTEMS
- ALTERNATE DEVELOPMENT TYPE

Please See Sample Contract for Details or Call:  
**1-888-311-0001**  
TEL (213) 380-8111  
FAX (213) 380-3189  
www.hanahome.com

**WAIVER OF COVERAGE**  
The benefits of the Hana Home Warranty Plan have been made available to me and I hereby waive coverage.

Signature \_\_\_\_\_ Date \_\_\_\_\_

<b>COVERAGE FEE</b>		
BASE COVERAGE	\$245.00	\$ _____
AIR CONDITIONING (ELECTRIC)	\$50.00	\$ _____
POOL/SPA EQUIPMENT	\$125.00	\$ _____
WASHER/DRYER	\$75.00	\$ _____
KITCHEN REFRIGERATOR	\$25.00	\$ _____
ROOF COVERAGE (LIMITED)	\$100.00	\$ _____
<b>TOTAL COVERAGE</b>	<b>\$</b>	<b>_____</b>

\$35.00 Service call fee per item. \$50.00 Service call fee for Roof (Limited). Please read contract for coverage details, limitations and exclusions.

Please Print or Type:  
**1. Single family residence (under 5,000 SF \*\*) to be covered:**

Seller's Name \_\_\_\_\_ Telephone No. \_\_\_\_\_

Address of Property To Be Covered \_\_\_\_\_

City \_\_\_\_\_ County \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

\*\* For Any Other Dwelling Type, Please Call For Quote

**2. Real Estate Company:**

Company Name \_\_\_\_\_ Telephone No. \_\_\_\_\_

Agent Name \_\_\_\_\_ Telephone No. \_\_\_\_\_

**2. Buyer Information:**

Escrow Company Name \_\_\_\_\_ Telephone No. \_\_\_\_\_

Officer Name \_\_\_\_\_ Expected Closing Date \_\_\_\_\_ Escrow No. \_\_\_\_\_

Buyer's Name \_\_\_\_\_ Telephone No. \_\_\_\_\_

Buyer's Mailing Address \_\_\_\_\_

City \_\_\_\_\_ County \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

**BROKERS/AGENTS OFFER THIS PLAN AS A PROFESSIONAL SERVICE TO BUYERS AND SELLERS. THEY RECEIVE NO COMMISSION OR COMPENSATION FOR OFFERING THIS PLAN TO THEM.**

**PLAN FEE IS DUE AT THE CLOSE OF ESCROW.**

I desire:

to purchase Hana's Warranty Plan.

to decline the benefits of this coverage.

Signature \_\_\_\_\_ Date \_\_\_\_\_

**BASE COVERAGE**

**1. PLUMBING SYSTEM**  
**COVERED:** HANA will repair leaks of: water, drain, gas, sewer lines, except if caused by freezing, roots, rocks, earth movement, collapsed or broken lines. HANA will repair or replace components and parts of valves for showers, tubs and diverters, angle stops, risers and gate valves, and flushing mechanisms, permanently installed sump pumps (ground water only), except when gaining or closing access. HANA will clear stoppages in drains, and sewer lines up to 75 feet from an existing access point without excavation, except those that cannot be cleaned with a standard externally applied sewer cable, such as those cause by roots, collapsed or broken lines. If the stoppage is due to a septic tank backup, HANA will pump the septic tank once during the contract coverage period with the provision that a septic certification was completed within 90 days prior to close of escrow and charge the costs to contract holder of locating and closing the tank. Coverage begins thirty (30) days after closing.  
**NOT COVERED:** Hydrojetting, electrolysis, collapse of or damage to water, drain, gas, sewer or vent lines; sprinkler systems; main shutoff valve; sinks, bathtubs, showers, faucets, spouts and fixtures (including showers and mix-it valves), pop-up assemblies, noises, filters, shower enclosures and base pans, toilet, bidet and hose bibs, tile, caulking or grouting, septic systems, chemical treatment of the septic systems and/or sewer lines, flow restrictions (low pressure) in fresh water lines caused by rust, corrosion or mineral deposit, holding or storage tank, water discoloration, malfunction resulting from inadequate or excessive water or gas pressure, pressure regulators, repiping, pipes in the condo wall, Polybutylene piping, water conditioning equipment, solar water systems, sauna or steam room, whirlpool bath (Jacuzzi), aerobic pump, jet pump, sewage ejector pump.

**2. WATER HEATER (NATURAL GAS OR ELECTRIC)**  
**COVERED:** All components and parts (Gas/Electric, max 50 gal), except:  
**NOT COVERED:** Solar units and components, control or thermostat, pump, sounds, noises, failure caused by sediment or mineral build-up, holding or storage tanks, flues, vents, tankless and/or direct vent water heaters.

**3. HEATING SYSTEM / BUILT-IN WALL UNIT (Natural Gas or Electric)**  
**COVERED:** All components and parts which affect the operation of the system (heat pumps and/or roof mounted dual pack heating and cooling systems will only be covered with the Air Conditioning Optional Coverage), except:  
**NOT COVERED:** Fireplaces and key valves, chimneys, flues, vents, dampers, portable heaters, solar heating systems, any radiant, heated water or steam circulating heating systems, fuel storage tank, baseboard, casings, heat exchanger/combustion chamber, coil, filters (including electronic air cleaners), thermostat, humidifier, dehumidifier, GFX or heat recovery systems, registers and grills, clocks, timers, insulation, ductwork or components, water tower units.

**4. ELECTRICAL SYSTEM**  
**COVERED:** all components and parts, including permanently installed kitchen or bathroom exhaust fans and door bells, except:  
**NOT COVERED:** Lights, fixtures, smoke, carbon monoxide, radon gas, or other security alarm systems including fire alarm, intercoms, chimes, inadequate capacity, power failures or surges, wiring, direct current components, low voltage systems, relays, sensors, timed circuits, noise and wobbling of fans. Attic and whole house fans.

**5. GARAGE DOOR OPENER**  
**COVERED:** Motors and switches, except:  
**NOT COVERED:** Doors, counter-balance mechanisms (including cables and springs), hinges, tracks, rollers, adjustments, key pads, receivers and remote transmitters.

**6. CENTRAL VACUUM SYSTEM**  
**COVERED:** Motor, wiring and switches, except:  
**NOT COVERED:** Removable hoses and accessories, pipes, clogged pipes. HANA is not responsible for the cost of gaining or closing access to the floor, ceiling or walls, either to locate the cause of, or to affect repairs or replacements of parts.

**7. TELEPHONE SYSTEM**  
**COVERED:** Telephone system of the main property used for residential phone service, except:  
**NOT COVERED:** Phone units, wiring, transformers and other power units and accessories.

**8. PEST CONTROL**  
**COVERED:** Ants (except Fire, Pharaoh and Carpenter varieties), Centipedes, Clover Mites, Crickets, Earwigs, Ground Beetles, Pillbugs, Roaches, Silverfish, except:  
**NOT COVERED:** Termites, Fungus, Wood destroying organisms, Flying Insects, Spiders, Fleas, Ticks, and any pests not specifically listed above as covered.

**9. KITCHEN APPLIANCES**  
**COVERED:** Covered appliances include: Oven/Range/Cook tops, Microwave Oven (Built-in Only), Dishwasher, Garbage Disposal, Trash Compactor, Built-in Food Center, Instant Hot Water Dispenser. All components and parts which affect the operation of the unit except attachment and/or accessories are covered, subject to the Limitations of Liability, except:  
**NOT COVERED:** Units rusted, damaged beyond repair, cosmetic problems (such as porcelain chipping, dents, or scratches), exterior, interior linings, knobs, handles, racks, rotisseries, rollers, removable trays, meat probe assemblies, baskets, lights, timers, clocks, touch pad assemblies, doors, hinges, locks and key assemblies, accessories, self-cleaning mechanisms, sensi-heat burners, electronic induction cooktops, magnetic induction units, sub-floor vents.

**Just Relax... we've got you covered!**

**OPTIONAL COVERAGE**

Available only in conjunction with Base Coverage. The contract holder shall individually purchase each additional coverage item upon paying these fee(s) at the closing of Escrow.

**1. CENTRAL AIR CONDITIONING (ELECTRIC)**  
**COVERED:** All components and parts which affect operation of the system and provide air flow through the central ductwork including: compressors and motors, capacities not exceeding five (5) tons, and utilizing R-22 and 410 only, except:  
**NOT COVERED:** Gas Air Conditioning System, chillers, condensers, coils, housing, pads, thermostats, registers and grills, zone control, filters (including electronic air cleaners), cleaning, humidifiers, dehumidifiers, window units, water towers, roof jacks or stands, geo-thermal units, gas leaks, gas charges, lines, ductworks or components, general maintenance, units requiring service due to rust and any damaged conditions.

**2. POOL/SPA EQUIPMENT**  
**COVERED:** Above ground and accessible parts and components of the heating, pumping and filtration systems, using common equipment, except:  
**NOT COVERED:** All cleaning and maintenance equipment, solar units, problems due to lack of maintenance, rust and/or corrosion, filters, pool sweeps including motors, skimmers, clogged lines, liners, lights, control switches, computerized control boards and related equipment, structural or cosmetic defects, concrete-encased or underground components, fountains, solar equipment, turbo valve, whirlpool spa (Jacuzzi), jets, jet pump and blower motor, portable spas or hot tubs, low water level, chemical damage.

**3. WASHER AND DRYER**  
**COVERED:** All components and parts, except:  
**NOT COVERED:** Touch pad assemblies, timers, plastic mini tubs, soap dispensers, filter and linen screens, knobs and dials, venting, damage to clothing, cosmetic defects.

**4. KITCHEN REFRIGERATOR**  
**COVERED:** All components and parts which are permanently located in a primary conventional kitchen, except:  
**NOT COVERED:** Sub Zero units, racks, shelves, ice makers, ice crushers, beverage dispensers and their respective equipment, doors, interior thermal shells and lining, freezers which are not an integral part of the refrigerator, food spoilage.

**5. ROOF COVERAGE (LIMITED)**  
**COVERED:** HANA will repair actual water leaks caused by rain and/or normal wear and deterioration over the occupied living area and/or attached garage, on serviceable pitched roofs only, utilizing shake, shingle, composition shingle or tile roofing materials, provided that the roof was water tight and in good condition on the effective date of the contract. The roof service fee will be \$50.00 and HANA's obligation is to repair the specific leaks only without partial or complete replacement of the roof, including flashing, and only such leaks that are deemed repairable and limited to an aggregate cost of repair of \$1,000.00. HANA's liability is limited only to the estimated cost of the repair of the leaking area, and under no circumstances will said aggregate cost limitation be applied toward replacement.

**NOT COVERED:** Flat or built-up roofs, including tar, gravel, metal or capsheet roofs, roof replacements, materials not listed as covered; cracked, damaged or missing tiles, shakes, shingles, sheet metal or other material including flashing, whether or not related to the cause of the leaks; add-ons on roof; valley, gutters, drain lines, skylights, defects of construction or repairs; roofs older than their life expectancy; damage caused by persons walking or standing on the roof, routine periodic maintenance, structural collapses, structural leaks or leaks at, in, adjacent to, or caused by appendages of any kind, betterment, roof mounted installation, intentional penetration(s) of the roof membrane (e.g. air conditioning units, skylights, atrium, chimneys, patio cover attachment points etc), leaks that occur in a deck or balcony, porch, breezeway, carport or patio roofs, or the like.