



IN-HOME PLUMBING EMERGENCY PROGRAM TERMS AND CONDITIONS

1. What Is This Agreement?

This is an Agreement (“Agreement”) between American Water Resources, Inc. (“AWR”) and the person named in the confirmation letter (“Confirmation Letter”) that came with this Agreement (“You” or “Your”). It requires AWR to pay for certain repairs to the property named in the Confirmation Letter (“Your Home”). It is not an insurance contract. Please read it and keep it.

2. When Does Your Protection Start?

AWR will pay for covered repairs on or after the effective date stated in the Confirmation Letter (“Effective Date”). If You do not cancel this Agreement before the Effective Date, You will have accepted its terms and conditions.

3. When Does Your Protection Stop?

AWR will not pay for any repairs if You or AWR have cancelled this Agreement. The initial term of the Agreement is one year (365 days) from the Effective Date. If you pay by utility bill or credit card, the Agreement will automatically renew each year for additional one year terms if at the time of renewal You are not 30 days or more past due on any amount owed to AWR or its independent contractors. If you pay by check or direct debit, AWR will send You a notice requesting that You renew the Agreement for an additional one year term.

4. What Homes Are Covered?

AWR will only pay for repairs under this Agreement if:

- You own Your Home; and
- Your Home is occupied; and
- Your Home is used for residential purposes only; and
- You are responsible for maintaining Your Home’s Supply System and Drainage System; and
- You are not 30 days or more past due on any amount owed to AWR or its independent contractors.

If at any time You are not eligible for protection, AWR will not pay for any repairs under this Agreement. If You have another service or insurance contract that gives You the same benefits as this Agreement, You may cancel this Agreement.

5. What Lines or Systems Are Covered?

A. Your “Supply System”

Your Supply System is Your permanent internal pipes from the outlet side of Your water meter (if Your water meter is inside Your Home) or the main shut-off valve inside Your Home (if Your water meter is outside Your Home) to the shut-off valve at each fixture and appliance inside Your Home. It does **not** include Your Home’s fixtures or appliances or anything located in or under Your Home’s foundation or slab.

B. Your “Drainage System”

Your Drainage System is Your permanent internal drains and pipes from Your Home’s fixtures or appliances to the point where they exit Your Home. It does **not** include Your Home’s fixtures or appliances or anything located in or under Your Home’s foundation or slab.

6. What Repairs Are Covered?

Subject to the terms and conditions of this Agreement, AWR will pay to repair leaks or breaks to Your Supply System and clogs or blockages of Your Drainage System if they: (1) occurred on or after the Effective Date; and (2) resulted from normal wear and usage.

7. What Repairs Are Not Covered?

AWR will **not** pay for any of the following:

- **Repairing anything that occurred before the Effective Date.**
- **Repairing anything not resulting from normal wear and usage.**
- **Repairing anything caused by You or any third parties.**
- **Repairing anything in any home that is unoccupied due to renovation, remediation or construction.**
- **Repairing anything caused by natural acts or disasters, such as earthquakes, floods, landslides, sinkholes or any other insurable cause.**
- **Repairing anything caused by defective materials, such as material that has been the subject of a recall or class action litigation.**
- **Repairing any fixtures or appliances, such as toilets, faucets, showerheads, diverters, dispensers or supply tube lines.**
- **Repairing any Supply System not connected to a public or municipal water system.**
- **Repairing any Drainage System with a connection to or from any non-conforming drain line, such as a basement or storm drain system.**
- **Repairing any clog or blockage of Your Supply System.**
- **Repairing any leak or break of Your Drainage System that does not cause a clog or blockage.**
- **Thawing any frozen section of Your Supply System or Drainage System.**
- **Repairing any section of water or wastewater lines that is attached to Your Supply System or Drainage System and owned by a third party.**
- **Repairing any devices connected to Your Supply System or Drainage System, such as lift stations, pumps, garbage disposals or grinders.**
- **Repairing any section of Your Supply System or Drainage System located in or under Your Home’s foundation or slab.**
- **Repairing any portion of Your Supply System extending outside Your Home, such as lines and pipes to outdoor faucets, sprinkler systems, and pools.**
- **Repairing any portion of Your Drainage System extending outside Your Home.**
- **Repairing anything required by any local, state or federal agency inspection, unless otherwise covered by this Agreement.**
- **Repairing any openings made in walls, ceilings or surfaces inside Your Home for AWR’s independent contractor to access Your Supply System or Drainage System.**
- **Moving any items such as furnishings to access Your Supply System or Drainage System.**
- **Moving any inside meters at the time of repair, unless required by local code.**
- **Moving any working or non-leaking Supply System or working or non-blocked Drainage System lines.**
- **Updating any non-leaking Supply System or any non-blocked Drainage System lines to meet code, law or ordinance requirements.**

- **Repairing, replacing or cleaning any portion of Your Home or its contents that are damaged by leaks or breaks to Your Supply System and clogs or blockages of Your Drainage System.**

- **Remediating or cleaning any hazardous substance or pollutant, such as mold or asbestos.**

- **Paying any costs caused by a leak or break in Your Supply System or clog or blockage of Your Drainage System, such as lost water costs, relocation costs, storage costs or temporary residence costs.**

- **Paying any damages caused by a leak or break in Your Supply System or clog or blockage of Your Drainage System, such as lost time, lost use of Your Home or its contents or any damages due to any special circumstances or conditions.**

8. What Is Your Protection Limit?

AWR will pay up to \$1,500 per occurrence to repair the same section of Your Supply System or Drainage System. Any repairs made to the same portion of Your Supply System or Drainage System in the same 60 day period will be considered part of the same occurrence.

9. Can You Exceed Your Protection Limit?

If repair costs will exceed the applicable protection limit, You will be notified before the work is performed. AWR will send You an invoice to collect any excess costs after the work is performed. You must pay AWR any excess costs within 30 days of the date of the invoice.

10. How Can You Get Service?

If there is a leak or break to Your Supply System or a clog or blockage of Your Drainage System, You may contact AWR toll-free at 1-866-430-0819. If You do, AWR will dispatch an approved independent contractor to Your Home. In most cases, the independent contractor will be dispatched within 24 hours of Your call. AWR’s independent contractor will obtain any necessary permits before work begins.

11. Can AWR Get A Second Opinion?

AWR may get a second opinion from an independent contractor of its choosing. If it does, it will apply the cost of obtaining the second opinion toward Your protection limit.

12. Can You Hire Your Own Contractor?

AWR will not pay any costs incurred, or fix any repairs made, by You or any contractor You hire.

13. Must You Cooperate With AWR?

You must cooperate with AWR and its independent contractors, for example by: (a) providing additional information or documentation that AWR may need; and (b) obtaining permission for AWR’s independent contractor to access property You do not own.

14. Is There A Service Fee?

You must pay AWR a \$50 per occurrence service fee if AWR dispatches an independent contractor to Your Home to investigate or repair Your Supply System or Drainage System. You must pay the service fee as soon as the investigation and/or repairs are finished.

15. Is There An Annual Fee?

You must pay AWR an annual program fee (“Program Fee”) for each term of this Agreement. The Program Fee may be stated on Your Confirmation Letter or enrollment forms. AWR may change the Program Fee as set forth below, for example if AWR grants Your request to change to the scope of protection under this Agreement.

16. How Are Your Payments Made?

During the Agreement’s initial term, AWR will collect Your Program Fee in the manner You chose when You enrolled:

- **Utility Bill.** If the option is available, You may add Your Program Fee to Your utility bill in equal periodic installments. Partial payments will be applied to Your utility bill first and Program Fee last. Failure to pay Your Program Fee will not affect Your utility services. No special arrangement You make with Your utility regarding Your utility bill will affect Your obligation to pay AWR in a timely manner.
- **Check or Debit.** You may pay by check or, if offered, a direct debit from Your bank account. All direct debit payments are governed by the “Terms of Authorization” given to You. Check or direct debit payment is due in full on the first day of the term unless at the time of enrollment You agreed to a multi-payment arrangement.
- **Credit Card.** You may pay by charging Your credit card account (Visa/MasterCard/Discover only). Credit card payment is due in full on the first day of the term unless at the time of enrollment You agreed to a multi-payment arrangement.

If the option is available, AWR may notify You that it will begin collecting subsequent Program Fees by adding them to Your utility bill after the current term. If AWR does, You may reject that change by calling AWR toll-free at 1-866-430-0819 or mailing AWR at 1410 Discovery Parkway, Alton, Illinois, 62002 before the end of the current term. If You do not, You authorize AWR to add Your Program Fees to Your utility bill.

17. When Will AWR Collect Taxes?

You must pay all applicable state and local taxes when You pay Your Program Fee.

18. When Will You Get A Refund?

You will receive a full refund of any Program Fees paid by You if You: (a) cancel before the Effective Date; or (b) cancel after the Effective Date and can prove You were never eligible for and never received protection. You will receive a partial refund of any Program Fees paid by You, less the cost of any repair services performed and any money You owe AWR, if: (a) You cancel after the Effective Date and are or were eligible for protection; or (b) AWR cancels this Agreement for any reason. AWR will issue refunds to You in the same way You made Your last Program Fee payment. Partial refunds will be pro-rata refunds based on the number of days left in the current term. (If You live in Arizona, Georgia, New Mexico or New York, see below for additional terms and conditions.)

19. Is This The Whole Agreement?

This Agreement, the Confirmation Letter and the enrollment forms You submitted are the entire agreement between You and AWR. They supersede and replace any prior agreements and understandings between You and AWR concerning their subject matter.

20. Are These Headings Part Of This Agreement?

The headings are not a part of this Agreement. They are for convenience only.

21. Can This Agreement Be Severed?

If a court or agency of competent jurisdiction finds any provision of this Agreement to be unenforceable, the remaining provisions will remain in full force and effect.

22. Can This Agreement Be Changed?

You may not change the terms and conditions of this Agreement. AWR may change the terms and conditions of this Agreement. If You did not request a change, AWR will

give You written notice of changes in a manner consistent with applicable law, including on Your bill, with Your bill, by mail or by email. If You do not like the changes, You may cancel this Agreement. If you do not cancel this Agreement, the change will become effective 30 days after AWR sends You notice. The current terms and conditions can be viewed on AWR’s website at www.amwaterresources.com/termsandconditions.

23. Can This Agreement Be Cancelled?

You may cancel this Agreement at any time by calling AWR toll-free at 1-866-430-0819 or by mailing AWR at 1410 Discovery Parkway, Alton, Illinois 62002. Your cancellation is effective when received. AWR may cancel this Agreement: (1) upon 60 days’ written notice to You for any reason; or (2) without notice to You if You are ineligible for protection, are 30 days or more past due on any amount owed to AWR or its independent contractors, or misrepresented any material facts when You entered into or requested service under this Agreement. AWR’s notice of cancellation is effective when sent. (If You live in Georgia or New Mexico, see below for additional terms and conditions.)

24. Can This Agreement Be Transferred?

You may not transfer this Agreement to another home or another person. AWR may assign this Agreement to a third party.

25. What Warranties Does AWR Make?

AWR warrants that, for one year from the date of the repair, covered repairs made by its independent contractors will comply with applicable plumbing codes and manufacturer’s specifications and be free from defects in material and workmanship. The exclusive remedy for this warranty is that AWR’s independent contractors will, at AWR’s option, fix or replace the repair or material. AWR makes no other express warranties in this Agreement. To the extent permitted by applicable law, AWR disclaims any implied or statutory warranties other than the implied warranty of good faith and fair dealing. To the extent permitted by applicable law, the duration of any implied or statutory warranty is limited to the duration of this express warranty. These limitations and disclaimers shall survive the cancellation of this Agreement. This limited warranty gives you specific legal rights. You may have other rights that vary from state to state.

26. What Liability Does AWR Have?

To the extent permitted by applicable law, You agree that AWR, its parents, its successors, its affiliates, its independent contractors, and its and their officers, directors, employees, affiliates, agents and contractors shall not be liable to You or any third party for: (1) any actual losses or direct damages in excess of the lowest applicable per occurrence protection limit set forth above; or (2) any amount of any form of indirect, special, punitive, incidental or consequential losses or damages, including those caused by any fault, failure, delay or defect in providing services under this Agreement. These limitations and waivers shall apply to all claims and all theories of liability and shall survive the cancellation of this Agreement.

27. How Can You Contact AWR?

AWR’s goal is to give You the best possible customer service. If You have any questions or complaints, please call AWR toll-free at 1-866-430-0819, mail AWR at 1410 Discovery Parkway, Alton, Illinois, 62002, or visit AWR’s website at www.amwaterresources.com. Telephone calls may be recorded and/or monitored.

28. Will Your Information Remain Private?

To the extent permitted by applicable law, AWR may obtain Your name, address, telephone number and any other pertinent information from Your water utility. AWR may share it with others in order to provide services under this Agreement. AWR will not share it with others in order to market other products or services.

29. What Law Governs This Agreement?

The law of the state where Your Home is located shall govern this Agreement and any dispute between You and AWR. Additional terms and conditions specific to some states are set forth below. If they apply and conflict with the terms and conditions above, the following terms and conditions control.

A. Arizona — Your Rights: The limitation of liability above does not prevent You from seeking relief with the Arizona Department of Insurance Consumer Affairs Division under the provisions of Arizona Revised Statutes 20-1095.04 and 20-1095.09. **Refunds:** Any refund issued to You will not be reduced by the cost of any repair services performed under this Agreement.

B. Georgia — Your Rights: If AWR does not pay for any covered repair within 60 days after You request service, or issue a refund owed to You within 60 days after this Agreement is cancelled, You may file a claim directly against Travelers Casualty and Surety Company of America, 399 Thornall Street, Edison, NJ 08837. **Refunds:** Any refund issued to You will not be reduced by the cost of any repair services performed under this Agreement. **Cancellation:** AWR may not cancel this Agreement without giving You 10 days’ written notice.

C. Iowa — Your Rights: AWR is subject to regulation by the Insurance Division of Iowa’s Department of Commerce. Complaints that are not resolved by AWR may be sent to the Iowa Insurance Division, 330 Maple Street, Des Moines, IA 50319.

D. Kentucky — Your Rights: If AWR does not pay for any covered repair within 60 days after You request service, You may file a claim directly against Travelers Casualty and Surety Company of America, 399 Thornall Street, Edison, NJ 08837.

E. New Mexico — Your Rights: If You cancel this Agreement before the Effective Date and AWR does not issue a refund owed to You within 60 days of cancellation, a 10% per thirty-day period (or portion thereof) penalty shall be added to the amount You are owed. **Cancellation:** AWR may not cancel this Agreement without giving You 15 days’ written notice. AWR may cancel this Agreement for any reason for 69 days after the Effective Date. More than 69 days after the Effective Date, AWR may only cancel this Agreement if You: (i) are 30 days or more past due on any amount owed to AWR or its independent contractors; (ii) misrepresented any material facts when You entered into or requested service under this Agreement; or (iii) breach this Agreement and substantially and materially increase the services required under this Agreement.

F. New York — Your Rights: AWR’s obligations under this Agreement are backed by the full faith and credit of AWR. **Refunds:** If You cancel this Agreement before the Effective Date and AWR does not issue a refund owed to You within 30 days of cancellation, a 10% per month penalty shall be added to the amount You are owed.