

**AMERICAN WATER RESOURCES
CITY OF DETROIT WATER LINE PROTECTION
PROGRAM TERMS AND CONDITIONS**

1. What Is This Agreement?

This is an agreement (this "Agreement") between American Water Resources, LLC ("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. AWR's obligations under this Agreement are backed by the full faith and credit of AWR.

Certain repairs and events are not covered by this Agreement. Please refer to the exclusions listed in Section 7 of this Agreement.

SECTION 26 OF THIS AGREEMENT AFFECTS YOUR RIGHTS BY REQUIRING THAT DISPUTES BE RESOLVED INDIVIDUALLY IN BINDING ARBITRATION OR SMALL CLAIMS COURT. DISPUTES IN ARBITRATION AND SMALL CLAIMS COURT ARE RESOLVED WITHOUT A JURY TRIAL AND WITH LESS DISCOVERY AND LESS APPELLATE REVIEW THAN IN COURT.

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"), which will be thirty (30) days after AWR processes Your enrollment ("Enrollment 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?

The initial term of this Agreement is one year (365 days) from the Enrollment Date. ***IF YOU HAVE AUTHORIZED RECURRING PAYMENTS OF THE PROGRAM FEE (AS DEFINED BELOW), THIS AGREEMENT WILL AUTOMATICALLY RENEW FOR AN ADDITIONAL ONE YEAR TERM UNLESS YOU OR AWR HAVE CANCELLED THIS AGREEMENT.*** If You pay by check, AWR will send You a notice requesting that You renew this Agreement for an additional one-year term. Each one-year period will be treated as a separate Agreement term.

4. What Homes Are Protected?

AWR will only pay for repairs under this Agreement if:

- A.** You own Your Home; and
- B.** Your Home is occupied, habitable and is receiving utility services; and
- C.** Your Home consists of 1 or 2 dwelling units and is used for residential purposes only; and
- D.** You are responsible for maintaining Your Home's Water Line; and
- E.** 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, and may cancel, 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 Protected?

Your Water Line is the domestic water service line from the water meter or main shutoff valve inside Your Home, whichever is closer to the foundation wall of Your Home, to the point where it connects to (i) the system owned and maintained by the Detroit Water and Sewerage Department ("DWSD") or Your water utility; (ii) a private water main; or (iii) a common/trunk line. Your Water Line does not include: (a) a private water main; (b) a common/trunk line; (c) the tap/saddle connected to Your Water Line; (d) the water meter; (e) the water meter pit; (f) the water meter vault; or (g) any portion of the water line that passes under or within the walls of a neighboring residence.

6. What Repairs Are Covered?

On or after the Effective Date, and subject to the terms and conditions of this Agreement, AWR will pay to repair a leaking or broken Water Line if it resulted from normal wear and usage. In the event that (i) a leaking

such repair is covered under this Agreement and (iii) AWR's independent contractor determines that the leaking or broken service line is comprised of lead or galvanized material, then AWR will replace the lead or galvanized service line.

7. What Repairs Are Not Covered?

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

- **Repairing anything occurring prior to the Effective Date.**
- **Repairing anything caused by You or any third parties, including damage caused by any prior attempt to repair Your Water Line.**
- **Preventative maintenance.**
- **Repairing leaks or breaks to Your Water Line caused by a stray direct current of electricity or close contact of Your Water Line with dissimilar metals (otherwise known as electrolysis).**
- **Repairing anything in any home that is uninhabitable due to infestation, renovation, remediation or construction.**
- **Repairing anything caused by natural acts or disasters, such as earthquakes, floods, landslides, or sinkholes.**
- **Repairing anything caused by defective materials that have been the subject of a recall or class action litigation.**
- **Repairing anything caused by improper design or installation of Your Water Line.**
- **Repairing any clog or blockage of a non-leaking Water Line, including anything that causes low water pressure in a non-leaking line.**
- **Repairing any main shut-off valves that are not leaking.**
- **Repairing any Water Line not connected to a public or municipal water system.**
- **Repairing any privately owned mains or common/trunk lines to which Your Water Line connects.**
- **Repairing any interior pipes beyond the water meter inside Your Home.**
- **Repairing any connections and/or extensions to the Water Line, such as water lines to fire suppression lines or systems, sprinklers, irrigation systems, expansion tanks, pressure-reducing valves or back-flow preventers.**
- **Repairing anything identified by a contractor or private home inspector that You hire, including an inspection pursuant to an agreement to sell Your Home, unless otherwise covered by this Agreement.**
- **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 Water Line.**
- **Removing or restoring any steps or structures.**
- **Opening and closing any portion of Your Home's foundation or slab to access Your Water Line.**
- **Moving any water meter at the time of repair**
- **Moving any section of Your Water Line.**
- **Updating any non-leaking portion of Your Water Line for any reason, including to meet code, law or ordinance requirements.**
- **Removing any portion of Your Home's foundation or slab to access any section of Your Water Line.**
- **Removing any items necessary to access Your Water Line, such as but not limited to trees, fences, steps, debris, trash, rocks, cars or structures.**
- **Remediating or cleaning any hazardous substance or pollutant, such as mold or asbestos.**
- **Thawing any frozen section of Your Water Line.**
- **Repairing, replacing or cleaning any portion of Your Home or its contents that are damaged by leaks or breaks to Your Water Line.**
- **Paying any costs caused by a leak or break in Your Water Line, such as lost water costs, relocation costs, storage costs or temporary housing costs.**

• **Paying any damages caused by a leak or break in Your Water Line, 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?

There is no limit on the amount that AWR will pay for covered repairs under this Agreement.

9. How Can You Get Service?

If there is a leak or break to Your Water Line, You may call AWR toll-free at 1-833-901-0011. If AWR determines that you may have a covered claim, AWR will dispatch an independent contractor to Your Home to investigate the issue and complete any repairs covered under this Agreement. AWR's independent contractor will obtain any necessary permits before work begins.

If AWR's independent contractor must excavate any areas outside Your Home in order to access Your Water Line, the independent contractor will refill, rake and reseed any unpaved area once per occurrence. Private paved surfaces will be cold-patched with asphalt once per occurrence. Public paved surfaces that are required by permit to be restored, including public roadways, sidewalks, curbing and driveway aprons, will be restored in accordance with County, City and/or State rules and regulations once per occurrence.

AWR will make commercially reasonable efforts to complete repairs with minimal impact to Your Home. If AWR's independent contractor must excavate any areas outside Your Home in order to access Your Water Line, the independent contractor will refill, rake, straw and reseed any unpaved area once per occurrence. AWR will not provide new soil. If soft landscaping must be disturbed to complete a covered repair, AWR's independent contractor will reinstall the original soft landscaping. AWR cannot guarantee that reinstalled shrubbery, plants, small trees, bushes or flowers will survive the repair and restoration process. No other site restoration will be performed.

10. Can AWR Get A Second Opinion?

AWR may get a second opinion from an independent contractor of its choosing.

11. 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. Unauthorized repairs may void this Agreement.

12. Must You Cooperate With AWR?

You must cooperate with AWR and its independent contractors, for example by: (i) providing additional information or documentation that AWR may need; (ii) obtaining permission for AWR's independent contractor to access property You do not own (including any property under which Your Water Line may run); (iii) providing AWR's independent contractor with access to Your Home; (iv) disconnecting any cold-water electrical grounds before repairs are made to Your Water Line; and (v) ensuring that AWR's independent contractor has reasonable and safe access to, and safe working conditions at and around, any work areas.

13. Is There A Service Fee?

There is no service fee applicable to repairs to Your Water Line.

14. Is There An Annual Fee?

You must pay AWR an annual program fee ("Program Fee") for each term of this Agreement. The Program Fee is stated on Your Confirmation Letter and on Your enrollment form(s). AWR may change the Program Fee as set forth below.

15. How Are Your Payments Made?

Subject to AWR's option to bill the Program Fees on Your DWSD utility bill as set forth below, during this Agreement's initial term, AWR will collect Your Program Fee in the manner You chose when You enrolled:

- **Check or Direct 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 using a credit card accepted by AWR. 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.

the option is available, AWR may notify you that it will begin collecting Program Fees by adding them to Your DWSD utility bill. You authorize AWR to add Your Program Fees to Your utility bill at its election in the future, subject to your right to opt-out of this payment method in accordance with the opt-out instructions provided in such notice.

16. When Will AWR Collect Taxes?

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

17. 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 full refund of any Program Fees paid by you if AWR cancels this Agreement because it reaches a determination that You were never eligible for protection in accordance with Section 4 and You have never received protection. If You or AWR cancels this Agreement after the Effective Date but before the current annual term ends and You were eligible for protection, coverage under this Agreement shall continue for the balance of the monthly period in which this Agreement is cancelled. You will receive a pro-rata refund of any advance Program Fee payments made by You less the cost of any service received under this Agreement, if any, that You have made for the period of time cancelled.

18. Is This The Whole Agreement?

This Agreement, Your Confirmation Letter and Your enrollment form(s) 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.

19. Are These Headings Part Of This Agreement

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

20. Can This Agreement Be Severed?

Except as provided in Section 26(G), a court, agency or arbitrator of competent jurisdiction may sever any provision of this Agreement if it is necessary to preserve the remainder of this Agreement.

21. Can This Agreement Be Changed?

You may not change the terms and conditions of this Agreement. AWR may change or make additions to the terms and conditions of this Agreement. 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.AWRUSA.com/Detroit.

22. Can This Agreement Be Cancelled?

In addition to your rights in Section 17, You may cancel this Agreement at any time by calling AWR toll-free at 1-833-901-0011 or by mailing notice to AWR at P.O. Box 4950, Naperville, Illinois 60567-4950. Your cancellation will be effective on the last day of the then-current monthly period. 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.

23. 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.

24. What Warranties Does AWR Make?

AWR warrants that 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 for one year from the date of the repair; provided, however, that this warranty does not apply to asphalt cold-patching of private paved surfaces. If AWR restores a concrete surface as part of a covered repair, this warranty does not cover damage to the concrete caused by freeze-thaw cycles, wear and tear, de-icers, chemicals, equipment and vehicles. The exclusive remedy for this warranty is that AWR's

repair or replace the material. AWR makes no other express warranties in this Agreement. AWR disclaims any implied or statutory warranties other than the implied warranty of good faith and fair dealing. 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.

25. When Must Legal Actions Be Commenced?

Any legal action (whether in arbitration, small claims court, or otherwise) that arises from a Dispute (as defined in Section 26) must be commenced within one (1) year of the first event that gave rise to the Dispute. Failure to do so waives the right to pursue that claim.

26. How Must Legal Actions Be Resolved?

A. Definitions. This Section 26 (the "Arbitration Provision") shall be interpreted broadly. As used in this Arbitration Provision and in Section 25, above, these terms are defined as follows:

- i. "Dispute" means any claim or controversy arising from or relating to Your relationship with AWR, for example any: (a) theories of liability, whether based in contract, tort, statute, or otherwise; (b) claims that arose before this Agreement; (c) claims that arise after the cancellation or expiration of this Agreement; and (d) claims that are the subject of purported class action litigation. "Dispute" does not, however, include any issues relating to the existence, scope, validity, or enforceability of this Arbitration Provision.
- ii. "You" means You and any intended or unintended beneficiaries of Your coverage under this Agreement.
- iii. "AWR" means AWR and any of its predecessors, successors, assigns, parents, subsidiaries, affiliates, and independent contractors, and each of their officers, directors, employees, and agents.

B. Arbitration or Small Claims Court. All

Disputes shall be resolved individually in either (a) binding arbitration or (b) small claims court if the claim is for money damages and the amount claimed is within the jurisdiction of that court. In arbitration, there is a neutral arbitrator rather than a judge. In arbitration and small claims court, there is no jury and there is less discovery and less appellate review than in court.

C. Procedures for Arbitration.

- i. This Arbitration Provision is governed by the Federal Arbitration Act. Arbitrations shall be administered by the American Arbitration Association ("AAA") pursuant to its Consumer Arbitration Rules (the "AAA Rules") as modified by the version of this Arbitration Provision that is in effect when a "Demand for Arbitration" is filed. The AAA Rules can be obtained from the AAA by visiting its website (www.adr.org) or calling its toll-free number (1-800-778-7879). If there is a conflict between this Arbitration Provision and the rest of this Agreement, this Arbitration Provision will govern. If there is a conflict between this Arbitration Provision and the AAA Rules, this Arbitration Provision will govern. If the AAA will not administer an arbitration in accordance with this Arbitration Provision, You and AWR will agree on (or if necessary petition a court of competent jurisdiction to appoint) an arbitration organization that will do so.

- ii. The party commencing an arbitration should follow the instructions on the AAA website, including sending the AAA a "Demand for Arbitration" (available on its website), paying a filing fee, and mailing a copy of the Demand for Arbitration to the opposing party. If You commence the arbitration, You must send a copy to AWR at P.O. Box 4950 Naperville, IL 60567-4950, ATTN: ARBITRATION OF DISPUTE. If AWR commences the arbitration, AWR must send a copy to the email address associated with Your account and any billing address You have provided to us.

- iii. If multiple arbitrations involving similar claims against AWR are pending, You and AWR shall jointly petition the AAA to coordinate those matters to promote efficiency. That coordination may include, for example, having similar matters assigned to the same arbitrator (either for all purposes or for the purpose of deciding an issue that turns on the same factual or legal questions) or having pre-hearing discovery apply to multiple matters. Nothing in this paragraph, however, provides any right or authority for a Dispute to be resolved as part of a class action, collective

action, or other representative action. (See Section 26(G), below.)

- iv. If more than twenty-five (25) arbitrations involving similar claims against AWR have been commenced, the AAA shall designate ten cases—either as selected by the parties or, if the parties cannot agree, as selected by the AAA—to proceed first in a bellwether arbitration, with a single filing fee due for the bellwether proceeding, as if it were a single arbitration. The remaining cases shall not be accepted for filing, and no filing fee shall be due, until the first ten have been resolved and the parties inform the AAA whether there is a global resolution. If the parties have been unable to reach a global resolution, they shall proceed to arbitrate a second set of ten cases; as with the first set of cases, a single filing fee shall be due for the second (and, if necessary, each subsequent) set of cases to be arbitrated. This process shall continue until the parties are able to resolve all claims, either through settlement or arbitration.

- v. Unless You and AWR agree otherwise, an arbitration will be conducted by a single arbitrator and any hearing will take place in the county where You reside.

- vi. The arbitrator will issue a written decision that explains the essential findings and conclusions. The arbitrator's award may be entered in a court of competent jurisdiction only as necessary to enforce the award.

- vii. Neither the fact nor the substance of any settlement demand, offer, or negotiation may be revealed to the arbitrator before a final award has been issued.

D. Right to Arbitral Fees and Costs.

The payment of the AAA's fees and costs will be governed by the AAA Rules except as follows:

- i. If AWR commences an arbitration, AWR will pay all of the AAA's fees and costs.
- ii. If You commence an arbitration and state under penalty of perjury that You cannot afford to pay the AAA filing fee, AWR will pay the filing fee if the AAA does not waive that fee. If AWR determines that Your representation regarding Your ability to pay was false, however, it may seek to recover that fee from You.
- iii. If You commence an arbitration and the aggregate value of Your claim is less than \$10,000, (a) You will only be responsible for paying the lesser of the AAA filing fee or the filing fee that You would have paid in the small claims court in the county where you reside, and (b) AWR will pay the rest of the AAA's fees and costs. If AWR has received more than twenty-five (25) Demands for Arbitration asserting similar claims, however, the payment of the AAA's fees and costs will be governed by the AAA Rules.

- iv. No matter who commences an arbitration, if the arbitrator finds that a claim was frivolous or asserted for an improper purpose, the party asserting the claim will reimburse the other party for any fees and costs that the party asserting the claim would have been obligated to pay under the AAA Rules.

- v. No matter who commences an arbitration, You may pay up to half of the AAA's fees and costs if You wish to do so.

E. Right to Attorneys' Fees and Costs in

Arbitration. You may hire attorneys to represent You in arbitration. You are responsible for their fees and costs. You may recover them from AWR to the same extent as in court. If the arbitrator finds that a claim was frivolous or brought for an improper purpose, the other party may recover its attorneys' fees and costs to the same extent as in court.

F. Effect of Rejecting Settlement Offers. If the outcome of a legal action is less favorable to the party seeking relief than a settlement offer that party rejected, that party must pay all of the fees and costs (including reasonable attorneys' fees) incurred by the other party after the offer was made.

G. Waiver of Class and Representative Actions.

i. WHETHER IN ARBITRATION OR COURT, YOU AND AWR WAIVE THE RIGHT TO PROSECUTE OR PARTICIPATE IN A CLASS ACTION, COLLECTIVE ACTION, OR OTHER REPRESENTATIVE ACTION, OR OTHERWISE SEEK REDRESS FOR ALLEGED INJURIES TO THIRD PARTIES. This waiver is a material and essential part of this Arbitration Provision and cannot be

pevered from it.

ii. **WHETHER IN ARBITRATION OR COURT, YOU AND AWR WAIVE THE RIGHT TO SEEK PUBLIC INJUNCTIVE RELIEF.** This waiver is not a material or essential part of this Arbitration Provision and can be severed from it by a court of competent jurisdiction. If, after exhaustion of all appeals, such a court refuses to enforce this waiver with respect to a particular claim or request for relief, You and AWR will jointly petition the court to decide that claim or request for relief only after all other claims and requests for relief have been decided.

H. Right to Reject This Arbitration Provision.

You may opt out of this Arbitration Provision by sending AWR written notice by certified mail, postmarked no later than thirty (30) days after the Effective Date, to AWR at P.O. Box 4950 Naperville, IL 60567-4950, Attention: Legal Department. Notices not mailed to that address and postmarked by that date will not be effective. Your decision will not adversely affect Your relationship with or service from AWR.

I. Right to Reject Changes to this Arbitration Provision.

You may reject changes to this Arbitration Provision by sending AWR written notice by certified mail, postmarked no later than thirty (30) days after Your first receipt of notice of a change, to AWR at P.O. Box 4950 Naperville, IL 60567-4950, Attention: Legal Department. Notices not mailed to that address and postmarked by that date will not be effective. Your decision will not adversely affect Your relationship with or service from AWR.

J. Survival. This Arbitration Provision shall survive the cancellation or expiration of this Agreement.

27. Will Legal Actions Be Resolved by a Jury? WHETHER IN ARBITRATION OR COURT, YOU AND AWR WAIVE THE RIGHT TO A TRIAL BY JURY.

28. What Liability Does AWR Have?

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.

29. 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 1-833-901-0011, mail AWR at P.O. Box 4950, Naperville, Illinois, 60567-4950, or visit AWR's website at www.AWRUSA.com/Detroit. Telephone calls may be recorded and/or monitored.

30. Does AWR have a privacy policy?

Yes, You can locate it at www.AWRUSA.com.

31. What Law Governs This Agreement?

The law of the State of Michigan shall govern this Agreement and any dispute between You and AWR.

**AMERICAN WATER RESOURCES
CITY OF DETROIT SEWER LINE PROTECTION
PROGRAM TERMS AND CONDITIONS**

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2. When Does Your Protection Start?

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4. What Homes Are Protected?

AWR will only pay for repairs under this Agreement if:

- A.** You own Your Home; and
- B.** Your Home is occupied, habitable and is receiving utility services; and
- C.** Your Home consists of 1 or 2 dwelling units and is used for residential purposes only; and
- D.** You are responsible for maintaining Your Home’s Sewer Line; and
- E.** 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, and may cancel, this Agreement. If You have another service or insurance contract that gives You the same benefits as this Agreement, You may cancel this Agreement.

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- D.** You are responsible for maintaining Your Home’s Sewer Line; and
- E.** 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, and may cancel, 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 Protected?

Your Sewer Line is the sewer service lateral from the exterior wall of Your Home to the point where it connects to the sewer main or system owned

Department (“DWSD”) or Your sewer utility. Your Sewer Line does not include: (a) a private sewer main; (b) common branch waste lines; (c) the tap/saddle connected to Your Sewer Line; (d) a septic tank or its components or attachments; or (e) any portion of the sewer line that passes under or within the walls of a neighboring residence.

6. What Repairs Are Covered?

Subject to the terms and conditions of this Agreement, AWR will pay to repair clogs, blockages or breaks that adversely impact the flow of wastewater in Your Sewer Line if they occurred on or after the Effective Date; and (ii) resulted from normal wear and usage.

7. What Repairs Are Not Covered?

AWR will not pay for any of the following:

- **Repairing anything occurring prior to the Effective Date.**
- **Repairing anything caused by You or any third parties, including damage caused by any prior attempt to clear or repair Your Sewer Line.**
- **Preventative maintenance.**
- **Repairing anything in any property that is not habitable due to infestation, renovation, remediation or construction.**
- **Repairing anything caused by natural acts or disasters, such as earthquakes, floods, hurricanes, sinkholes, or landslides.**
- **Repairing anything caused by defective materials that have been the subject of a recall or class action litigation.**
- **Repairing anything caused by improper design or installation of Your Sewer Line (e.g., bellied or back-pitched or sewer lines, or sewer lines that are sheared off at the foundation).**
- **Repairing any privately owned main or common/branch lines that are connected to Your Sewer Line.**
- **Repairing any non-conforming drain line, such as a basement drain system, connected to Your Sewer Line.**
- **Repairing any Sewer Line improperly or illegally connected to the sanitary and/or storm sewer system.**
- **Repairing any septic tank or its components or attachments, such as a pump or grinder.**
- **Repairing any third party’s sewer line that is attached to Your Sewer Line.**
- **Repairing or installing any devices connected to Your Sewer Line, such as check valves, backflow preventers, lift stations or pumps.**
- **Installing or replacing a clean out.**
- **Repairing any section of Your Sewer Line located inside Your Home.**
- **Repairing anything identified by a contractor or private home inspector that You hire, including an inspection pursuant to an agreement to sell Your Home, unless otherwise covered by this Agreement.**
- **Repairing any Sewer Line that is required to be repaired as a result of any local, state or federal government/agency inspection/test, 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 Sewer Line.**
- **Removing or restoring any steps or structures.**
- **Relocating any section of Your Sewer Line.**
- **Updating any non-blocked Sewer Line to meet code, law or ordinance requirements.**
- **Repairing, rodding or jetting any non-blocked Sewer Lines, including repairing any issues that are not causing a clog or blockage of Your Sewer Line.**
- **Removing any items necessary to access Your Sewer Line, such as trees, fences, steps, debris, trash, rocks, cars or structures.**
- **Remediating or cleaning any hazardous substance or pollutant, such as mold or asbestos.**
- **Thawing any frozen section of Your Sewer Line to determine cause of issue or to complete a repair.**
- **Removing any sections of Your Home’s foundation or slab to access any section of**

Your Sewer Line (e.g. a floor drain).

• **Repairing, replacing or cleaning any portion of Your Home or its contents that are damaged by leaks, breaks, clogs or blockages to Your Sewer Line.**

• **Paying any costs caused by a leak, break, clog or blockage of Your Sewer Line, such as relocation costs, storage costs or temporary housing costs.**

• **Paying any damages caused by a break, clog or blockage to Your Sewer Line, 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?

There is no limit on the amount that AWR will pay for covered repairs under this Agreement.

9. How Can You Get Service?

If there is a clog, blockage or break causing a blockage to Your Sewer Line, You may call AWR toll-free at 1-833-901-0011. If AWR determines that you may have a covered claim, AWR will dispatch an independent contractor to Your Home to investigate the issue and complete any repairs covered under this Agreement. AWR’s independent contractor will obtain any necessary permits before work begins. AWR’s independent contractor will first attempt to clear the clog or blockage. If it is cleared, no other repairs will be made.

If AWR’s independent contractor must excavate any areas outside Your Home in order to access Your Sewer Line, the independent contractor will refill, rake and reseed any unpaved area once per occurrence. Private paved surfaces will be cold-patched with asphalt once per occurrence. Public paved surfaces that are required by permit to be restored, including public roadways, sidewalks, curbing and driveway aprons, will be restored in accordance with County, City and/or State rules and regulations once per occurrence.

AWR will make commercially reasonable efforts to complete repairs with minimal impact to Your Home. If AWR’s independent contractor must excavate any areas outside Your Home in order to access Your Sewer Line, the independent contractor will refill, rake, straw and reseed any unpaved area once per occurrence. AWR will not provide new soil. If soft landscaping must be disturbed to complete a covered repair, AWR’s independent contractor will reinstall the original soft landscaping. AWR cannot guarantee that reinstalled shrubbery, plants, small trees, bushes or flowers will survive the repair and restoration process. No other site restoration will be performed.

10. Can AWR Get A Second Opinion?

AWR may get a second opinion from an independent contractor of its choosing.

11. 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. Unauthorized repairs may void this Agreement.

12. Must You Cooperate With AWR?

You must cooperate with AWR and its independent contractors, for example by: (a) providing AWR’s independent contractor with access to Your property; and (b) providing additional information or documentation that AWR may need.

13. Is There A Service Fee?

There is no service fee applicable to repairs to Your Sewer Line.

14. Is There An Annual Fee?

You must pay AWR an annual program fee (“Program Fee”) for each term of this Agreement. The Program Fee is stated on Your Confirmation Letter and on Your enrollment form(s). AWR may change the Program Fee as set forth below.

15. How Are Your Payments Made?

Subject to AWR’s option to bill the Program Fees on Your DWSD utility bill as set forth below, during this Agreement’s initial term, AWR will collect Your Program Fee in the manner You chose when You enrolled:

• **Check or Direct 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 using a credit card accepted by AWR. 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 Program Fees by adding them to Your DWSD utility bill. You authorize AWR to add Your Program Fees to Your utility bill at its election in the future, subject to your right to opt-out of this payment method in accordance with the opt-out instructions provided in such notice.

16. When Will AWR Collect Taxes?

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

17. 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 full refund of any Program Fees paid by you if AWR cancels this Agreement because it reaches a determination that You were never eligible for protection in accordance with Section 4 and You have never received protection. If You or AWR cancels this Agreement after the Effective Date but before the current annual term ends and You were eligible for protection, coverage under this Agreement shall continue for the balance of the monthly period in which this Agreement is cancelled. You will receive a pro-rata refund of any advance Program Fee payments made by You less the cost of any service received under this Agreement, if any, that You have made for the period of time beyond the monthly period in which this Agreement is cancelled.

18. Is This The Whole Agreement?

This Agreement, Your Confirmation Letter and Your enrollment form(s) 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.

19. Are These Headings Part Of This Agreement

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

20. Can This Agreement Be Severed?

Except as provided in Section 26(G), a court, agency or arbitrator of competent jurisdiction may sever any provision of this Agreement if it is necessary to preserve the remainder of this Agreement.

21. Can This Agreement Be Changed?

You may not change the terms and conditions of this Agreement. AWR may change or make additions to the terms and conditions of this Agreement. 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.AWRUSA.com/Detroit.

22. Can This Agreement Be Cancelled?

In addition to your rights in Section 17, You may cancel this Agreement at any time by calling AWR toll-free at 1-833-901-0011 or by mailing notice to AWR at P.O. Box 4950, Naperville, Illinois 60567-4950. Your cancellation will be effective on the last day of the then-current monthly period. 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.

23. 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.

24. What Warranties Does AWR Make?

AWR warrants that 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 for one year from the date of the repair; provided, however, that this warranty does not apply sewer line clearings (e.g. snaking or jetting a sewer line) or

asphalt cold-patching of private paved surfaces. If AWR restores a concrete surface as part of a covered repair, this warranty does not cover damage to the concrete caused by freeze-thaw cycles, wear and tear, de-icers, chemicals, equipment and vehicles. The exclusive remedy for this warranty is that AWR's independent contractors will, at AWR's option, fix the repair or replace the material. AWR makes no other express warranties in this Agreement. AWR disclaims any implied or statutory warranties other than the implied warranty of good faith and fair dealing. 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.

25. When Must Legal Actions Be Commenced?

Any legal action (whether in arbitration, small claims court, or otherwise) that arises from a Dispute (as defined in Section 26) must be commenced within one (1) year of the first event that gave rise to the Dispute. Failure to do so waives the right to pursue that claim.

26. How Must Legal Actions Be Resolved?

A. Definitions. This Section 26 (the "Arbitration Provision") shall be interpreted broadly. As used in this Arbitration Provision and in Section 25, above, these terms are defined as follows:

i. "Dispute" means any claim or controversy arising from or relating to Your relationship with AWR, for example any: (a) theories of liability, whether based in contract, tort, statute, or otherwise; (b) claims that arose before this Agreement; (c) claims that arise after the cancellation or expiration of this Agreement; and (d) claims that are the subject of purported class action litigation. "Dispute" does not, however, include any issues relating to the existence, scope, validity, or enforceability of this Arbitration Provision.

ii. "You" means You and any intended or unintended beneficiaries of Your coverage under this Agreement.

iii. "AWR" means AWR and any of its predecessors, successors, assigns, parents, subsidiaries, affiliates, and independent contractors, and each of their officers, directors, employees, and agents.

B. Arbitration or Small Claims Court. All Disputes shall be resolved individually in either (a) binding arbitration or (b) small claims court if the claim is for money damages and the amount claimed is within the jurisdiction of that court. In arbitration, there is a neutral arbitrator rather than a judge. In arbitration and small claims court, there is no jury and there is less discovery and less appellate review than in court.

C. Procedures for Arbitration.

i. This Arbitration Provision is governed by the Federal Arbitration Act. Arbitrations shall be administered by the American Arbitration Association ("AAA") pursuant to its Consumer Arbitration Rules (the "AAA Rules") as modified by the version of this Arbitration Provision that is in effect when a "Demand for Arbitration" is filed. The AAA Rules can be obtained from the AAA by visiting its website (www.adr.org) or calling its toll-free number (1-800-778-7879). If there is a conflict between this Arbitration Provision and the rest of this Agreement, this Arbitration Provision will govern. If there is a conflict between this Arbitration Provision and the AAA Rules, this Arbitration Provision will govern. If the AAA will not administer an arbitration in accordance with this Arbitration Provision, You and AWR will agree on (or if necessary petition a court of competent jurisdiction to appoint) an arbitration organization that will do so.

ii. The party commencing an arbitration should follow the instructions on the AAA website, including sending the AAA a "Demand for Arbitration" (available on its website), paying a filing fee, and mailing a copy of the Demand for Arbitration to the opposing party. If You commence the arbitration, You must send a copy to AWR at P.O. Box 4950 Naperville, IL 60567-4950, ATTN: ARBITRATION OF DISPUTE. If AWR commences the arbitration, AWR must send a copy to the email address associated with Your account and any billing address You have provided to us.

iii. If multiple arbitrations involving similar claims against AWR are pending, You and AWR shall jointly petition the AAA to coordinate those matters to promote efficiency. That coordination may include, for example, having similar matters assigned to the same

arbitrator (either for all purposes or for the purpose of deciding an issue that turns on the same factual or legal questions) or having pre-hearing discovery apply to multiple matters. Nothing in this paragraph, however, provides any right or authority for a Dispute to be resolved as part of a class action, collective action, or other representative action. (See Section 26(G), below.)

iv. If more than twenty-five (25) arbitrations involving similar claims against AWR have been commenced, the AAA shall designate ten cases—either as selected by the parties or, if the parties cannot agree, as selected by the AAA—to proceed first in a bellwether arbitration, with a single filing fee due for the bellwether proceeding, as if it were a single arbitration. The remaining cases shall not be accepted for filing, and no filing fee shall be due, until the first ten have been resolved and the parties inform the AAA whether there is a global resolution. If the parties have been unable to reach a global resolution, they shall proceed to arbitrate a second set of ten cases; as with the first set of cases, a single filing fee shall be due for the second (and, if necessary, each subsequent) set of cases to be arbitrated. This process shall continue until the parties are able to resolve all claims, either through settlement or arbitration.

v. Unless You and AWR agree otherwise, an arbitration will be conducted by a single arbitrator and any hearing will take place in the county where You reside.

vi. The arbitrator will issue a written decision that explains the essential findings and conclusions. The arbitrator's award may be entered in a court of competent jurisdiction only as necessary to enforce the award.

vii. Neither the fact nor the substance of any settlement demand, offer, or negotiation may be revealed to the arbitrator before a final award has been issued.

D. Right to Arbitral Fees and Costs.

The payment of the AAA's fees and costs will be governed by the AAA Rules except as follows:

i. If AWR commences an arbitration, AWR will pay all of the AAA's fees and costs.

ii. If You commence an arbitration and state under penalty of perjury that You cannot afford to pay the AAA filing fee, AWR will pay the filing fee if the AAA does not waive that fee. If AWR determines that Your representation regarding Your ability to pay was false, however, it may seek to recover that fee from You.

iii. If You commence an arbitration and the aggregate value of Your claim is less than \$10,000, (a) You will only be responsible for paying the lesser of the AAA filing fee or the filing fee that You would have paid in the small claims court in the county where you reside, and (b) AWR will pay the rest of the AAA's fees and costs. If AWR has received more than twenty-five (25) Demands for Arbitration asserting similar claims, however, the payment of the AAA's fees and costs will be governed by the AAA Rules.

iv. No matter who commences an arbitration, if the arbitrator finds that a claim was frivolous or asserted for an improper purpose, the party asserting the claim will reimburse the other party for any fees and costs that the party asserting the claim would have been obligated to pay under the AAA Rules.

v. No matter who commences an arbitration, You may pay up to half of the AAA's fees and costs if You wish to do so.

E. Right to Attorneys' Fees and Costs in Arbitration. You may hire attorneys to represent You in arbitration. You are responsible for their fees and costs. You may recover them from AWR to the same extent as in court. If the arbitrator finds that a claim was frivolous or brought for an improper purpose, the other party may recover its attorneys' fees and costs to the same extent as in court.

F. Effect of Rejecting Settlement Offers. If the outcome of a legal action is less favorable to the party seeking relief than a settlement offer that party rejected, that party must pay all of the fees and costs (including reasonable attorneys' fees) incurred by the other party after the offer was made.

G. Waiver of Class and Representative Actions.
i. WHETHER IN ARBITRATION OR COURT, YOU AND AWR WAIVE THE RIGHT TO PROSECUTE OR PARTICIPATE IN A CLASS ACTION, COLLECTIVE ACTION, OR OTHER REPRESENTATIVE ACTION, OR OTHERWISE SEEK REDRESS FOR ALLEGED INJURIES TO THIRD PARTIES. This waiver is a material and essential part of this Arbitration Provision and cannot be severed from it.

ii. WHETHER IN ARBITRATION OR COURT, YOU AND AWR WAIVE THE RIGHT TO SEEK PUBLIC INJUNCTIVE RELIEF. This waiver is not a material or essential part of this Arbitration Provision and can be severed from it by a court of competent jurisdiction. If, after exhaustion of all appeals, such a court refuses to enforce this waiver with respect to a particular claim or request for relief, You and AWR will jointly petition the court to decide that claim or request for relief only after all other claims and requests for relief have been decided.

H. Right to Reject This Arbitration Provision.
You may opt out of this Arbitration Provision by sending AWR written notice by certified mail, postmarked no later than thirty (30) days after the Effective Date, to AWR at P.O. Box 4950 Naperville, IL 60567-4950, Attention: Legal Department. Notices not mailed to that address and postmarked by that date will not be effective. Your decision will not adversely affect Your relationship with or service from AWR.

I. Right to Reject Changes to this Arbitration Provision. You may reject changes to this Arbitration Provision by sending AWR written notice by certified mail, postmarked no later than thirty (30) days after Your first receipt of notice of a change, to AWR at P.O. Box 4950 Naperville, IL 60567-4950, Attention: Legal Department. Notices not mailed to that address and postmarked by that date will not be effective. Your decision will not adversely affect Your relationship with or service from AWR.

J. Survival. This Arbitration Provision shall survive the cancellation or expiration of this Agreement.

27. Will Legal Actions Be Resolved by a Jury?
WHETHER IN ARBITRATION OR COURT, YOU AND AWR WAIVE THE RIGHT TO A TRIAL BY JURY.

28. What Liability Does AWR Have?
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.

29. 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 1-833-901-0011, mail AWR at P.O. Box 4950, Naperville, Illinois, 60567-4950, or visit AWR's website at www.AWRUSA.com/Detroit. Telephone calls may be recorded and/or monitored.

30. Does AWR have a privacy policy?
Yes, You can locate it at www.AWRUSA.com.

31. What Law Governs This Agreement?
The law of the State of Michigan shall govern this Agreement and any dispute between You and AWR.