Comprehensive Coverage Explained:
A Pocket Guide to Understanding the Difference Between Homeowners Insurance, Home Warranty Service Agreements and Structural Warranties
Homeowners Insurance
TERM LENGTH 1 Year
PAYMENT TERM Annual Premium
RENEWABLE Yes*
SERVICE FEE OR DEDUCTIBLE $500 or more**

Systems and Appliances Home Warranty Service Agreements
TERM LENGTH 1-5 Years
PAYMENT TERM Annual Payment
RENEWABLE Yes*
SERVICE FEE OR DEDUCTIBLE $100 or more**

Structural Warranties
TERM LENGTH 10 Years
PAYMENT TERM One Time Payment
RENEWABLE No
SERVICE FEE OR DEDUCTIBLE $250 or less**

Structural Warranties can only be purchased by home builders who become/are members of the 2-10 HBW program.

* Both homeowners insurance and Home Warranty Service Agreements are generally renewed at the company’s discretion.

** Service fees and deductibles vary by company.
Homeowners insurance provides financial compensation for losses that occur as the result of covered events, such as storms, theft, fire and other disasters.

**Covered Events**

- Damage as the result of natural and other disasters, such as lightning, wind, hail, fire, vandalism and theft
- Resultant bodily injury and property damage

**Uncovered Events**

- Failures due to normal wear and tear to systems and appliances
- Structural failures that result due to naturally-occurring soil movement or settlement

**Covered Items**

Basic homeowners insurance policies typically cover everything inside and outside the home that may be lost or damaged as the result of a covered event. This may include not only the components of the home, but personal belongings as well. Compensation for a loss is generally made in the form of a check based upon the insured value of lost items and cost to repair damages.

**DID YOU KNOW?** Homeowners insurance is generally required by lenders as a condition of the mortgage.
A Home Warranty Service Agreement from 2-10 Home Buyers Warranty (2-10 HBW) provides coverage for the repair and/or replacement of eligible systems and appliances when failures occur as the result of normal wear and tear, subject to agreement limitations.

<table>
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<tr>
<th>COVERED EVENTS</th>
<th>UNCOVERED EVENTS</th>
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<tr>
<td>• Failures to a home’s eligible systems and appliances as a result of regular and proper use of covered systems and appliances</td>
<td>• Damage or failures as the result of improper use or treatment of eligible systems and appliances</td>
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**Covered Items**

Home Warranty Service Agreement coverage varies from provider to provider, but most cover the major systems and appliances within a home:

- Electrical systems
- Plumbing
- Heating and air conditioning systems
- Major appliances including refrigerator, dishwasher, clothes washer and dryer, range, oven, garbage disposal and more

**DID YOU KNOW?** 7 out of 10 homes will experience a system or appliance failure in any given year.
An insurance-backed Structural Warranty from 2-10 HBW protects homeowners from the qualified catastrophic failure of load-bearing elements of a new home, subject to the warranty limit.

**Covered Events**
- Actual physical damage to a designated load-bearing element caused by a failure, resulting in the home being unsafe, unsanitary or otherwise unlivable

**Uncovered Events**
- Damage or failures of structural components due to natural or other disasters

**Covered Items**
Structural Warranties cover designated load-bearing elements, including but not limited to:
- Roof framing
- Load-bearing walls
- Beams
- Columns
- Foundation
- Floor framing

**DID YOU KNOW?** The average structural claim costs in excess of $42,500.
2-10 Home Buyers Warranty goes hand in hand with homeownership.

2-10 HBW is the ONLY company to offer both Home Warranty Service Agreements and Structural Warranties.

Whether you are building, buying, selling or protecting an existing home, HAPPY HOMES start here! 2-10 HBW has been in business for over 40 years and has covered more than 6 million homes with our Home Warranty Service Agreements and Structural Warranties.
For more information on warranty products visit 2-10.com