



TEXAS 10 YEAR

Structural warranty



LONG LIVE HAPPY HOMES®



smile, you know what to expect
when the unexpected happens.®

- ✓ **Follows Texas Association of Builders Performance Standards for Major Structural Components**
- ✓ **Insurance-backed structural coverage starting day 1**

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BUILDER/SELLER'S EXPRESS LIMITED WARRANTY

SECTION I. YOUR BOOKLET AND CERTIFICATE OF WARRANTY COVERAGE.

This booklet and the Certificate of Warranty Coverage are very important legal documents that fully define the provisions of Your Builder/Seller's express limited warranty, Your rights and Your Builder/Seller's rights and obligations. Therefore, it is important to keep this booklet and the Certificate of Warranty Coverage with other legal documents that are important to You.

Your warranty is not a policy of insurance, a maintenance agreement or a service contract. If You have a mortgage on Your Home, Your lender may insist that You have a Homeowners' insurance policy. This warranty is not a Homeowners' insurance policy and it will not satisfy the lender's requirement.

The provisions of this warranty may not be changed by Your Builder/Seller or by any other person. If any provision of this warranty is found to be unenforceable, however, the remaining provisions will remain in full force and effect.

A. TRANSFERRING YOUR BUILDER/SELLER'S EXPRESS LIMITED WARRANTY.

If You sell Your Home during the term of the express limited warranty, this warranty automatically transfers to the next owner and any subsequent owners. This means all of Your rights and obligations under this warranty, up to the remaining amount of the Warranty Limit, will transfer without cost to each purchaser of Your Home or any person who otherwise obtains title to Your Home, including any mortgagee in possession, for the remaining term of the warranty.

When You sell Your Home, You agree to give this booklet and the Certificate of Warranty Coverage to Your buyer in order to make it possible for the buyer to understand his or her rights and fulfill his or her obligations under the provisions of this express limited warranty.

If You are a successive owner of the Home, You may benefit from the coverage provided by this express limited warranty, but in return You are bound by all of the terms and conditions of this warranty including but not limited to the procedures that must be followed to make a claim and the obligation to participate in arbitration as set out in this warranty. To register the warranty in Your name please complete and mail the Successive Owner Transfer and Acceptance Form along with a check for \$20.00 to 2-10 Home Buyers Warranty at the address shown on the form.

B. WORDS WITH SPECIAL MEANINGS.

Generally speaking, the words used in this warranty have their normal everyday meaning. In some cases, however, a word will be used as shorthand to describe specifically one of the key provisions contained in this express limited warranty. In those cases, the words will be capitalized, and the capitalized word will always have the same special meaning.

Most defined terms are described in this section; however, other sections of this booklet may contain other defined terms. The words being given a special meaning in this section are as follows:

"2-10 Home Buyers Warranty" or "2-10 HBW" is the warranty administrator. 2-10 HBW is available to answer any questions You may have about the express limited warranty Your Builder/Seller is providing. This warranty is provided by Your Builder/Seller; 2-10 HBW does not provide warranties or insurance.

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

"Builder/Seller" means the Home Builder/Seller listed on the Certificate of Warranty Coverage, and is the person or company providing You with this express limited warranty.

"Certificate of Warranty Coverage" is the document issued by 2-10 HBW confirming that Your Builder/Seller took all steps required to make the express limited warranty on Your Home effective.

"Code" means the International Residential Code.

"Common Element" means any portion of a Multi-Family Building which is defined as a Common Element in either common interest ownership laws or in the declaration establishing such community.

"Common Element Date of Warranty" means the earlier of the date a certificate of occupancy is issued for the Multi-Family Building or the date a unit in the building is first occupied.

"Commercial Space" means any unit within a Multi-Family Building that is used primarily for a nonresidential purpose, including, without limitation, club houses and recreational facilities. Commercial Space has coverage only if issued its own Certificate of Warranty Coverage.

“Effective Date of Warranty” means the date the express limited warranty goes into effect. That date will be the earliest of: (1) the closing date on which You purchased the Home, or (2) the date anyone first began living in the Home if before Your closing date.

“Home” means the dwelling unit and garage (if any) or the Commercial Space (if any) located at the address shown on the Certificate of Warranty Coverage.

“Major Structural Components” is defined in Section II of this booklet.

“Multi-Family Building” is a building in a common interest community that may consist of dwelling units, shared parking spaces, Commercial Space(s) and/or Common Elements.

“Original Construction Elevations” means actual elevations of the foundation taken before, on or about the Effective Date of Warranty of the Home. Such actual elevations shall include elevations of porches and garages if those structures are part of a monolithic foundation. To establish original construction elevations, elevations shall be taken at a rate of at least one elevation per 100-square-foot showing a reference point and shall be taken at a rate of at least one elevation per 10-linear feet along the perimeter of the foundation, subject to obstructions. Each elevation shall be taken on the surface of the foundation or on the surface of the floor covering on the foundation, if any. For elevations taken on floor coverings, the type of floor covering shall be recorded at each elevation location. If no such actual elevations are taken then the foundation for the habitable areas of the Home are presumed to be level +/- 0.75-inch (3/4 of an inch) over the entire area of the foundation.

“Performance Standard(s)” means the construction performance standard(s) for Major Structural Components.

“Soil Movement” exclusively means subsidence or expansion of soil caused by shrinkage, swelling or consolidation.

“Structural Defect” is defined in Section II.A of this booklet.

“You”, “Your” and similar words means the person or persons who are the legal owners of the Home covered by this express limited warranty.

“Warranty Insurer” is the Builder/Seller’s Warranty Insurer as stated on Your Certificate of Warranty Coverage.

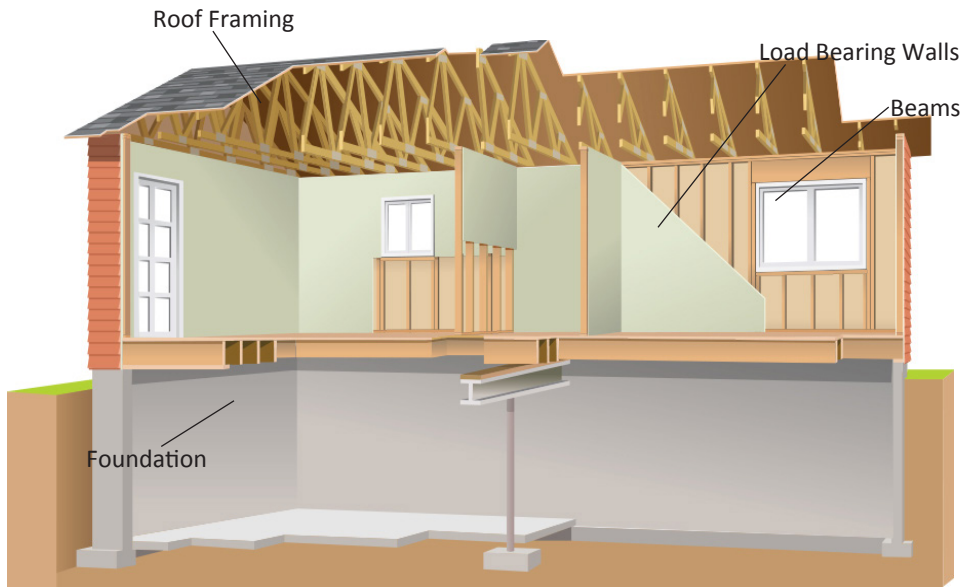
“Warranty Limit” is the aggregate financial obligation of the Builder/Seller or Warranty Insurer for all claims under this warranty and is the sum stated on the Certificate of Warranty Coverage.

SECTION II. THE WARRANTY PROVIDED BY YOUR BUILDER/SELLER.

A. STRUCTURAL DEFECT WARRANTY. Your Builder/Seller is providing a Major Structural Component warranty. This means that Your Home will be free from Structural Defects from the Effective Date of Warranty for ten years. Structural Defects due to Soil Movement are covered by this warranty. This obligation is backed by the Warranty Insurer.

A Structural Defect is defined as the failure of Major Structural Components to meet the Performance Standards defined in Section X. The Major Structural Components are:

1. Footings and foundation systems;
2. Beams;
3. Headers;
4. Girders;
5. Lintels;
6. Columns (other than a column that is designed to be cosmetic);
7. Load-bearing walls and partitions;
8. Roof framing systems;
9. Floor framing systems; and
10. Masonry arches.



LOAD BEARING ELEMENTS
Examples of Major Structural Components.

The remaining elements of Your Home are not Major Structural Components. A non exclusive list of some of the components that are not covered are:

1. Non-load-bearing partitions and walls;
2. Wall tile or paper, etc.;
3. Drywall and plaster;
4. Flooring and subflooring material;
5. Stucco, brick and stone veneer;
6. Any type of exterior siding;
7. Roof shingles, roof tiles, sheathing and tar paper;
8. Heating, cooling, ventilating, plumbing, electrical and mechanical systems;
9. Appliances, fixtures or items of equipment;
10. Doors, trim, cabinets, hardware, insulation, paint, stains; and
11. Basement, garage and other interior floating ground-supported concrete slabs.

SECTION III. REPORTING A STRUCTURAL DEFECT CLAIM.

A. STRUCTURAL DEFECTS.

If You believe Your Home has a Structural Component that is covered under Your Builder/Seller’s Major Structural Component warranty, You must take the steps described in this section below. Notice of a Structural Component must be made by the Homeowner, except for Multi-Family Buildings, notice for each affected building must be made by the Homeowners’ association or its designated representative, along with a copy of the Certificate of Warranty Coverage for each Home in the building.

1. **STRUCTURAL DEFECT(S) MUST BE REPORTED TO 2-10 HBW AS SOON AS POSSIBLE BUT NO LATER THAN THIRTY (30) DAYS AFTER THE EXPIRATION OF THE APPLICABLE TERM OF THE WARRANTY.**
Send written notification to the Warranty Insurer listing completely the specific Major Structural Component(s) and the date the Structural Defect(s) occurred. A Major Structural Component will not be covered under this warranty if the Notice is received thirty (30) after the date the warranty coverage expires. These time limits are a material condition of this warranty.

Notice to Warranty Insurer. If You believe that Your Home has a Structural Defect that is covered by this warranty:

- a. Complete the appropriate Notice of Claim Form (“Notice”), which is found at the back of this booklet.
- b. Send one copy of the Notice to 2-10 HBW, and include:
 1. A copy of Your Certificate of Warranty Coverage; pay a \$250 claim investigation fee payable to the Warranty Insurer stated on the Certificate of Warranty Coverage; and
 2. A copy of all correspondence with Your Builder/Seller regarding the Structural Defect(s) in question to:

2-10 Home Buyers Warranty
Warranty Administration Department
13900 East Harvard Ave.
Aurora, CO 80014
Phone: 855.429.2109

We recommend (but do not require) that You send this notice by certified mail, return receipt requested, so You have a record of when the notice was sent and received. If your claim is accepted the \$250 claim investigation fee will be refunded. **WHAT 2-10 HBW WILL DO.** Upon receipt of the items identified above, 2-10 HBW will forward the check and Your file to the Warranty Insurer, and the Warranty Insurer will adjust the claim.

SECTION IV. THE OPTION TO REPAIR, REPLACE OR PAY FOR THE STRUCTURAL DEFECTS.

A. PROVISIONS APPLICABLE TO MAJOR STRUCTURAL COMPONENTS.

The Warranty Insurer shall have the option to repair, replace or pay You the reasonable cost of repairing any Major Structural Component. The design, method and manner of such repair shall be within the sole discretion of the Warranty Insurer. At the time of repair, replacement or payment for the repair of any Major Structural Components, You must:

1. Assign to the Warranty Insurer any rights You may have against any other person with respect to the Major Structural Components. You must not do anything to prejudice these rights of subrogation.
2. When repairs are completed, You must sign and deliver a full and unconditional release of the Builder/Seller and/or Warranty Insurer, in recordable form, of all legal obligations with respect to the warranted items and conditions arising from those items.

If an improvement, fixture or property not constructed by the Builder/Seller is damaged or requires removal during the repair, it is Your sole responsibility, and not the responsibility of the Builder/Seller or Warranty Insurer, to pay for the cost of repair or removal of such improvement, fixture or property. No repair shall extend the term of this express limited warranty as to any Major Structural Components, including without limitation, the Major Structural Component(s) that was the subject of the repair.

B. ADDITIONAL PROVISIONS APPLICABLE TO THE REPAIR OF STRUCTURAL DEFECT.

The repair of a Major Structural Components is limited to:

1. The repair of damage to designated load-bearing portions of the Home which is necessary to restore their load-bearing function;
2. The repair of those non-load-bearing portions damaged by the Major Structural Component (such as the repair of inoperable windows, doors and the restoration of functionality of damaged electrical, plumbing, heating, cooling and ventilating systems); and
3. The repair and cosmetic correction of only those surfaces, finishes and coverings, with damage directly attributable to the Structural Defect provided the surfaces, finishes or coverings are original with the Home, and they were damaged by the Structural Defect or require removal and replacement to repair the Major Structural Component.

Repairs of the Major Structural Component are intended to restore the Home to approximately the condition just prior to the Structural Defect, but not necessarily to a like-new condition.

C. ACCESS TO YOUR HOME FOR INSPECTING AND MAKING REPAIRS.

In order to carry out the warranty responsibilities, the Builder/Seller or Warranty Insurer will require access to Your Home. If Your Home is in a Multi-Family Building, You agree (after reasonable notice) to allow access to, or within Your Home during normal business hours so repairs may be made to any adjacent unit or Common Element. If emergency repairs are necessary and You cannot be reached within a reasonable time period, You waive such notice. If You do not provide access to Your Home during normal business hours to inspect, repair or conduct tests on Your Home as may be required to evaluate or repair a Major Structural Component, You are relieving the Builder/Seller or Warranty Insurer of all responsibility to make repairs, replace or pay for any Major Structural Component under this warranty.

In addition to the right to inspect Your Home, the Builder/Seller or Warranty Insurer shall have the right, in advance of any arbitration concerning Your Home, to reinspect Your Home if the request for arbitration is made more than sixty (60) days after the last claim decision concerning the claim that is the subject of the arbitration.

D. THE LIMITS OF YOUR WARRANTY.

Every time the Warranty Insurer pays a claim under this warranty, the amount of that payment is deducted from the Warranty Limit. When the Warranty Limit is exhausted, there is no longer warranty coverage for Your Home. A claim payment includes the cost to the Warranty Insurer of repairing a Major Structural Component in Your Home covered under this warranty.

The Warranty Limit for Common Elements in a Multi-Family Building is equal to the sum of the unexpired Warranty Limits for all Homes in the building which are enrolled in the 2-10 HBW Program. In the event that all Homes in the Multi-Family Building were not enrolled, the Warranty Limit for Common Elements Structural Defect coverage shall be reduced pro-rata based upon the ratio of the original sale price of the non-enrolled Homes compared to the total original sales price of all Homes in the Multi-Family Building. If the claim payment is for a Common Elements Major Structural Component, the Warranty Limit on each Home in the Multi-Family Building still covered by an unexpired warranty shall be reduced pro-rata in the proportion which the Common Elements claim payment bears

to the total original sales price of all such Homes.

Any coverage for the Builder/Seller's express limited warranty shall be excess of any other valid and collectible insurance available to You or the Builder/Seller, whether primary, pro-rata or excess, and whether or not collected.

E. EMERGENCY REPAIRS.

An emergency means a substantial risk of serious physical damage to the Home or a substantial risk of serious bodily injury to its occupants if a Major Structural Component is not immediately repaired. If You have an emergency involving a Major Structural Component, You must contact 2-10 HBW at the address given in Section IV who will contact the Warranty Insurer to make emergency repairs or authorizing you to make emergency repairs. If You are unable to contact the Builder/Seller or Warranty Insurer, You must then (1) make minimal repairs necessary to avoid the emergency until authorization for more extensive repairs has been approved by the Warranty Insurer, (2) take any action reasonably necessary to limit additional damage, and (3) report the emergency to the Warranty Insurer and 2-10 HBW on the next business day.

Except for authorized emergency repairs do not repair or attempt to repair a claimed Structural Defect before the Warranty Insurer has an opportunity to inspect the Major Structural Component. Any attempt to repair a claimed Major Structural Component, other than an authorized emergency repair, will make it impossible to assess whether the Major Structural Component was covered by this warranty, whether the repair was correct, cost effective, necessary and effective, or whether the problem could be resolved in another way. Unless an emergency Major Structural Component repair is authorized, the Warranty Insurer will have no responsibility to reimburse any costs due to repair, replacement and expenses, including engineering and attorney's fees.

SECTION V. THE EFFECT OF THIS WARRANTY ON YOUR LEGAL RIGHTS.

You have accepted this express limited warranty provided in this booklet. All other express or implied warranties, including oral or written statements or representations made by Your Builder/Seller or any implied warranty of habitability, merchantability or fitness, are disclaimed by Your Builder/Seller and waived by You to the extent possible under Texas law. You may have other remedies as provided under Texas law.

SECTION VI. DISPUTE RESOLUTION WITH BINDING ARBITRATION*.

The arbitration shall be conducted by DeMars & Associates, Ltd. ("DeMars") or Construction Dispute Resolution Services, LLC ("CDRS"). The choice of DeMars or CDRS shall be Yours, or if You are not involved, the party who initiates the arbitration. The arbitrating parties, by mutual agreement, may select an arbitration service other than DeMars or CDRS.

The arbitration shall be conducted in accordance with the arbitration rules in effect with the selected arbitration service. If the state where the Home or Multi-Family Building is located has a statute which mandates that arbitrators provide certain disclosures relating to their partiality and/or biases, the selected arbitrator shall be obliged to provide such disclosures and may be disqualified and replaced pursuant to the procedure set forth in the applicable state's statute relating to disqualifying potentially biased arbitrators. The disqualification of an arbitrator will not relieve any party bound by this arbitration agreement of the obligation to arbitrate all disputes. Following any disqualification of an arbitrator, the parties will arbitrate before a replacement arbitrator.

No arbitration arising out of or otherwise relating to this Warranty or the 2-10 HBW Program shall involve more than one Home or more than one Multi-Family Building. The arbitrator shall prepare a written arbitration award which sets forth his or her factual findings and the reasons on which his or her decision is based.

B. DISPUTES CONCERNING THE APPLICATION OF THIS ARBITRATION AGREEMENT.

The Federal Arbitration Act (9 U.S.C. § 1 et seq., ("FAA")) shall govern the meaning and enforceability of this arbitration agreement to the exclusion of any state law relating to the meaning or enforceability of arbitration clauses or agreements. Any disputes concerning the interpretation or enforceability of this arbitration agreement, including without limitation, its revocability or voidability for any cause, the scope of arbitrable issues, and any defense based upon waiver, estoppel or laches, shall be decided by the parties' appointed arbitrator.

C. COST OF ARBITRATION.

All administrative fees of the arbitration service and fees of the arbitrator shall be equally allocated among the arbitrating parties, subject to the discretion of the arbitrator to reallocate such fees as warranted under the substantive law governing the parties' controversy.

D. AUTHORITY OF ARBITRATOR.

The arbitrator shall not have the power to commit errors of law or legal reasoning. Thus, with regard to the tort, contract, statutory,

or equitable dispute arising out of or otherwise relating to this Warranty or the 2-10 HBW program, the arbitrator shall render an award in accordance with the substantive law governing the claims, disputes and/or controversies being prosecuted by the claimant. Specifically, the arbitrator is authorized to award all relief that would otherwise be available in a judicial forum to the claimant or respondent if the parties' controversy were litigated in court rather than in an arbitral proceeding.

SECTION VII. YOUR RESPONSIBILITIES UNDER THIS EXPRESS LIMITED WARRANTY.

You are responsible for proper maintenance of Your Home, including maintaining Builder/Seller-set grades around the Home, planting trees at the proper distance from the Home, and conforming to generally accepted landscape practices for Your region. Your Builder/Seller is not responsible for problems that arise if You do not meet these responsibilities.

All new homes are constructed of dissimilar materials which have different rates of expansion and contraction due to changes in temperature or humidity. Your Home will go through a period of settlement and movement, and may experience some minor material shrinkage, cracking and other events which are normal and customary.

Examples include small cracks in drywall and paint; and separation where dissimilar materials meet each other — for example, where moldings meet sheetrock, or where tile grout meets a sink. In most cases, paint and caulking is all that is necessary to conceal these types of blemishes that result from the natural expansion and contraction of construction material. Because these events are normal and customary, they are not a Structural Defect covered by this express limited warranty.

SECTION VIII. EXCLUSIONS.

This warranty does not provide coverage for any of the following items which are specifically excluded.

1. Damage to land and other real property that was not part of Your Home, or any property that was not included in the purchase price stated on the Certificate of Warranty Coverage.
2. Damage to driveways, boundary walls, retaining walls and bulkheads (except where boundary walls, retaining walls and bulkheads are necessary for the structural stability of the Home), decks, porches, detached carports or any other appurtenant structure or attachment to the dwelling, fences, landscaping (including sod, seeding, shrubs, trees, plantings and lawn irrigation systems), swimming pools, tennis courts, outbuildings, other exterior recreational facilities or other additions or improvements not a part of Your Home.
3. Loss or damage which arises while Your Home is being used primarily for nonresidential purposes.
4. Changes in the level of underground water table which were not reasonably foreseeable at the time of construction of Your Home.
5. Failure of Your Builder/Seller to complete construction, or construction which is noncompliant with plans and specifications, violations of local or national building codes, ordinances or standards.
6. Any condition which has not resulted in actual physical damage to Your Home.
7. Any loss or damage that is caused or made worse by any of the following causes, whether acting alone or in sequence or concurrence with any other cause or causes whatsoever, including without limitation:
 - a. Negligence, improper maintenance, defective material or work supplied by, or improper operation by, anyone other than Your Builder/Seller or its employees, agents or subcontractors, including failure to comply with the warranty requirements of manufacturers of appliances, equipment or fixtures;
 - b. Your failure to give prompt and proper notice to 2-10 HBW and Your Builder/Seller of any Structural Defect;
 - c. Change of the grading of the ground that does not comply with accepted grading practices, or failure to maintain the original grade;
 - d. Riot or civil commotion, war, terrorism, vandalism, hurricane, tornado or other windstorm, fire, explosion, blasting, smoke, water escape, tidal wave, flood, hail, snow, ice storm, lightning, falling trees or other objects, aircraft, vehicles, mudslide, landslide, avalanche, earthquake, volcanic eruption, mine shaft, sinkholes or geological phenomena involving subsurface slope instability;
 - e. Abuse or use of Your Home, or any part thereof, beyond the reasonable capacity of such part for such use;
 - f. Microorganisms, fungus, decay, wet rot, dry rot, soft rot, rotting of any kind, mold, mildew, vermin, termites, insects, rodents, birds, wild or domestic animals, plants, corrosion, rust, radon, radiation, chemical reaction, formaldehyde, asbestos, any solid, liquid or gaseous pollutant, contaminant, toxin, irritant or carcinogenic substance, whether organic or inorganic and electromagnetic field or emission, including any claim of health risk or uninhabitability based on any of the foregoing; or
 - g. Your failure to minimize or mitigate any defect, condition, loss or damage as soon as it is practical.
8. Any loss or damage caused by buried debris, underground springs, sinkholes, mineshafts or other anomalies which were not reasonably foreseeable in a building site You provided.
9. Loss caused, in whole or in part, by any peril or occurrence for which compensation is provided by state legislation or public funds.
10. Costs of shelter, transportation, food, moving, storage or other incidental expenses related to relocation during repair, or any other costs due to loss of use, inconvenience or annoyance.

11. Diminished market value of Your Home.
12. Any and all consequential loss or damage, including without limitation, any damage to property not covered by this warranty, any damage to personal property, any damage to property which You do not own, any bodily injury or personal injury of any kind, including physical or mental pain and suffering and emotional distress, any medical or hospital expenses or lost profits.
13. Any and all exclusions set forth in Section X (Construction Performance Standards).
14. Structural Defect first occurring after the applicable term of the warranty expires.
15. Structural Defects that first occur or You knew about prior to the Effective Date of Warranty such as “walk-through” or “punch list” items.

SECTION IX. MANUFACTURERS AND OTHER SIMILAR WARRANTIES.

Your warranty does not apply to appliances and manufactured items of equipment including, but not limited to, heating, ventilation and mechanical equipment or any other item which is covered by a manufacturer’s warranty, nor does it cover deficiency in any systems that are caused by failure of any such appliance or manufactured item. Your Builder/Seller assigns to You all rights under manufacturers’ warranties on appliances and items of equipment included in Your Home.

SECTION X. CONSTRUCTION PERFORMANCE STANDARDS.

The following Construction Performance Standards are standards that have been developed and accepted by the Texas Association of Builders and the residential construction industry in general.

Refer to other parts of this limited booklet for specific terms and definitions. Major Structural Components are warranted to satisfy the Construction Performance Standards for ten (10) years. Refer to other parts of this limited booklet for specific terms, exclusions and conditions that apply to the Major Structural Component warranty.

1. PERFORMANCE STANDARDS FOR MAJOR STRUCTURAL COMPONENTS

(a) Performance Standards for Slab Foundations.

(1) Slab foundations should not move differentially after they are constructed, such that a tilt or deflection in the slab in excess of the standards defined below arises from post-construction movement. The protocol and standards for evaluating slab foundations shall follow the ASCE Guidelines with the following modifications:

(A) Overall deflection from the Original Construction Elevations shall be no greater than the overall length over which the deflection occurs divided by 360 ($L/360$), and must not have more than one associated symptom of distress, as described in Section 5 of the ASCE Guidelines, that results in actual observable physical damage to the home. L shall be defined as the edge to edge distance across any slab cross-section for which overall deflection is calculated. Calculations of overall deflection shall be based upon the change in elevation at each point for which an Original Construction Elevation was taken.

(B) The slab shall not tilt after construction in excess of one percent across any overall dimension of the home or cause structural component(s) or masonry veneer to rotate into a structurally unstable position such that the weight vector of the component part falls outside the middle third of its bearing area. Calculations of overall tilt shall be based upon the change in elevation at each point for which an Original Construction Elevation was taken.

(2) If measurements and associated symptoms of distress show that a slab foundation does not meet the deflection or tilt standards stated in paragraph (1) of this subsection, a third party inspector’s recommendation shall be based on the appropriate remedial measures as described in Section 7 of the ASCE Guidelines.

(b) Performance Standards for Components other than Slab Foundations.

(1) Floor over pier and beam foundations.

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

(B) If a floor over pier and beam foundation deflects more than $L/360$ from its Original Construction Elevations and the movement has created actual observable physical damage to the components of a home identifiable in Section 5.3 of the ASCE Guidelines, a third party inspector’s recommendation shall be based on applicable remedial measures as described in Section 7 of the ASCE Guidelines.

(2) Structural components.

(A) A defined structural component shall not crack, bow, become distorted or deteriorate, such that it compromises the structural integrity of a home or the performance of a structural system of the home resulting in actual observable physical damage to a component of the home.

(B) If a structural component of a home cracks, bows, is distorted or deteriorates such that it results in actual observable physical damage to a component of the home, the Warranty Insurer shall take such action as is necessary to repair, reinforce or replace such structural component to restore the structural integrity of the home or the performance of the affected structural system.

(3) Deflected structural components.

(A) A structural component shall not deflect more than the ratios allowed by the Code.

(B) If a structural component of the home is deflected more than the ratios allowed by the Code, the Warranty Insurer shall take such action as is necessary to repair, reinforce or replace such structural component to restore the structural integrity of the home or the performance of the affected structural system.

(4) Damaged structural components.

(A) A structural component shall not be so damaged that it compromises the structural integrity or performance of the affected structural system.

(B) If a structural component is so damaged that it compromises the structural integrity or performance of a structural system of the home, the Warranty Insurer shall take such action as is necessary to repair, reinforce or replace such structural component to restore the structural integrity of the home or the performance of the affected structural system.

(5) Separated structural components.

(A) A structural component shall not separate from a supporting member more than 3/4 of an inch or such that it compromises the structural integrity or performance of the system.

(B) If a structural component is separated from a supporting member more than 3/4 of an inch or separated such that it compromises the structural integrity or performance of a structural system of the home, the Warranty Insurer shall take such action as necessary to repair, reinforce or replace such structural component to reestablish the connection between the structural component and the supporting member, to restore the structural integrity of the home and the performance of the affected structural system.

(6) Non-performing structural components.

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

(B) If a structural component, other than the foundation, does not function as required by the Code, the Warranty Insurer shall take such action as is necessary to bring the variance within the standard stated in subparagraph (A) of this paragraph.

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NOTICE OF CLAIM FORM FOR STRUCTURAL CLAIMS ONLY

Please read the 2-10 Home Buyers Warranty Booklet for filing instructions and pertinent information.

Name: _____

Address of Claim: _____
Street City State Zip

Primary Phone: _____ Alternate Phone: _____

Email Address: _____

Effective Date of Warranty: _____ Certificate of Warranty Coverage #: _____
(Date of Closing or First Occupancy)

Please note that the 2-10 Home Buyers Warranty program provides limited Major Structural Component warranty coverage which is subject to exclusions and conditions. You are encouraged to review the Structural Coverage provisions of Your booklet.

Please answer the following questions:

1. Have You reviewed the definition of a Structural Defect in Your booklet? Yes No

2. Do You believe that You have a failure of a Major Structural Component? Yes No

3. Have You reviewed the list of elements which would not qualify as a Major Structural Component under this coverage? Yes No

Nature of Structural Defect (Be specific; If available, enclose photographs; attach separate sheet if necessary):

Date Structural Defect First Observed: _____

It is unlawful to knowingly provide false, incomplete or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete or misleading facts or information to a policyholder (Builder/Seller) or claimant (Homeowner) for the purpose of defrauding or attempting to defraud the policyholder (Builder/Seller) or claimant (Homeowner) with regard to a settlement or award payable from insurance proceeds shall be reported to the insurance commissioner of Your state. By Filing this Notice of Claim You agree to resolve any disputes using arbitration as described on pages 5 and 6 of the booklet.

CHECK ONE (if applicable): 1) FHA 2) VA
CASE #: _____
If You are the original owner, and Your Home has FHA/VA financing, please provide the following:
Name of Mortgage Company: _____
Address of Mortgage Company: _____

Homeowner Signature: Date:

Homeowner Signature: Date:

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**SUCCESSIVE HOMEOWNER
TRANSFER AND ACCEPTANCE**

As the successive Homeowner of the Home located at _____(Home)
I/We accept any coverage remaining on the express limited warranty provided by the Builder/Seller that first sold the newly constructed Home. I/We have reviewed and agreed to all the terms in the booklet.

I/We understand that 2-10 Home Buyers Warranty is not the warrantor of the Builder/Seller's Major Structural Component warranty coverage, but rather provides services to administer the warranty program.

I/We agree to the binding arbitration process described on pages 5 and 6 of the warranty booklet for resolving warranty disputes between us, the Builder/Seller and/or the Warranty Insurer.

Signature(s) of successive Home Buyer(s):

SIGNATURE PRINT

SIGNATURE PRINT

PHONE EMAIL

DATE

In order to process this request, please mail this form and a check in the amount of \$20 payable to 2-10 HBW to:
2-10 Home Buyers Warranty
Warranty Administration Department
13900 East Harvard Ave.
Aurora, CO 80014

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