

NASHVILLE SEWER LINE PROTECTION PROGRAM TERMS AND CONDITIONS

1. What Is This Agreement?

This is an Agreement ("Agreement") between American Water Resources, LLC ("AWR") and the person ("You" or "Your") named in the confirmation letter ("Confirmation Letter") accompanying this Agreement. 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.

SECTION 23 OF THIS AGREEMENT REQUIRES THAT DISPUTES BE RESOLVED INDIVIDUALLY IN ARBITRATION OR SMALL CLAIMS COURT. IN ARBITRATION, THERE IS NO JUDGE OR JURY AND THERE IS LESS DISCOVERY AND 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 shall be thirty (30) days after your enrollment is processed by AWR. If You do not cancel this Agreement before the Effective Date, You will have accepted its terms and conditions.

3. When Does Your Protection Stop? AWR will not pay for any repairs if You or AWR have

cancelled this Agreement. The initial term of the Agreement is one year (365 days) from the Effective Date. The Agreement will automatically renew each year for an additional one-year term unless You or AWR have cancelled this Agreement.

4. What Homes Are Protected?

AWR will only pay for repairs under this Agreement if:

- You own Your Home; and
- Your Home is occupied; and Your Home is used for residential purposes
- only; and
- You have ownership responsibility for Your Home's Sewer Line. If at any time You are not eligible for protection, AWR

will not pay for any repairs under this Agreement. 5. What Lines Are Protected?

Your Sewer Line is the sewer service lateral from the exterior wall of Your Home to the point where it connects to (i) the Metro Water Services ("MWS") or other sewer utility main or (ii) Your septic tank. It does not include Your septic tank or its components or attachments. 6. What Repairs Are Covered?

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

7. What Repairs Are Not Covered?

AWR will **not** pay for any of the following: Repairing anything caused by You or any third

- parties.
- Repairing anything caused by improper design or installation of Your Sewer Line.
- Repairing anything in any home that is vacant due to renovation, remediation, or construction.
- Repairing anything caused by natural acts or disasters, such as earthquakes, floods, hurricanes, or landslides. Repairing anything caused by defective
- materials that have been the subject of a recall or class action litigation. Repairing any nonconforming drain line, such
- as a basement or storm drain system that is connected to Your Sewer Line. Repairing any Sewer Line improperly or illegally connected to the sanitary
- sewer system.
- Repairing any septic tank or its components or attachments, such as a pump or grinder. Repairing or installing any devices connected to Your Sewer Line, such as clean outs, lift
- stations, or pumps. Repairing any section of Your Sewer Line located inside Your Home.
- 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.
- Repairing any section of Your Sewer Line that You share with any third party.
- Repairing any third party's sewer line that is attached to Your Sewer Line.
- Restoring any gardens, shrubs, trees,

or structures.

- Restoring any sidewalks, curbs, driveways, roads, or other paved surfaces that are not required by permit or applicable rules and regulations to be repaired or restored.
- Moving any sewer meter at the time of repair, unless required by code.
 - Relocating any section of Your Sewer Line, unless necessary to complete a repair.
- Updating any non-broken or non-blocked Sewer Line to meet code, law, or ordinance requirements.
- Removing any items necessary to access Your Sewer Line, such as debris, trash, rocks, cars, or temporary structures.
- Remediating or cleaning any hazardous substance or pollutant, such as mold or asbestos.
- Thawing any frozen section of Your Sewer Line.
- Excavating Your Home's foundation or slab to access any section of Your Sewer Line. Repairing, replacing or cleaning any portion of
- Your Home or its contents that are damaged by breaks, clogs, or blockages to Your Sewer Line. Paying any costs caused by a break, clog or blockage of Your Sewer Line, such as relocation costs, storage costs, or temporary
- 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 break, clog, or blockage of Your

housing costs.

Sewer Line, You may contact AWR toll-free at 1-888-758-8935. AWR will dispatch an approved independent contractor to Your Home. 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. If AWR's independent contractor must excavate any areas located in public roadways, sidewalks, curbing, or driveway aprons in order to access Your Sewer Line, the independent contractor will restore such areas in accordance with applicable rules and regulations once per occurrence. 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.

12. Must You Cooperate With AWR? You must cooperate with AWR and its independent

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

13. Is There A Service Fee? There is no service fee applicable to investigations

and repairs made under this Agreement. 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 may be stated on Your Confirmation Letter or enrollment forms. 15. How Are Your Payments Made?

Your Program Fee will be charged to Your MWS bill in periodic installments. You must pay the periodic installments of Your Program Fee with your MWS bill payments. 16. Is This The Whole Agreement?

This Agreement, the Confirmation Letter and

the enrollment forms You submitted are the entire agreement between You and AWR. They supersede and replace any prior agreements and understandings between You and AWR concerning their subject matter. 17. Are These Headings Part Of This

Agreement? The headings are not a part of this Agreement. They

are for convenience only. 18. Can This Agreement Be Severed?

If this Agreement's waiver of class actions and collective relief is found to be unenforceable, the

entire arbitration provision will be severed from the Agreement and the remaining provisions will remain in full force and effect. If any other part of this Agreement is found to be unenforceable, that provision will be severed from the Agreement and the remaining provisions will remain in full force

19. Can This Agreement Be Changed? You may not change the terms and conditions of this Agreement. AWR may change the terms and

conditions of this Agreement. 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 e-mail. 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/nashville.

20. Can This Agreement Be Cancelled?

You may cancel this Agreement at any time and for any reason, including if You have another service or insurance contract that gives You the same benefits as this agreement. You may cancel this Agreement by calling AWR toll-free at 1-888-758-8935 or by mailing AWR at 1420 Discovery Parkway, Alton, Illinois 62002. Your cancellation will be effective on the last day of your current billing period. AWR may cancel this Agreement: (1) upon 60 days' written notice to You for any reason; or (2) without notice to You if (i) MWS notifies AWR that your account is delinquent, (ii) You are ineligible for protection, or (iii) You misrepresented any material facts when Yoù entered into or requested service under this Agreement. AWR's notice of cancellation is effective when sent.

Agreement to a third party.

You may not transfer this Agreement to another home or another person. AWR may assign this 22. What Warranties Does AWR Make?

21. Can This Agreement Be Transferred?

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 a period of one year from the date of the covered repair. It is expressly understood that a sewer line cleaning does not constitute a "repair" for purposes of this Section 22. 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. To the extent permitted by applicable law, AWR disclaims any implied or statutory warranties other than the implied warranty of good faith and fair dealing. To the extent permitted by applicable law, the duration of any implied or statutory warranty is limited to the duration of this express warranty. These limitations and disclaimers shall survive the cancellation of this Agreement. This limited warranty gives you specific legal rights. You may have other rights.

23. How Will Disputes Be Resolved?

A. Arbitration. Any Dispute between You and AWR shall be resolved by binding arbitration. In arbitration, there is no judge or jury and there is less discovery and appellate review than in court.

B. Definitions. This arbitration provision shall be broadly interpreted. "Dispute" means any claim or controversy arising from or relating to Your relationship with AWR, for example any: (1) claims

for relief or theories of liability, whether based in contract, tort, statute, or otherwise; (2) claims that arose before this Agreement; and (3) claims that arise after the cancelation or expiration of this Agreement. "Dispute" does not, however, include any issues relating to the scope or validity of this arbitration provision. As used in this arbitration provision, "You" means You and any intended or

successors, assigns, parents, subsidiaries, affiliates, and independent contractors, and each of their officers, directors, employees, and agents. C. Right to Sue in Small Claims Court.

unintended beneficiaries of this Agreement and

"AWR" means AWR and any of its predecessors

Notwithstanding anything in this arbitration provision to the contrary, either You or AWR may bring an individual action in small claims court if the amount claimed is within the jurisdiction of that court. D. Right to Reject this Arbitration Provision or Changes to this Arbitration Provision.

Notwithstanding anything in the Agreement to the contrary, You may reject this arbitration provision or future changes to this arbitration provision. To do so, You must send AWR written notice by certified mail postmarked no later than thirty (30) days after Your first receipt of an arbitration provision (if rejecting the arbitration provision) or notice of the change (if rejecting changes to the arbitration provision) to 1420 Discovery Parkway, Alton, Illinois, 62002, Attention: Legal Department. Your decision will not adversely affect Your relationship with or service from AWR. If You previously notified AWR of Your decision, You need not do so again.

E. Procedures for Arbitration. This arbitration provision is governed by the Federal Arbitration Act. Arbitrations shall be administered by the American Arbitration Association ("AAA") pursuant to its Commercial Arbitration Rules and Supplementary Procedures for Consumer Related Disputes (collectively the "AAA Rules") as modified by the version of this arbitration provision that is in effect when notice of a Dispute is given. 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 appropriate jurisdiction to appoint) an arbitration organization that will do so. Unless You and AWR agree otherwise, any arbitration hearing will take place in the county where Your Home is located. The arbitrator will issue a reasoned written decision that explains the essential findings and conclusions. The arbitrator's award may be entered in any court of appropriate jurisdiction

F. Right to Arbitral Fees and Costs. If You claim more than \$10,000, the payment of the AAA's fees and costs will be governed by the AAA Rules. If You do not claim more than \$10,000, AWR will advance or reimburse the AAA's fees and costs. However, if the arbitrator finds that Your Dispute was frivolous or brought for an improper purpose, the payment of the AAA's fees and costs will be governed by the AAA Rules and You will reimburse AWR for all fees and costs that were Your obligation to pay under the AAA Rules

G. Right to Attorneys' Fees and Costs. You may hire an attorney to represent You. You are responsible for Your attorneys' fees and costs. You may recover them from AWR to the same extent as in court.

IN COURT.
H. Waiver of Class Actions. YOU AND AWR
WAIVE THE RIGHT TO PROSECUTE OR
PARTICIPATE IN A CLASS ACTION, COLLECTIVE
ACTION, OR OTHER REPRESENTATIVE ACTION.
YOU AND AWR MAY SEEK RELIEF ONLY ON
BEHALF OF THEMSELVES AND ONLY TO THE
EXTENT NECESSARY TO REMEDY THEIR
INDIVIDUAL CLAIMS.

INDIVIDUAL OCAINDS

I. Waiver of Jury Trials. WHETHER IN

ARBITRATION OR COURT, YOU AND AWR

WAIVE THE RIGHT TO A TRIAL BY JURY TO THE

FULLEST EXTENT ALLOWED BY LAW.

J. Survival. This arbitration provision shall survive the cancellation or expiration of the Agreement.

24. What Liability Does AWR Have?

To the extent permitted by applicable law, You agree that AWR, its parents, its successors, its affiliates, and its officers, directors, and employees shall not be liable to You or any third party for: (1) any actual losses or direct damages in excess of \$5,000; 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.

25. 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 1-888-758-8935, mail AWR at 1420 Discovery Parkway, Alton, Illinois, 62002, or visit AWR's website at www.awr.usa.com/nashville. Telephone calls may be recorded and/or monitored.

26. Will AWR Share Your Information?

To the extent permitted by applicable law, AWR may obtain Your name, address, telephone number and any other pertinent information from MWS. AWR may share it with others only in order to provide services under this Agreement.

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

AWR NASHVILLE SLPP 0314

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