

# Extended Service Agreement Homeowner Contract

[      ]

Contract Date \_\_\_\_\_

Installation Date \_\_\_\_\_

*This is an application only for an Extended Service Agreement (the "Agreement"). The sale is complete, and the contract is effective only when this application has been accepted for coverage and the Agreement is issued in Houston, Texas, by the Obligor identified in the Terms and Conditions. Obligor reserves the right to reject applications containing mismatched components.*

*I have read the "Terms and Conditions" on the reverse side of this application and understand and agree to these terms. I understand that the cost of seasonal and routine maintenance is not covered under the Agreement.*

X \_\_\_\_\_  
Homeowner's Signature

Homeowner Information:			Mail to Information (if different):		
Name	Last	First	Name	Last	First
Installation Address			Mailing Address		
City, State, Zipcode			City, State, Zipcode		
Daytime Telephone			Daytime Telephone		
E-Mail			E-Mail		

Product Information:					
MODEL	SERIAL NUMBER (10 digits)	TERM (in years)	COVERAGE DESCRIPTION (see options below)	HOMEOWNER COST	TOTAL CONTRACT COST: _____

Company Name _____	Builder (if applicable) _____
Dealer Number with Distributor _____	Telephone Number _____

*The listed equipment has been installed per published guidelines for Goodman brand products, and I will perform service in a manner consistent with Goodman service policies. I attest that equipment installed more than 60 days ago has been inspected and is in good working order, free and clear of any defects.*

Authorized Dealer's Signature X \_\_\_\_\_

**Labor (L)**  
*Obligor will provide labor to repair or replace all Goodman brand parts and other manufacturer approved parts that fail under normal use and service due to a manufacturer's defect in materials and workmanship under the terms and for the duration of the term of coverage identified on the face of this Agreement. Parts and unit replacement are not included in this coverage.*

**Parts and Labor (PL)**  
*Obligor will provide a replacement part for all Goodman brand parts and other manufacturer approved parts that fail under normal use and service due to a manufacturer's defect in materials and workmanship under the terms and for the duration of the Agreement. Obligor will provide labor to repair or replace all Goodman brand parts and other manufacturer approved parts that fail under normal use and service due to a manufacturer's defect in material or workmanship under the terms and for the duration of the term of coverage identified on the face of this Agreement. In the event of compressor or heat exchange failure, unit replacement is not included in this coverage.*

**Compressor (C)**  
*Obligor will provide a new equivalent Goodman brand or other manufacturer approved compressor to replace the failed unit due to a manufacturer's defect in material or workmanship under the terms and for the duration of the term of coverage identified on the face of this Agreement. This coverage extends only to the original purchaser of the Agreement for the duration of the Agreement, and is non-transferable.*

**Parts (P)**  
*Obligor will provide a replacement part only for all Goodman brand or other manufacturer approved parts that fail under normal use and service due to a manufacturer's defect in material or workmanship under the terms and for the duration of the term of coverage identified on the face of this Agreement. Labor costs are not included in this coverage. In the event of compressor or heat exchanger failure, unit replacement is not included in this coverage.*

**Limited Unit Replacement (LUR)**  
*In the event of a compressor or heat exchanger failure due to a manufacturer's defect in material or workmanship, the Obligor will provide and install a new equivalent Goodman brand unit to replace the failed unit. Such coverage is limited to one replacement during the term of coverage identified on the face of this Agreement. This coverage extends only to the original purchaser of the Agreement for the duration of the Agreement and is non-transferable.*

**DEALER: RETURN THIS DOCUMENT TO YOUR AUTHORIZED SERVICER**

## Terms and Conditions

The Extended Service Agreement (the "Agreement") between the Obligor and the homeowner listed on the face of this document (the "Owner") is backed by the full faith and credit of Obligor, who is financially and legally obligated to compensate Owner under the terms and conditions of the Agreement, and provides coverage to the Owner for the term specified and for the particular Goodman brand heating and air conditioning equipment specified, subject to the terms and conditions of the Agreement. This Agreement is not guaranteed under a reimbursement insurance policy.

**OBLIGOR** – If Owner resides in a state other than Florida, Oklahoma, South Carolina, Washington or Wyoming, the Obligor under this Agreement is Asure Extended Service Company LLC, located at 19001 Kermier Rd., Waller, TX, 77484. If Owner resides in Florida, Oklahoma, South Carolina, Washington or Wyoming, the Obligor under this Agreement is AsureCare Corp., located at 19001 Kermier Rd., Waller, TX, 77484.

**AGREEMENT NUMBER** - Owner should always use the Agreement number shown on the face of the Agreement, plus the model and serial number(s), when talking or writing to Obligor or an Authorized Service Provider regarding the Agreement or servicing performed under the Agreement. If Owner does not inform the Authorized Service Provider of the existence of the Agreement, Owner will be responsible for obtaining reimbursement for any parts and/or service labor paid by Owner to the Authorized Service Provider. **IF OWNER DOES NOT USE AN AUTHORIZED SERVICE PROVIDER, OWNER WILL BE RESPONSIBLE FOR THE COST OF THE REPAIR AND WILL NOT BE ENTITLED TO REIMBURSEMENT.**

**PARTS** - Goodman brand or other manufacturer approved parts must be used for all part replacements. If parts coverage is selected, Obligor will endeavor to provide parts without charge for the part only, and render prompt service at all times, but will not be responsible for delays due to strikes, non-availability of replacement parts, or any other causes beyond Obligor's reasonable control. Such delays shall not result in extensions to the coverage term of the Agreement, but the repair will be completed under the terms of the Agreement. Coverage for parts is only included under this Agreement if shown on the face of the Agreement.

**LABOR** - Obligor will compensate an Authorized Service Provider for labor charges associated with repairing a unit as applicable to coverage descriptions. If labor coverage is selected, the Authorized Service Provider shall not charge the Owner for any labor charges associated with performing the repair, but instead will be compensated by the Obligor at a pre-determined labor rate and schedule associated with the particular repair. Coverage for labor is only included under this Agreement if shown on the face of the Agreement.

**CLAIMS SERVICE** – Only the Authorized Service Provider listed on the face of the Agreement or any dealer authorized by the Obligor (an "Authorized Service Provider") may perform repair service. It is Owner's responsibility to verify that the servicer is an Authorized Service Provider prior to any service being performed. A list of Authorized Service Providers can be found by contacting Consumer Affairs at (855) 770-5678. Any service performed by a servicer who is not an Authorized Service Provider will not be reimbursed, and the Agreement will not cover such service. **OVERTIME CHARGES FOR REPAIRS PERFORMED OUTSIDE OF AN AUTHORIZED SERVICE PROVIDER'S NORMAL BUSINESS HOURS ARE NOT COVERED UNDER THE AGREEMENT.** Authorized Service Provider guarantees its service repair for a period of 30 days from the date of service.

**MODEL AND SERIAL NUMBER** – Product coverage is exclusively limited to the model and serial number shown on the face of the Agreement. Owner is responsible for confirmation of the accuracy of this information by comparing it to the nameplate attached to the product(s). Owner must notify Obligor in writing immediately if any errors, omissions or discrepancies exist between the nameplate and the model and serial number shown on the face of the Agreement.

**EXCLUSIONS** – This Agreement does not apply to product(s) or parts thereof that have been subject to alteration, misuse, abuse, accident, improper installation, damage, excessive voltage, acts of nature, corrosion, commercial use, or service other than approved in the product Operating and Installation Instructions and in the Ownership Manual. The Agreement does not cover the following: non-Goodman brand equipment unless otherwise expressly approved by the manufacturer or Obligor; normal maintenance; changes in the appearance of a product that do not affect its performance; products ordered over the internet; products that are installed outside the United States, its territories, or Canada; products removed from the location where they were originally installed; products that are operated in incomplete structures and/or are installed in buildings other than owner-occupied residences, such as non-residential buildings or multi-family residences not occupied by the owner; decorations and trim; non-Goodman brand wall thermostats, fuses, circuit breakers outside of the product, air filters and non-Goodman brand electronic cleaners, condensate pumps and drains not provided by Goodman, unless such equipment is expressly approved by the manufacturer or Obligor; humidifiers; electrical service beyond the covered product(s); cabinets and housing; ducts and vents; bases and mounting; the cost of equipment used to perform service repairs; paint; finish or rust; freight on parts; and state/local tax on service parts and/or labor. The Agreement does not cover the following: electricity or fuel costs, increases in electricity or fuel costs, for any reason, including additional or unusual use of supplemental electric heat, lodging, transportation, or labor charges (unless labor coverage is shown on the face of the Agreement). The Agreement does not cover preexisting conditions existing on the date of purchase of this Agreement other than those due to a manufacturer's defect in material or workmanship.

**LENGTH OF COVERAGE – COVERAGE BEGINS ON THE LATER OF: (1) THE DATE THIS AGREEMENT WAS PURCHASED FOR THE COVERED PRODUCT(S) OR (2)**

**THE 31ST DAY AFTER THE DATE OF INSTALLATION.** This Agreement expires on the date specified under the Coverage Terms on the face of the Agreement, so long as the covered product(s) remains at the original address of installation. For units installed in a newly constructed residence, the Date of Installation is the date the owner purchases the residence from the builder. For units installed in existing residences, the Date of Installation is the date that the unit is originally installed. If the date the owner purchases the residence from the builder or the date the unit is originally installed cannot be verified, the Date of Installation is three (3) months after the manufacture date. For most products, the first four digits of the serial number (YYMM) on the unit indicate the manufacture date. For example, a serial number beginning with "1306" indicates the unit was manufactured in June 2013. The labor coverage of this plan starts on day 31, therefore the parts and labor coverage end dates will be different.

**OWNER'S RESPONSIBILITIES** - Owner is responsible for the cost of any service call requested to demonstrate or confirm the proper operation of the product(s), to correct an improper installation, or to correct malfunctions in the product(s) in a manner not prescribed by, or cautioned against, in the product Operating and Installation Instructions. **THIS IS NOT A MAINTENANCE CONTRACT AND DOES NOT COVER THE COST OF ROUTINE/SEASONAL MAINTENANCE.** Owner's responsibilities include providing normal care and maintenance including, but not limited to, cleaning evaporator or condenser coils, drain, burners or heat exchangers; lubrication; adjustments; normal filter maintenance; and having the product(s) reasonably accessible for service. Owner is responsible for any structural alterations of the premises necessary to service, replace or repair parts otherwise covered by the Agreement. If an emergency occurs outside of normal business hours and no Authorized Service Provider is found to be available, Owner should vacate property to protect his/her own health, safety and welfare. Obligor's responsibility is limited under the terms and conditions of the Agreement. **LIMITATION OF LIABILITY – EXCEPT AS STATED HEREIN AND AS MAY OTHERWISE BE REQUIRED BY LAW, OBLIGOR SHALL IN NO EVENT BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO LOST PROFITS, LOSS OF USE OF A UNIT, EXTRA UTILITY EXPENSES, DAMAGE TO PROPERTY (including damage caused by frozen or broken water pipes in the event of an equipment failure) OR ANY OTHER DAMAGES RESULTING FROM THE BREAKDOWN OR FAILURE OF THE COVERED PRODUCT, DELAYS IN SERVICING, AVAILABILITY OF PRODUCTS INCLUDING PARTS OR THE INABILITY TO SERVICE ANY COVERED PRODUCT. UNDER NO CIRCUMSTANCES WHATSOEVER WILL THE OBLIGATIONS OF THE OBLIGOR UNDER THIS AGREEMENT TO YOU FOR MONETARY RECOVERY EXCEED THE TOTAL PRICE PAID FOR THE COVERED PRODUCT UNDER THIS AGREEMENT.**

**TRANSFERABILITY** – Coverage for Compressor (C) and Limited Unit Replacement (LUP) are not transferable. All Labor (L), Parts and Labor (PL), or Parts (P) coverage under this Agreement are transferable to subsequent property owners for a one-time transferable fee in the amount of \$75.00. Homeowners should ensure that Homeowner Support at 19001 Kermier Rd, Waller, TX, 77484 is kept informed of the current homeowner. This Agreement is not renewable.

**CANCELLATION** – If no claims have been paid under the Agreement, Owner may cancel the Agreement for any reason during the first 30 days after Owner's receipt of the Agreement and obtain a full refund of the purchase price, except in Nevada where the Owner has 70 days to obtain the full refund. If a claim has been paid under the Agreement, or if 30 days has elapsed from Owner's receipt of the Agreement (70 days in Nevada), Owner may cancel this Agreement and receive a refund equal to 100% of the unearned premium calculated on a pro rata basis, less an administrative fee of 10% of the purchase price or \$25 (whichever is less), except in Georgia where the administrative fee is 10% of the pro-rata refund amount, and less a deduction equal to the amount of the cost of claims incurred or paid under the Agreement, except (1) in Nevada and Georgia where the deduction for claims paid does not apply to refunds, and (2) in Florida and Oklahoma where the cancellation fee does not apply to refunds. For service contracts issued in Alabama, Arkansas, Hawaii, Maryland, Minnesota, Nevada, New Mexico, New York, South Carolina, Texas, Washington, Wisconsin, and Wyoming, a penalty equal to 10% of the purchase price shall be applied per month to refunds not paid within 45 days of Obligor's receipt of Owner's written notice of cancellation, except in Washington where the penalty applies to refunds not paid within 30 days, and New Mexico where the penalty applies to refunds not paid within 60 days. For service contracts issued in Georgia, a penalty equal to 25% of the amount of the refund plus interest equal to 18% per year, but not to exceed 50% of the refund due, shall be applied to refunds not paid within 30 days. If Obligor cancels the Agreement at any time, the Owner will receive a refund equal to 100% of the unearned premium calculated on a pro rata basis, less a deduction for any claims paid or the cost of repairs made, except in Nevada and Georgia where no deductions apply to the pro rata refund. Obligor will only cancel the Agreement due to fraud, material misrepresentation or non-payment of service contract fees by Owner. All cancellations by the Owner must be in writing addressed to the Obligor at 19001 Kermier Rd, Waller, TX 77484.

**APPLICABLE LAW** - The sale of the Agreement is complete, and its terms and conditions are in effect only upon receipt and acceptance of the Homeowner Application and the issuance of the Agreement by Obligor. For service contracts issued in Florida, Hawaii, Nevada, Oklahoma, Oregon, South Carolina, Texas, Virginia, Washington, Wisconsin and Wyoming, the Agreement and its terms and conditions are subject to and shall be construed in accordance with the laws of the state in which such contracts are issued; for all other states, the Agreement and its terms and conditions are subject to and shall be construed in accordance with the laws of the state of Texas, excluding any choice of law rules that may direct the application of the laws of another jurisdiction.

**ARBITRATION – IMPORTANT, PLEASE REVIEW THIS ARBITRATION CLAUSE. IT AFFECTS YOUR LEGAL RIGHTS.**

Parties: This arbitration clause affects your rights against Obligor and any of its affiliates or employees or agents, successors, or assigns (hereinafter, "we" or "us").

Arbitration Requirement: **EXCEPT AS STATED BELOW, AND UNLESS APPLICABLE STATE LAW PROVIDES OTHERWISE, ANY DISPUTE BETWEEN YOU AND ANY OF US SHALL BE DECIDED BY NEUTRAL, BINDING ARBITRATION RATHER THAN IN COURT OR BY JURY TRIAL.** "Dispute" will be given the broadest possible meaning allowable by law. It includes any dispute, claim, or controversy arising from or relating to your purchase of a Goodman unit, any warranty upon the unit, or the unit's condition. It also includes determination of the scope or applicability of this Arbitration Clause. The arbitration requirement applies to claims in contract and tort, pursuant to statute, or otherwise.

**CLASS-ARBITRATION WAIVER: ARBITRATION IS HANDLED ON AN INDIVIDUAL BASIS. IF A DISPUTE IS ARBITRATED, YOU AND WE EXPRESSLY WAIVE ANY RIGHT TO PARTICIPATE AS A CLASS REPRESENTATIVE OR CLASS MEMBER ON ANY CLASS CLAIM YOU MAY HAVE AGAINST US OR WE AGAINST YOU, OR AS A PRIVATE ATTORNEY GENERAL OR IN ANY OTHER REPRESENTATIVE CAPACITY. YOU AND WE ALSO WAIVE ANY RIGHT TO CLASS ARBITRATION OR ANY CONSOLIDATION OR INDIVIDUAL ARBITRATIONS.**

Discovery and Other Rights: Discovery and rights to appeal in arbitration are generally more limited than in a lawsuit. This applies to both you and us. Other rights that you or we would have in court may not be available in arbitration. Please read this Arbitration Clause and consult the rules of the arbitration organizations listed below for more information.

**SMALL CLAIMS COURT OPTION: YOU MAY CHOOSE TO LITIGATE ANY DISPUTE BETWEEN YOU AND ANY OF US IN SMALL CLAIMS COURT, RATHER THAN IN ARBITRATION, IF THE DISPUTE MEETS ALL REQUIREMENTS TO BE HEARD IN SMALL CLAIMS COURT.**

Governing Law: For residents of the United States, the procedures and effect of the arbitration will be governed by the Federal Arbitration Act (9 U.S.C. § 1 et seq.) rather than by state law concerning arbitration, except in Oregon and Wisconsin, where state law will govern. For residents of Canada, the procedures and effect of the arbitration will be governed by the applicable arbitration law of the province in which you purchased your Goodman unit. The law governing your substantive warranty rights will be determined in accordance with the terms and conditions of this Agreement.

Venue: Arbitration will be conducted in the federal district in which you reside or, for Canadian residents, in the province in which you reside.

Costs: Each party is responsible for its own attorney, expert, and other fees unless applicable law requires otherwise. Obligor will pay your share of the fees charged by the arbitration organization and arbitrator(s) beyond the first \$200. Where permissible by law, you may be required to reimburse Obligor for the fees of the arbitration organization and arbitrator(s) in whole or in part by decision of the arbitrator(s) at the discretion of the arbitrator(s).

Rules of the Arbitration: The arbitration will be decided by a single arbitrator. The arbitrator will be chosen pursuant to the rules of the administering arbitration organization. United States residents may choose the American Arbitration Association (1633 Broadway, 10th Floor, New York, NY 10019, www.adr.org), JAMS (1920 Main Street, Ste. 300, Irvine, CA 92614, www.jamsadr.com), or, subject to our approval, any other arbitration organization. In addition, Canadian residents may choose the ADR Institute of Canada (234 Eglinton Ave. East, Suite 405, Toronto, Ontario, M4P 1K5, www.amic.org). These organizations' rules can be obtained by contacting the organization or visiting its website. If the chosen arbitration organization's rules conflict with this Arbitration Clause, the provisions of this Arbitration Clause control. The award of the arbitrator(s) shall be final and binding on all parties.

Location: Unless applicable law provides otherwise, the arbitration hearing for United States residents will be conducted in the federal district in which you reside or, for Canadian residents, in the province in which you reside.

Survival and Enforceability of this Arbitration Clause: This Arbitration Clause shall survive the expiration or termination, or any transfer, of the Agreement. If any part of this Arbitration Clause, except waivers of class-action rights, is found to be unenforceable for any reason, the remainder of this clause and the Agreement shall remain enforceable. If, in a case in which class-action allegations have been made, the waiver of class-action rights under this Agreement is found to be unenforceable with respect to any part of the dispute, the parts of the dispute as to which the waiver of class-action rights have been found unenforceable will be severed and will proceed in court without reference or application of this Arbitration Clause. Any remaining parts will proceed in arbitration.

**CONSUMER ASSISTANCE** - All inquiries regarding the Agreement, including claims for payment upon failure of Obligor to pay claims within 60 days after the claim has been filed with the Obligor, should be addressed to Consumer Affairs at (855) 770-5678, or consumeraffairs@daikincomfort.com.

**ALABAMA & WASHINGTON ONLY**– In the event that emergency service is required due to the loss of heating or cooling which jeopardizes the health or safety of property dweller, contact any servicer licensed under the provisions in Owner's state to arrange for repairs. **FLORIDA ONLY**– Rates are not subject to regulation by the Office of Insurance Regulation. **GEORGIA ONLY – THIS IS NOT A CONTRACT OF INSURANCE.** If Owner resides in a condominium that is attached to two (2) or more units, the Obligor under this Agreement is Goodman Manufacturing Company, LP, located at 19001 Kermier Rd., Waller, TX, 77484. Obligor will only cancel this Agreement for fraud, material misrepresentation or nonpayment of amount due under this Agreement. Obligor will mail Owner a written notice at least ten (10) days prior to the date of cancellation for nonpayment, or at least thirty (30) days prior to the date of cancellation for fraud or material misrepresentation. Nothing contained in any provision elsewhere in this Agreement will affect your right to make a claim directly against Obligor if we fail to pay any valid claim within sixty (60) days. **GEORGIA AND KENTUCKY ONLY** -Obligor's performance under this Agreement is assured by a performance bond issued by Westchester Fire Insurance Company, located at 436 Walnut Street, Philadelphia, Pennsylvania, 19106. The Owner of this Agreement shall be entitled to make a direct claim against the insurer upon the failure of the Obligor to pay any claim within 60 days after the claim has been filed with the Obligor. **MINNESOTA ONLY**– In the event of cancellation of this Agreement by us in accordance with the "Cancellation" provision above, Minnesota Residents will receive five (5) days prior written notice of cancellation.

**NEVADA ONLY**– Service calls should be directed to your Authorized Service Provider at the number listed on the face of this Agreement or Consumer Affairs at (855) 770-5678 for assistance in locating an Authorized Service Provider. If your Authorized Service Provider is unavailable and emergency service is required due to the loss of heating or cooling which renders the dwelling uninhabitable, call (877) 254-4729 to report a claim. In the event of emergency service, claim repairs will commence within 24 hours after the report of the claim. In the event an emergency renders the dwelling unfit for a person to live in because of defects that immediately endanger the health and safety of the occupants of the dwelling, and the Authorized Service Provider determines that the repairs cannot practically be completed within three (3) calendar days after the receipt of the claim, then the Authorized Service Provider will provide a status report to the holder no later than three (3) calendar days after the report of the claim. Cancellation of this Agreement will not become effective until at least 15 days after the notice of cancellation is mailed to the Owner. **NEW HAMPSHIRE ONLY** – In the event you do not receive satisfaction under this Agreement, you may contact the New Hampshire insurance department, 21 South Fruit Street, Suite 14, Concord, N.H. 03301; telephone 1-800-852-3416; e-mail consumerinquiries@ins.nh.gov. **OKLAHOMA ONLY**– This service warranty is not issued by the manufacturer or wholesale company marketing the product. This warranty will not be honored by such manufacturer or wholesale company. This is not an insurance contract. Coverage afforded under this contract is not guaranteed by the Oklahoma Insurance Guaranty Association. **OREGON ONLY** - Arbitration is only binding if elected by mutual agreement at the time a Dispute arises. You have the option to litigate any dispute between You and Us in court. **SOUTH CAROLINA ONLY** – Unresolved complaints or questions concerning the regulation of service contracts or providers should be directed to the South Carolina Department of Insurance, P.O Box 100105, Columbia, South Carolina 29202-3105 or (800) 768-3467. **TEXAS ONLY** – Unresolved complaints or questions concerning the regulation of service contracts or providers should be directed to the Texas Department of Licensing & Regulation at P.O Box 12157 Austin, Texas 78711 or (800) 803-9202. **VIRGINIA ONLY** – If any promise made in the contract has been denied or has not been honored within 60 days after your request, you may contact the Virginia Department of Agriculture and Consumer Services, Office of Charitable and Regulatory Programs at www.vdacs.virginia.gov/food-extended-service-contractproviders.shtml to file a complaint. **WASHINGTON ONLY**– In the event that emergency service is required due to the loss of heating or cooling which jeopardizes the health or safety of property dweller, contact any servicer licensed under the provisions of Washington law to arrange for repairs. Any civil actions and/or arbitration proceedings arising from disputes under the terms and conditions of the Agreement are subject to the general jurisdiction of the courts in the State of Washington. **WISCONSIN ONLY – THIS CONTRACT IS SUBJECT TO LIMITED REGULATION BY THE OFFICE OF THE COMMISSIONER OF INSURANCE.** In the event of cancellation of this agreement, obligor will mail a written notice to the agreement owner at the last known address of the agreement owner contained in the records of the obligor at least five (5) days prior to cancellation by the obligor. Such notice shall state the effective date of the cancellation and the reason for the cancellation per the written agreement. Any arbitration proceedings shall be conducted within the state of Wyoming. You have the option to litigate Disputes between You and Us in court. In the event of cancellation of this Agreement, Obligor will mail a written notice to the Owner at the last known address of the Owner contained in the records of the provider at least (10) days prior to cancellation by the Obligor. Prior notice is not required if the reason for cancellation is non-payment of the provider fee, a material misrepresentation by the Owner to the Obligor, or a substantial breach of duties by the Owner relating to the covered product.