

191—54.2(523C) Definitions. As used in the Act and this chapter, unless the context otherwise requires:

“*Act*” means Iowa Code chapter 523C, the Iowa residential service contracts Act.

“*Commission*” means the insurance division of the state of Iowa.

“*Commissioner*” means the commissioner of insurance for the state of Iowa.

“*Guarantee or warranty*” means:

1. Any written affirmation or written promise made by a manufacturer or seller in connection with the sale of structural components or any tangible personal property which relates to the nature of the material or workmanship and affirms or promises that the material or workmanship is free of defects or will meet a specified level of performance over a specified period of time; or

2. Any undertaking by a manufacturer or seller made in writing in connection with the sale of structural components or any tangible personal property to refund, repair, replace or take other remedial action with respect to a product if the product fails to meet the specifications set forth in the undertaking, which written affirmation, promise or undertaking becomes part of the basis of the bargain for purposes other than resale.

“*Licensed service company*” means a service company which is licensed by the Iowa securities bureau pursuant to this Act.

“*Net worth*” means the excess of all assets over all liabilities including required reserves, computed in accordance with generally accepted accounting principles.

“*Person*” means an individual, corporation, trust, partnership or association, or any other legal entity.

“*Residential customer*” means any person (whether or not the person is the owner of the residential property) who purchases a service contract relating to a residential property from a service company.

“*Residential property*” means any single or multiple unit structure, including a house, townhouse, condominium, mobile home, or other habitable structure which is used primarily for residential purposes.

“*Residential service contract*” means a contract or agreement between a residential customer and a service company which undertakes, for a predetermined fee and for a specified period of time, to maintain, repair, or replace all or any part of the structural components, appliances, or electrical, plumbing, heating, cooling, or air-conditioning systems of residential property containing not more than four dwelling units.

“*Service company*” means a person who issues and performs, or arranges to perform, services pursuant to a residential service contract.

“*Service contract*” means a contract or agreement between a customer and a service company which undertakes, for a predetermined fee and for a specified period of time, to maintain, repair, or replace all or any part of the structural components, appliances, or electrical, plumbing, heating, cooling, or air-conditioning systems intended to be attached to or installed in or on real property.

“*Structural components*” means the roof, foundation, basement, walls, ceiling or floors of a residential property.