

TERMS AND CONDITIONS

Manufacturer's Warranty; This agreement is inclusive of the Manufacturer's Warranty; It does not replace the Manufacturer's Warranty, but provides certain additional benefits during the term of the Manufacturer's Warranty. It applies only to the equipment described herein. Any manufacturer's recall and/or labor repair allowance program become part of this Agreement, however are not covered under this Agreement.

ADMINISTRATOR means World Wide Warranty, Inc. DBA W3 Solutions.

WE, US, and OUR means the party obligated under the terms and conditions of this Agreement (the Obligor), which is W3 Solutions.

During the term of this Agreement WE, at OUR sole discretion, will arrange through an authorized service facility, to either repair, or replace covered equipment, if required due to mechanical or electrical breakdown, subject to the terms and conditions stated herein. Such repair or replacement will be performed by US or other authorized service facility.

A mechanical or electrical breakdown is defined as the inability of a covered part to perform a routine function, when properly cleaned and serviced. Replacement of parts may be a duplicate part of like kind and quality including refurbished parts. A mechanical or electrical breakdown does NOT include a reduction in operation efficiency.

W3 Solutions at it's sole discretion, reserves the right to exclude certain makes, models and types of equipment within sixty (60) days from receipt of said agreement, by W3 Solutions. If such exclusion is exercised, YOU will receive a full refund of the purchase price of YOUR plan less the value of any services or claims that have been provided or paid except in Florida, Georgia or Nevada where deduction for claims or services paid does not apply.

This Service Contract provides coverage for the covered equipment and becomes effective on the Equipment Start-up Date.

The service and parts required shall be supplied in the event of a mechanical breakdown of a covered component. Replacement parts will be made with like kind and quality. This contract does not provide for acts of God, cleanings, flushing of system, seasonal check-ups, tune-ups, adjustments, alignments, normal maintenance, noise, sound blanket, and gradual reduction in operating performance due to normal wear and tear.

The administrator of this program W3 can be reached at 1-800-781-7066. Purchaser is reminded that this Service Contract is not an insurance policy. However, the purchaser of this Service Contract is entitled to make a direct Claim against the Insurance Company if Administrator fails to pay any valid claim within 60 days after proof of loss has been filed with Administrator. This Service Contract is fully insured by General Fidelity Insurance Corporation whose address is 201 N. Tyron St. Mailcode: NCI-022-05-01 Charlotte, NC 28255.

COVERAGE: As it applies to the covered equipment.

CONDENSING UNIT(S): All internally installed parts supplied by the manufacturer. Evaporator, condenser coils and metering device are covered against leaks as received from the manufacturer. Agreement will not pay for changeover from CFC to non-CFC refrigerant or oil change on commercial compressor.

EVAPORATOR COIL: An existing evaporator coil and metering device. Dealer certifies coil is clean and not defective when a replacement-condensing unit is installed. A new evaporator coil is covered when sold as a part of a complete system.

COMPRESSOR: All internal functioning parts supplied by the manufacturer.

ELECTRIC FURNACES AND AIR HANDLERS: All internal functioning parts including heat modules and controls supplied by the manufacturer.

GAS FURNACE: All internal functioning parts supplied by the manufacturer.

WATER HEATER: All internal functioning parts supplied by the manufacturer. Excludes any repair due to calcium buildup.

BOILER(S): Coverage applies to internal parts as installed by the original manufacturer, additional external pumps excluded.

HEAT PUMP: Coverage applies to internal parts as installed by the original manufacturer, excludes exterior components (i.e. drain lines, disconnect breakers, external pumps) or any failure, leakage, or design problem associated with closed loop application or open discharge piping.

REFRIGERANT LEAKS: Covers repair of the leak and replacement refrigerant charge as result of leaks internal of unit. Refrigerant is covered only when a leak has been permanently repaired or a compressor replaced.

MAINTENANCE REQUIREMENT: Purchaser must maintain the equipment in accordance with the service requirements set forth by the manufacturer to keep his Service Contract in force. Evidence of proper service, when required by Administrator must be submitted in the event of a claim.

CLAIM SUBMISSION: Upon inspection and diagnosis if it is determined that the failure is covered by the contract the owner or service agent must contact W3 for a repair work order number. The consumer must sign all service invoices upon completion of the repair.

HOURS OF SERVICE: Repair service and service calls will be made during normal working hours of the service dealer. Does not cover overtime rates.

EXCLUSIONS:

- Accessories or non-standard additions.
- Programmable Thermostat(s) requires purchase of additional service contract for coverage. Standard Thermostat(s) are covered with a complete split or package system.
- “No Repair Performed” calls are not covered under this contract.
- Repairs that would not be covered under the manufacturer’s original warranty for reasons other than the expiration of the manufacturer’s warranty.
- Services made mandatory by changes in Federal, State or Local regulations.
- Damage due to insufficient electrical voltage, power surges, electrical circuit overloads, and electrical spikes.
- Misuse or abuse, whether willful or accidental
- Clogged drain line, electrodes, nozzles or gaskets, which are considered maintenance.
- Exterior disconnect box.
- Thermostat calibration and incorrect wiring.
- Appearance features, esthetics, paint and cabinet parts, knobs and buttons.
- Piping, high or low voltage lines external of the equipment.
- Consequential damage caused by rust, oxidation corrosion, water, freezing, fire, lightning, general environmental conditions, insect or rodent infestation, or other natural acts of God.
- Rigging and/or crane service, special tooling, blocks and tackle, dollies, scaffold.
- Improper installation, misuse, abuse, negligence, incorrect wiring or non-connected wires.
- Filters, ductwork, vents, external fuses, belts, connectors, routine maintenance, periodic cleaning.
- Premium service cost over normal service charges.

LIMIT OF LIABILITY: A repair amount shall not exceed the lower of current fair market value of the equipment at the time of failure or the original purchase price.

CANCELLATION:

This Service Contract can be cancelled within the first 30 days by notifying your dealer. In the event this Service Contract is cancelled beyond 30 days from the date of purchase of the equipment, dealer agrees to calculate and make a pro rata refund based on time. Cancellation refunds will be calculated less a \$25.00 Cancellation Fee. If a claim has been paid under this contract, it may not be cancelled.

TRANSFER:

This Contract may be assigned, or transferred, to subsequent owners if the maintenance required has been performed. This can be done only if Purchaser sends notice to W3 within fifteen (15) days of a change in ownership, the name and address of the new purchaser along with a copy of the original Service Contract and a \$25.00 Transfer Fee made out to W3. In the event of a transfer of registered equipment, due to manufacturer/dealer replacement, the original start-up date will remain in effect for the duration of the contract.

California – WE shall provide for the initiation of services, under the direction of the service company, within forty-eight (48) hours of the request for services by YOU. WE can cancel this Agreement only for nonpayment of premium, fraud or material misrepresentation.

Connecticut – The State of Connecticut has established an arbitration process to settle disputes arising from extended warranty contracts. A written complaint may be mailed to State of Connecticut, Insurance Department, P.O. Box 816, Hartford, CT 06146-0186, Attn: Consumer Affairs. The written complaint must contain a description of the dispute, the purchase price of the product and a copy of this Agreement.

Illinois – The obligor is the party responsible for honoring cancellation request. The selling dealer however, can handle a customer's request for cancellation on behalf of the obligor.

Iowa – The issuer of this Agreement is subject to regulation by the Insurance Division of the Department of Commerce of the state of Iowa. Complaints, which are not settled by the insurer, may be sent to the insurance division. Reimbursement is limited to claim submission due to the event of a breakdown, which occurs when the Administrator's office is closed. WE shall provide for the initiation of services, under the direction of the service company, within forty-eight (48) hours of the request for services by You.

Minnesota – The entire Service Agreement between the parties, and no representation, promise or condition not contained shall modify these terms. General Fidelity Insurance Corporation whose address is 201 N. Tyron St. Mailcode: NCI-022-05-01 Charlotte, NC 28255 insures the obligations under this Agreement. If the Administrator does not pay a claim within sixty (60) days of submitting the claims, the claim can be submitted to General Fidelity Insurance Corporation at the above address.

Nevada Only. Emergency – if the emergency involves the loss of heating or cooling, and renders the dwelling uninhabitable, repairs will commence within 24 hours after the report of the claim.

Oklahoma- The manufacturer or wholesale company marketing the product does not issue this service warranty. Such manufacturer or wholesale company will not honor this warranty.

South Carolina – You may notify the South Carolina Department of Insurance at P.O. Box 100105, Columbia, SC 29202-3105, 803-737-6180, with any complaints or questions regarding the Contract.

Texas – The obligations of W3 Solutions under this Agreement are insured separately by an insurance policy issued to W3 Solutions by General Fidelity Insurance Corporation. Unresolved complaints and questions concerning the regulation of service agreements may be addressed to the Texas Department of Licensing and Regulation at P.O. Box 12157, Austin, Texas, 78711.

Utah – You are not subject to a deductible. The Property and Casualty Guaranty Association does not guarantee Coverage afforded under this Agreement. Failure to give any notice or file any proof of loss required by the policy within the time specified in the policy does not invalidate a claim made by the insured, if the insured shows that it was not reasonably possible to give the notice or file the proof of loss within the prescribed time and that notice was given or proof of loss filed as soon as reasonably possible.

Wisconsin – This Agreement is subject to limited regulation by the Office of the Commissioner of Insurance.

Washington – You are not required to wait sixty (60) days before submitting a claim directly to the insurer.

LIMIT OF LIABILITY (New Equipment). While covered under the manufacturer's Plan and this Plan and after the product requires covered service on three (3) separate occasions for the same component and this product requires a fourth repair for the same component, as determined by our authorized service center W3 will replace the product with a product of comparable performance, the value of which may not exceed the original purchase price. Any replacement under this Service Agreement will complete OUR obligations under this Service Contract.

LIMIT OF LIABILITY (Existing Equipment). The dealer and end user purchasing this agreement certify that the equipment to be covered is in good working order and free of existing defects and has been properly maintained over the previous years and agree that there will be no claims under this service contract within the first 30 days. The equipment under this Plan is only covered to a maximum of ten (10) years of age from the date of manufacture. While covered under this Plan and after the product requires covered service on three (3) separate occasions for the same component and this product requires a fourth repair for the same component, as determined by our authorized service center W3 will replace the product with a product of comparable performance, the value of which may not exceed the original purchase price. Any replacement under this Service Agreement will complete OUR obligations under this Service Contract.

ARBITRATION Any and all demands, disputes, or controversies of any nature whatsoever (whether in contract, tort or otherwise, including statutory, common law, fraud (whether by misrepresentation or by omission) or other intentional tort, property, or equitable claims) arising out of, relating to, or in connection with (1) this Service Agreement or any prior Service Agreement, and the purchase thereof; and (2) the validity, scope, interpretation, or enforceability of this Provision or of the entire Agreement ("Claim"), shall be resolved by binding arbitration before a single arbitrator. All arbitrations shall be administered by the American Arbitration Association ("AAA") in accordance with its Expedited Procedures of the Commercial Arbitration Rules of the AAA in effect at the time the Claim is filed.

IMPORTANT INFORMATION: State and Federal laws vary that protect YOUR interests as a consumer. If YOU cannot resolve a problem with OUR Administrator, or US YOU may have other rights and remedies available to YOU.