

CONTRACT COVERAGE SUMMARY

Service America coverage is designed to keep your equipment in operating condition. We will provide the labor and parts as outlined and limited below. The rate charged for this contract is not subject to regulation by the State of Florida Office of Insurance Regulation (Florida Statute 634.414 section 2). **Coverage is limited to the items specifically stated as covered. As with all service contracts there are exclusions and limitations. Please read these carefully to fully understand your coverage.**

Revised January 2012

Service Availability: We will provide regular service during normal working hours Monday thru Saturday. Emergency service requests for uncontrollable water leaks will be taken 24 hours a day, 7 days a week. Scheduling of both regular and emergency service will be based upon the level of priority, service demand and the availability of technicians. Customers requesting non-emergency service after normal working hours will be billed at overtime rates.

Repair Covered: Service America is solely responsible to determine when equipment is non-repairable. Its determination is final and binding.

Air Conditioning/Heat Pump Covered: Thermostat, fuses in unit, compressor, fan motor, blower assemblies, refrigerant, starting and running capacitors, high and low pressure switches.

A/C Tune-Up Covered: Tune-up to be scheduled within contract effective year. Customer is responsible for scheduling tune-up. Availability may be limited during peak seasonal periods.

Refrigerator Covered: Compressor, motors, icemaker, door gaskets, coil, electrical and defrost components. Includes free usage of a compact refrigerator as a loaner if we must remove your refrigerator for repairs. In the unlikely event that we are unable to respond in a 48-hour period, we will pay you for food spoilage, up to \$100 per contract year.

Oven & Range Covered: Self-clean or continuous clean, oven bake and broil elements, surface burners, timer and clock assemblies (if available), door gaskets and electrical components.

Microwave Oven Covered: Touch pad, timer and clock assemblies (if available), fan and magnetron tube.

Dishwasher Covered: Motor and pump assembly, gasket around door, timer and electrical controls.

Garbage Disposal Covered: Clearing of jams in base and impellers.

Clothes Washer & Dryer Covered: Motor, belts, timer, transmission, pump and heating assembly.

Electric Water Heater Covered: Heating element, thermostat, and reset overload button

Gas Water Heater Covered: Thermocouple, gas control valve, burner assemblies.

Ceiling Paddle Fans Covered: Inside dwelling motor and fan switch

Extended Plumbing Covered: Clearing of stoppages in fixture traps, replace flapper, fill and flush valve, gaskets, tank bolts and handle in two-piece toilets, faucet washers, o-rings and seals or cartridge type assemblies in faucets. Replace water heater relief valve, nipples and flex lines with similar material when leaking. Repair or replacement of main valves located inside the contract holders home, repair of leaks inside walls on water pipes, Copper, CPVC, PVC, up to 1 inch in diameter and drainage piping PVC up to 4 inch in diameter inside the contract holders home. Lift toilet to replace wax seal or PVC flange for leaks. One piece toilets and turbo flush/power assist toilets are covered for labor only.

Electrical Covered: Inside dwelling- faulty circuit breakers (excluding GFI or ARC Fault breakers), standard accessible wall switches and receptacles, standard dimmer switches, kitchen or bathroom ceiling fluorescent light ballasts and end clips.

Replacement Coverage: Replacement coverage is available for most air conditioning/heating systems (including coil replacement and drain pans subject to parts limitations), appliances, garbage disposals and water heaters. If you have replacement coverage it is indicated by an R next to the specific coverage on the face of this contract. Service America has the sole right to determine whether a covered air conditioner air handler, condenser or appliance will be repaired or replaced. If Service America determines that the cost of repair will exceed the current value of the item being repaired, this item may be deemed to be unrepairable. Service America reserves the right to offer cash payment in lieu of replacement in the amount of our actual cost of the equipment.

Air Conditioner Replacement: If one piece of a split system is condemned (air handler or condenser) and the remaining piece (air handler or condenser) is not compatible due to Federal, State or Local laws for energy efficiency (effective January 23, 2006) or the cessation of production of R22 refrigerant equipment (effective January 1, 2010) the customer will be required to pay the cost of replacing the non-compatible piece of the unit to meet federal and/or state regulations/laws or building codes for compatibility of refrigerant and energy efficiency. If customer fails to or refuses to pay the cost of replacing the non-compatible piece of said unit, Service America is relieved of and is not required to repair or replace the condemned unit.

Appliance Replacement: Appliance replacement will be made if a part is no longer available from our vendors and it is critical to the mechanical operation of the appliance. There is a \$100.00 deductible towards replacement due to the non-availability of the part. Service America will determine replacement value based on similar model of the same size and/or capacity but will not be responsible to match brand, dimensions, color or for any modifications necessary to install the new appliance. Service America will provide the contract holder with a check in lieu of an actual appliance.

Limitations & Exclusions: Routine maintenance is not covered; cleaning coils, drain pans, ductwork, blower assemblies and condensate lines are not covered. Air conditioning systems will not be repaired or replaced if failure or malfunction was caused by dirty coils or poor maintenance conditions including but not limited to mold, fungus or algae in the system. We reserve the right to refuse to clean dirty evaporator coils due to age and condition. Equipment will not be replaced due to inefficiency or rust and/or corrosion of components not critical to the mechanical operation of the unit. Equipment will not be replaced due to any failure associated with rust and/or corroded cabinets. There is no replacement coverage for rust and/or corrosion of operational parts in first year contracts. Does not include the cost of alterations where the available brand does not fit. Service America is solely responsible to determine when equipment is non-repairable. There is a 30-day wait for replacement coverage to go in effect from initial date of coverage. The maximum limit for replacement is as follows: Up to \$1,500 for a covered air conditioning handler or condenser, up to \$3,000 on the replacement of a covered air conditioning package unit, up to \$1,000 on the replacement of each covered appliance, up to \$500 on the replacement of each covered water heater and up to \$250 on the replacement of microwave ovens. There is a \$100 deductible towards replacement due to the non-availability of a part from our vendors.

Transportation Provision: Should the Florida average price of regular gasoline exceed \$4.00 per gallon, a five dollar (\$5.00) transportation fee will be paid by customer upon arrival of each service call. This is in addition to any applicable co-payments or deductibles.

General Exclusions & Limitations: The following exclusions apply to all types of coverage wherever applicable:

- All equipment must be in operating condition on the original contract effective date. Service America will be the sole determinant of pre-existing conditions that render the system or appliance non-operational prior to coverage dates. Items with such pre-existing conditions are excluded from coverage until repaired.
- Service America shall not be liable for (i) incidental or consequential damages arising from the operation or failure of the equipment or its lines, valves, gauges, or controls, or for work performed on the equipment (ii) diagnosis, repair or mediation of mold, mildew, rot or fungus caused by any reason, or for any damage resulting from mold, mildew, rot or fungus including, without limitation, any health problems or damages to property resulting from mold, mildew, rot or fungus (iii) repairs due to manufacturers failure to honor warranties or to provide proper parts or equipment (iv) repairs or replacement due to rust and/or corrosion, freezing, sediment, tree roots, odor, fire, vandalism, power surges, obsolescence or acts of God or nature.
- Coverage excludes all types of lines and other systems beyond the equipment or that is not readily accessible including but not limited to main valves, main line stoppages, plumbing lines, electrical lines, refrigerant lines, condensate lines, concrete or slab leaks and gas lines.
- All additions that are not part of the original builder installation.
- All accessories not critical to the core operation of the equipment; anything of an aesthetic or non-mechanical nature, including but not limited to: filters, knobs, all plastic, chrome, handles, glass, trim parts, door liners, bins, shelf supports, racks, non-available oven clocks, repairs or replacing any cabinet parts, glass range tops, insulation, porcelain, combustion chambers and heat exchangers, non repairable ice makers, light bulbs, remote controls. Any malfunctions due to computer date recognition failure.
- Parts Limitations- (I) Air conditioning systems – parts are covered up to a maximum of \$200 per part replaced unless AC parts limitation coverage is listed on the face of the contract (II) Appliances/ Plumbing/Electrical – parts are covered up to a maximum of \$100 per part replaced unless Appliance/Plumbing/Electrical parts limitation coverage is listed on the face of the contract. Special order parts will be shipped using regular ground; expedited shipping is available at an additional charge to the customer.
- All costs associated with the procurement of permits, Service America administrative fees, handling fees and crane fees. Cost to repair or replace for the enforcement of codes, building regulations, ordinances, federal, state or city laws.
- Any necessary modifications, masonry, patching, plastering, cabinetry or carpentry.
- Any service performed on covered equipment by another company unless approved by Service America in advance.
- Repairs or replacement due to negligence, misuse or improper installation.
- Modifications or recalls recommended by manufacturer for equipment already in service.
- Repair or replacement of equipment if the age, type, style of the equipment is misstated on the face of this contract or if model and/or serial number is missing.
- Service America reserves the right to delay or suspend service when delivery may be affected by unsafe or hazardous working conditions or during natural disasters or states of emergency.
- Common area plumbing that is part of a larger structure.
- Any disputes resulting from this Agreement or any dispute resulting from Service America's service shall be construed and enforced under the laws of the State of Florida. You hereby submit to the jurisdiction of the courts of Broward County, Florida and waive any objection to the venue with respect to actions brought in such courts.
- Repairs, installation and parts for non-covered items are subject to current parts and labor charges plus shipping charges, if applicable.
- Should similar products not be covered, Service America will make the determination of which product will be covered.
- Service America reserves the right to suspend service if any fee (deductible, co-pay, transportation, etc) has not been satisfied.

NOTICE: It is the responsibility of the contract holder to provide clear access to the equipment to be serviced as well as entry to the home and parking fee for the service vehicle. Service America will not assume responsibility for any damages incurred to ceilings, walls, flooring, counter tops or cabinets while moving or repairing customer's equipment. Any water damage resulting from leaks in the residence not directly caused by Service America personnel, such as water damage resulting from A/C condensate lines are not covered.

Co-Pay Customers will be charged per item serviced. There will be no co-pay charge for return service calls for the same item within 30 days from the original date of service.

Deductible customers will be charged per item replaced. Deductible is due prior to replacement of item.

Changes in Coverage: Repair coverage may be added at any time for the appropriate premium, pending inspection. Replacement coverage can only be added at renewal time, pending inspection. Items may only be removed at renewal time. There is a 30-day wait for replacement coverage to go into effect from the initial date of coverage.

Cancellation/Transfer: If you elect to cancel your contract, you will be entitled to a refund of ninety percent (90%) of the unearned portion of the contract less the cost of repairs or replacements made on your behalf. For this purpose a pro-rata portion of the contract is earned each month. You may transfer/assign your paid in full contract from one owner to another at the same address, upon written notification and payment of a \$25 transfer fee to Service America from the contract holder of record. Service America may cancel this contract. If Service America cancels this contract you are entitled to a one hundred percent (100%) refund of the unearned portion of this contract. If replacement coverage is removed by Service America from your contract or any portion of your contract, you are entitled to receive a one hundred percent (100%) refund of the replacement cost for this contract period.

Renewal: Renewal of this contract or any portion is solely at Service America's discretion.

Entire Agreement: This Agreement is the entire contract between the parties. Any current or prior agreement, representation, understandings and oral statements, including but not limited to, renderings or representations contained in sales brochures, advertising or sales materials and oral statements of sales representatives, if not expressed in this agreement are void and have no effect. Customer acknowledges and agrees that customer has not relied on any such items. Customer should read agreement carefully and is free to consult an attorney of customer's choice. Parties agree to be bound by all of the terms and provisions of this agreement. Customer is advised to carefully review such terms and provisions as well as the various disclaimers in this agreement.

Dispute Resolution: Any and all disputes, controversies or claims arising out of or relating to this contract shall be submitted to, and settled by Arbitration in accordance with the rules of the American Arbitration Association (AAA). The prevailing party may be entitled to collect attorney's fees and costs.

Please list additional coverage or changes below:

Change of Telephone, Home: _____ Other: _____

Change of Mailing Address: _____

Change of Coverages: _____

E-Mail Address: _____

Method of Payment:

CHECK VISA MASTERCARD DISCOVER AMERICAN EXPRESS

Card # _____ Exp Date _____ Security Code _____

Signature _____ Date _____

Please put agreement number on your check. Your check is your receipt.

