

*Please read the terms of this agreement in its entirety!*

#### **A. COVERAGE**

During the coverage period, our sole responsibility will be to arrange for a qualified technician to repair or replace, at our expense the system and components mentioned as “Included” in accordance with the terms and conditions of this agreement so long as such systems and components:

1. Are located inside the confines of the main foundation of the home or attached or detached garage (except for the air conditioner); and
2. Become inoperative due to **normal wear and tear**; and are in place and in proper working order on the effective date of this agreement.
3. This agreement does not cover any HVAC system that is **low or out of refrigerant knowingly or unknowingly**. This agreement covers single family homes (including manufactured homes), new construction homes, condominiums, townhomes, and mobile homes under 5,000 square feet. Coverage is for occupied, owned or rented residential property, not commercial property or residences used as businesses, including, but not limited to, daycare centers, fraternity/sorority houses, and nursing/care homes. This agreement describes the basic coverage available. Coverage is subject to limitations and conditions specified in this agreement.

Please read this agreement carefully. **NOTE:** This is an agreement to **repair or replace your failed HVAC component or equipment ONLY**.

#### **B. COVERAGE PERIOD**

1. This is an annual agreement, however there is a 90-day grace period from the date of purchase before coverage begins, meaning it goes into effect 90 days after purchase and remains in effect for 1-year from date of purchased unless it is cancelled by Allen’s HVAC Services due to non-compliance.

#### **C. SERVICE CALLS – TO REQUEST SERVICE:**

**Visit our website;** [www.allenshvac.com](http://www.allenshvac.com), place your claim and pay your deductible.

1. You or your agent (including tenant) must notify us about work to be performed under this agreement as soon as the problem is discovered. We will accept service calls Monday – Friday from 7am to 5pm and Saturdays from 7am till 3pm. at **240-350-9024**, however you can always file a claim on line 24 hours a day 365 days a year.

**Prior to making a claim you should:**

- (i) Immediately contact the proper authority in the event the malfunctioning system has the potential to cause injury to you or anyone else present in or near your home.
- (ii) Shut down the malfunctioning equipment to prevent further damage; and
- (iii) Determine if the malfunctioning equipment is covered under this agreement.

If this Agreement covers the malfunctioning equipment, you **MUST** contact Allen's HVAC Services **PRIOR** to obtaining service on the malfunctioning equipment. Your failure to contact Allen's HVAC Services prior to obtaining service may render your claim invalid. Allen's HVAC Services will not reimburse you if you use your own service technician without first obtaining Allen's HVAC Services prior authorization.

2. Upon request for service, we will schedule your service request within two (2) days during normal business hours and four (4) days on weekends and holidays. Allen's HVAC Services technician will contact you to schedule a mutually convenient appointment time during normal business hours. We will determine what repairs constitute an emergency and will make reasonable efforts to expedite emergency service. If you should request us to perform non-emergency service outside of normal business hours, you will be responsible for payment of additional fees and/or overtime charges.

3. We will not **reimburse** you for services performed by another technician that does not work for Allen's HVAC Services **without prior approval**.

4. You will pay a \$125 trade service call fee ("Service Fee") **per claim** as specified in this coverage. The Service Fee is for each visit, each HVAC system and each occurrence. The Service Fee applies to each call dispatched and scheduled, including but not limited to those calls wherein coverage is included, excluded, or denied.

**The Service Fee also applies in the event you fail to be present at a scheduled time, or in the event You cancel a service call at the time a technician is in route to your home or at your home. If you fail to be home when the technician arrive at the scheduled time, the service fee will be forfeited, and you will be responsible for paying another service fee upon service. Failure to pay the Service Fee will result in suspension or cancellation of coverage until such time as the proper Service Fee is paid. At that time, coverage may be reinstated; however, the agreement term will not be extended.**

5. If service work performed under this agreement should fail, then We will make the necessary repairs without an additional trade service call fee for a period of 90 days on parts, unless there is a manufacture warranty which will supersede the 90 days, however labor for replacing part is only covered for 90-days regardless of the manufacturer's warranty coverage.

6. All work, repairs, or replacement of parts and equipment will be done by Allen's HVAC Services or an approved licensed contractor by Allen's HVAC Services.

#### **D. COVERAGE**

The Coverage is for no more than one HVAC system, unless additional fees has been paid. If your home have two or more HVAC systems, it is your responsibility to inform us of which HVAC system you are requesting coverage for. If no additional fees are paid, it is at our sole discretion to determine if the HVAC equipment will be covered.

##### **1. AIR CONDITIONING**

**NOTE: Not exceeding 5 (five) ton capacity** and designed for residential use only.

***Included Coverage:*** All basic air conditioning systems and components

***Excluded Coverage:*** Gas air conditioning systems, floor, wall or ceiling supply registers or return air grills, filters, electronic air cleaners, air purifiers, window ac units, non-ducted wall units, humidifiers, humidistats, improperly sized units, mix matched units, unit pads, risers, roof mounts, wall brackets or supports, condensate pumps, neutralizers, commercial equipment, crane cost, refrigerant conversion, refrigerant leaks or repairs, leak detection, preventive maintenance, clogged condensate drains, traps, condensate drain pan, secondary drain pan, water leaks, ductwork, all damper types, thermostats, evaporator coils, l condenser coils or zone systems and components. We are not responsible for the costs associated with matching dimensions, brand or color made when replacing the HVAC equipment, we will

supply the brand of equipment of our choice. We will not pay for any modifications necessitated by the repair or the replacement installation of new equipment. Included but not limited to ductwork.

## 2. HEATING SYSTEM

NOTE: Main source of heat to home **not to exceed 5 (five) ton capacity** and designed for residential use.

***Included Coverage:*** All basic heating systems and components, Gas furnace, LP Furnace, Heat Pumps, Electric Heating Units and Electric Heating Kits for Heat Pumps.

***Excluded Coverage:*** All components and parts relating to geothermal, water source heat pumps including outside or underground piping, components for geothermal and/or water source heat pumps, thermostats, wells for geothermal and/or water source heat pumps, and well pump components for geothermal and/or water source heat pumps. Radiators or valves, baseboard heat or casings, radiant heating, all damper types, ductwork valves, fuel storage tanks, portable units, solar heating systems, fireplaces, and key valves, floor, wall or ceiling supply registers or return air grills, filters, line dryers, oil burners, oil filters, nozzles, electrodes or strainers, backflow preventers, electric or hot water boilers, primary or secondary drain pans, flue pipe or fittings, grills, clocks, timers, add-ons for zoned systems, heat lamps, humidifiers, humidistats, chimneys, chimney liners, pellet stoves, cable heat (in ceiling), wood stoves (even if only source of heating), or preventive maintenance.

### D. LIMITATIONS OF LIABILITY

1. The following are not included during the agreement term; (i) malfunction or improper operation due to lack of maintenance, rust or corrosion of all HVAC systems. known or unknown preexisting conditions.

#### **This agreement does not cover:**

a. Routine maintenance (you are responsible for providing maintenance and cleaning of HVAC equipment as specified by the manufacturer); we can request proof of preventive maintenance before deciding if a claim is valid or not.

If you are unable to provide proof of preventive maintenance, we can deny your claim if your HVAC system failure is determined to have failed due to lack of preventive maintenance.

b. Flue pipe, flue linings, venting, chimneys, and exhaust are not covered.

c. Repair or remediation of cosmetic defects.

d. Repair, replacement, installation, or modification of any component or part thereof, that has been, or is, determined to be defective by the Consumer Product Safety Commission or for which a manufacturer has issued, or issues, a warning, recall, or determination of defect; or

e. When the malfunction is due to missing components, parts, or equipment.

(ii) when the malfunction is due to lack of capacity in the existing system.

(iii) when the malfunction is due to under or oversized systems in relation to the square footage of the area being heated or cooled; or

(iv) to comply with any federal, state, or local laws, regulations or ordinances, utility regulations, or building or zoning code requirements, except as otherwise specified in this agreement.

2. You may be charged an additional fee for disposing of an old HVAC system including but not limited to the following items: condensing units, furnaces, evaporator coils, and compressors.

3. We are not liable for service involving hazardous or toxic materials including but not limited to mold, lead paint, or asbestos, nor costs or expenses associated with refrigerant recovery, recycling, reclaiming or disposal. We are not liable for any failure to obtain timely service due to conditions beyond Our control,

including, but not limited to, labor difficulties or delays in obtaining parts or equipment.

4. We are not liable for repair of conditions caused by chemical or sedimentary build up, rust or corrosion, mildew, mold, misuse or abuse, failure to clean or maintain as specified by the equipment manufacturer, missing parts, structural changes, fire, freezing, electrical failure or surge, water damage, lightning, mud, earthquake, soil movement, soil settlement, settling of home, storms, accidents, pest damage, acts of God, or failure due to excessive or inadequate water pressure.

5. We have the sole right to determine whether a covered HVAC system will be repaired or replaced. We are responsible for installing replacement equipment of similar features, capacity, and efficiency, but not for matching dimensions, brand or color. We are not responsible for upgrades, components, parts, or equipment required due to the incompatibility of the existing equipment with the replacement system, or component or part thereof or with new type of chemical or material utilized to run the replacement equipment including, but not limited to, differences in technology, refrigerant requirements, or efficiency as mandated by federal, state, or local governments. If parts are no longer available, we will offer a cash payment in the amount of the average cost between parts and labor of the repair covered. We reserve the right to locate parts at any time. For the first 90 days of the agreement term, we are not liable for replacement of components or entire systems due to complete system failure, obsolete, discontinued or unavailability of one or more integral parts. We reserve the right to rebuild a part or component or replace with a rebuilt part or component.

6. We are not responsible for repairs related to inadequacy, lack of preventive maintenance, lack of capacity, improper installation, mismatched systems, oversized systems, undersized systems, previous repair or design, manufacturer's defect, and any modification to the system.

7. We are not liable for normal or routine maintenance. We will not pay for repairs or failures that result from the agreement holder's failure to perform normal or routine maintenance. For example, you are responsible for providing routine maintenance and cleaning pursuant to manufacturers' specifications, such as periodic cleaning of heating and air conditioning systems, evaporator coils, blower motors and condenser coils, as well as periodic filter replacement. **In the event a claim is denied, and a customer seeks Us review that denial, we have the right to request routine maintenance records in reviewing its decision.**

8. We are not liable for the repair or replacement of commercial-grade HVAC equipment.

9. We are not responsible for any repair, replacement, installation, or modification of any HVAC system arising from a manufacturer's recall or defect of said covered items, nor any covered item while still under an existing manufacturer, distributors, or in, home warranty.

10. We reserve the right to offer cash back in lieu of repair or replacement in the amount of our actual cost (which at times may be less than retail) to repair or replace any covered HVAC system

11. We are not responsible for the repair or replacement of any HVAC system or component or part thereof that has been previously, or is subsequently, determined to be defective by the Consumer Product Safety Commission or the manufacturer and for which either has issued, or issues, a warning or recall, or which is otherwise necessitated due to failure caused by the manufacturer's improper design, use of improper materials, formula, manufacturing process or other manufacturing defect.

12. We will not pay for the repairs or replacement of any covered HVAC systems if they are inoperable because of known or unknown preexisting conditions, deficiencies and/or defects.

#### **E. MANDATORY ARBITRATION**

In the event of a dispute over a claim or coverage You agree to file a written claim with us and allow us thirty (30) calendar days to respond to the claim. The parties agree to mediate in good faith, before resorting to mandatory arbitration, in the state of Maryland. Except where prohibited, if a dispute arises from or relates to this Agreement or its breach, and if the dispute cannot be settled through direct discussions You agree that:

1. All disputes, claims and causes of action arising out of or connected with this Agreement shall be

resolved individually, without resort to any form of class action, multiple plaintiffs, representative, or similar proceeding (“Class Action”). The parties expressly waive any ability to maintain any Class Action in any forum. The arbitrator shall not have authority to combine or aggregate similar claims or conduct any Class Action nor make an award to any person or entity not a party to the arbitration. Any claim that all or part of this Class Action waiver is unenforceable, unconscionable, void, or voidable may be determined only by a court of competent jurisdiction and not by an arbitrator. THE PARTIES UNDERSTAND THAT THEY WOULD HAVE HAD A RIGHT TO LITIGATE THROUGH A COURT, TO HAVE A JUDGE OR JURY DECIDE THEIR CASE AND TO BE PARTY TO A CLASS OR REPRESENTATIVE ACTION. HOWEVER, THEY UNDERSTAND AND CHOOSE TO HAVE ANY CLAIMS DECIDED INDIVIDUALLY, THROUGH ARBITRATION.

2. All disputes, claims and causes of action arising out of or connected with this Agreement (including but not limited to whether a particular dispute is arbitrable hereunder) shall be resolved exclusively by the American Arbitration Association in the state of Maryland under its Commercial Mediation Rules.

Controversies or claims shall be submitted to arbitration regardless of the theory under which they arise, including without limitation agreement, tort, common law, statutory, or regulatory duties or liability.

3. All claims, judgments and awards shall be limited to actual out-of-pocket costs incurred to a maximum of \$1500 per claim, but in no event attorneys’ fees.

4. Under no circumstances will You be permitted to obtain awards for, and You hereby waive all rights to claim, indirect, punitive, incidental and consequential damages and any other damages, other than for actual out-of-pocket expenses, and all rights to have damages multiplied or otherwise increased. All issues and questions concerning the construction, validity, interpretation and enforceability of this Agreement, shall be governed by, and construed in accordance with, the laws of the State of Prince George’s, U.S.A. without giving effect to any choice of law or conflict of law rules (whether of the State of Maryland or any other jurisdiction), which would cause the application of the laws of any jurisdiction other than the State of Maryland.

#### **F. SEVERABILITY**

If any provision of this Agreement is found to be contrary to law by a court of competent jurisdiction, such provision shall be of no force or effect; but the remainder of this Agreement shall continue in full force and effect.

#### **H. BUILDING AND ZONING CODE REQUIREMENTS OR VIOLATIONS**

1. We will not agree on services to meet current building or zoning code requirements or to correct code violations, nor will we agree to services when permits cannot be obtained. We will not pay for the cost to obtain permits.

2. Except as required to maintain compatibility with base equipment manufactured. We are not responsible for upgrade or additional costs or expenses that may be required to meet current building or zoning code requirements or correct for code violations. This includes city, county, state, federal and utility regulations and upgrades required by law.

#### **I. MULTIPLE UNITS AND INVESTMENT PROPERTIES**

1. If the agreement is for duplex, triplex, or fourplex dwelling, then every unit within such dwelling must be covered by Our agreement with applicable optional coverage for coverage to apply to common systems and appliances.

2. If this agreement is for a unit within a multiple unit of 5 or more, then only items contained within the confines of each individual unit are covered. Common systems are excluded.

3. Except as otherwise provided in this section, common are excluded.

## **J. TRANSFER OF AGREEMENT & RENEWALS**

1. If your covered property is sold during the term of this agreement, You must notify us of the change in ownership and submit the name of the new owner by phoning 240-350-9024 to transfer coverage to the new owner. If you fail to notify us of the new ownership within 15 days, coverage will be forfeited.
2. You may transfer this agreement at any time. There is no fee to transfer agreement.
3. This agreement may be renewed at our option and where permitted by state law. In that event you will be notified of the prevailing rate and terms for renewal.
4. If you select the monthly payment option and We elect to renew your agreement, we will notify you of applicable rate and terms of renewal during the tenth month of your agreement. You will automatically be renewed for a monthly coverage period unless you notify us in writing 30 days prior to the expiration of the agreement. Your first payment for the next agreement term will be construed as authorization for month-to-month charges.

## **K. CANCELLATION**

1. This agreement may be cancelled by Allen's HVAC Services for the following reasons: (a) nonpayment of agreement fees or other breach of this agreement by the customer; (b) fraud or misrepresentation by the customer and/or customer representative of facts material to Allen's HVAC Services issuance of this agreement; or (c) a change in laws or regulations that has a material effect on the business of Allen's HVAC Services or ability to fulfill its obligations under this agreement.
2. The customer may cancel this agreement at any time and for any reason.
3. If the customer or Allen's HVAC Services cancels the contact within the first 30 days following the beginning of the agreement term:
  - (a) if ALLEN'S HVAC SERVICES has not provided any services, the customer will receive a full refund of all agreement fees paid.
  - (b) if ALLEN'S HVAC SERVICES has provided services and the amount of the service costs incurred by ALLEN'S HVAC SERVICES is less than the agreement fees paid, the customer will receive a refund of the agreement fees paid, less the service costs incurred by ALLEN'S HVAC SERVICES.
  - (c) If ALLEN'S HVAC SERVICES has provided services and the amount of the service costs incurred by ALLEN'S HVAC SERVICES is greater than the agreement fees paid, the customer shall pay ALLEN'S HVAC SERVICES the lesser of (i) the amount by which the service costs incurred by ALLEN'S HVAC SERVICES exceeds the agreement fees paid; or (ii) the amount by which the annual rate listed on the Agreement pages exceeds the agreement fees paid.
4. If the customer or ALLEN'S HVAC SERVICES cancels the agreement after the 30th day following the beginning of the agreement term:
  - (a) if ALLEN'S HVAC SERVICES has not provided any services, the customer will receive a pro rata refund of the agreement fees paid for the unexpired term.
  - (b) if ALLEN'S HVAC SERVICES has provided services and the amount of the service costs incurred by ALLEN'S HVAC SERVICES is less than the agreement fees paid, the customer will receive a pro rata refund of the agreement fees paid for the unexpired term, less the service costs incurred by ALLEN'S HVAC SERVICES.
  - (c) If ALLEN'S HVAC SERVICES has provided services and the amount of the service costs incurred by ALLEN'S HVAC SERVICES is greater than the agreement fees paid, the customer shall pay ALLEN'S HVAC SERVICES the lesser of (i) the amount by which the service costs incurred by ALLEN'S HVAC

SERVICES exceeds the agreement fees paid; or (ii) the amount by which the annual rate listed on the Agreement pages exceeds the agreement fees paid; and

Additionally, customer shall be responsible for an administrative fee of the lesser of (i) your Plan Fee for one month of coverage under this agreement or (ii) such amount as is permitted by law.