

HWISEL SERVICE PLAN AGREEMENT

HWISEL SERVICE PLAN COVERS ONE OF THE FOLLOWING:

- Residential natural gas furnace, boiler, space heater, air handler, or primary heat source fireplace (the “heating unit”).
- Heat pumps, equipment using conversion burners, the conversion burner itself and ductless, wall unit, heat pump and high velocity units are not eligible for coverage.
- Cooling Plan covers a residential electric powered central air conditioning unit (the “cooling unit”).
- Natural gas powered, ductless, wall unit, heat pump and high velocity air conditioning units are not eligible for coverage.
- Water heater, tank type, tank-less.
- Kitchen appliances and Laundry appliances.

Equipment serving more than one dwelling unit is not eligible for coverage.

HEATING PARTS COVERED. THE FOLLOWING IS A COMPLETE LIST OF PARTS COVERED BY YOUR HWISEL SERVICE HEATING PLAN:

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| GAS BURNER AND ORIFICES | VENT SYSTEM PRESSURE SWITCH |
| AUTOMATIC GAS CONTROL VALVES | CONDENSATE PUMP |
| GAS REGULATOR | FURNACE LOW VOLTAGE CIRCUIT FUSE |
| ELECTRIC IGNITION SYSTEM | AUTOMATIC VENT DAMPER/MOTOR |
| RELAY | AQUA STAT CONTROLS |
| FLAME SPREADER | FLOW SWITCH |
| PILOT BURNER | PULLEY AND BELT |
| THERMOCOUPLE/GENERATOR | BLOWER/COMPONENT |
| FAN AND LIMIT CONTROLS | FAN MOTOR |
| POWER BURNER MOTOR | DOOR SWITCH |
| HEATING CIRCUIT TRANSFORMER | SUMMER OR WINTER SWITCH |
| VENTER MOTOR ASSEMBLY | LOW WATER SWITCH |
| ROLL OUT SWITCH | THERMOSTAT |

The following parts are excluded from coverage under your plan: heat exchanger, heating coil (air handler), heating sections (boiler), firebox/combustion chamber, furnace filters, low and high-water cut-off valves, and parts added on to accommodate ancillary equipment such as air conditioners, humidifiers, etc.

Replacement of the complete heating or cooling unit is not covered under any of our plans.

COOLING PARTS COVERED. THE FOLLOWING IS A COMPLETE LIST OF PARTS COVERED BY YOUR COOLING HWISEL SERVICE PLAN:

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|--------------------------------|----------------------------|
| ADD-ON FAN CENTRES | EVAPORATOR COIL |
| CAPACITOR | INTERNAL ELECTRICAL WIRING |
| CONDENSER COIL | CONDENSER FAN MOTOR |
| INTERNAL COPPER TUBING | THERMOSTAT |
| LOW AMBIENT TEMPERATURE SENSOR | FAN BLADE |
| ADD-ON INDOOR FAN RELAY | LINE COMPONENTS |
| COOLING CONTACTOR/RELAY | |

The following are excluded from coverage under your plan: compressor replacements as well as repairs required within the furnace or air handler are not covered by the Cooling Hwise Service Plan.

WATER HEATERS COVERED: ALL COMPONENTS AND PARTS, INCLUDING TANKLESS WATER HEATERS AND CIRCULATING PUMPS.

The following are excluded from coverage under your plan: Auxiliary holding or storage tanks – Noise – Fuel storage tank and energy conservation unit.

REFRIGERATORS COVERED: ALL COMPONENTS AND PARTS.

The following are excluded from coverage under your plan: Free standing freezer – Wine chillers.

CLOTHES WASHERS COVERED: ALL COMPONENTS AND PARTS.

CLOTHES DRYERS COVERED: ALL COMPONENTS AND PARTS.

RANGES/OVENS/COOKTOPS COVERED: ALL COMPONENTS AND PARTS.

DISHWASHERS COVERED: ALL COMPONENTS AND PARTS.

BUILT-IN MICROWAVE OVENS COVERED: ALL COMPONENTS AND PARTS.

Besides the specific terms listed here, coverage may be limited by general exclusions and limitations in the Hwise Service Plan – General Terms and Conditions.

GENERAL TERMS AND CONDITIONS

In this Service Agreement (together with any amendments made to it or any schedule attached to it, from time to time, referred to as “this Agreement”), (a) the words “you” and “your” refer to the Customer who signed this Agreement, (b) the word “Plan” refers to the Hwisel Service Plan purchased, (c) the word “Equipment” refers to the appliance(s) covered under the Plan, (d) the word “Re-Seller” refers to the Re-Seller named in this Agreement and (e) the words “we”, “us”, and “our” refer to the authorized Re-Seller, the service technician, the contractor, and/or Hwisel Soft Inc. as the case may be. Hwisel Soft Inc. is herein referred to as ‘Hwisel’. After you sign this agreement, the Re-Seller may transfer its rights to Hwisel.

1. LICENSED TECHNICIANS. Hwisel does not perform the repair or maintenance services under the Plan but are performed by contracts with third parties under license to Hwisel.

2. PLAN COVERAGE. Hwisel Service Plans include equipment warranty coverage and/or equipment maintenance for one year starting 30 days after this agreement is signed or from date you requested except as otherwise stated in the plan you selected. **Coverage is for owned or rented residential property, not commercial property or premises converted into a business.** You acknowledge receipt of a copy of this Agreement which outlines your equipment coverage under the Plan.

3. EQUIPMENT MAINTENANCE PLAN. Hwisel or its authorized Re-seller or agent will arrange to have your equipment inspected and cleaned in accordance with the manufacturer’s recommendations once a year at a time mutually convenient. Repairs required to your equipment not covered under the Plan are extra unless you have an applicable Service Plan.

4. HVAC SERVICES COVERED. Subject to the Plan you select, Hwisel Service Plan(s) cover maintenance only and/or repair. Repair Plans include the diagnosis and repair, replacement or adjustment, as we determine necessary, of specified parts within your “heating unit” (if your plan includes a “Heating Service Plan”) and “cooling unit” (if your plan includes a “Cooling Service Plan”) subject to the exceptions noted under the Plan. For parts and services included in the Plan, you may be protected from all labour and part replacement costs, up to the limits described or \$500 whichever is less. Flushing of the heat exchanger, or additional cleaning that is required due to insufficient maintenance prior to joining any Hwisel Service Plan, or any pre-conditions are excluded from coverage and will be charged to you at our standard labour rate. Boiler system drainage and refill are excluded from any Plan coverage.

The costs to diagnose and replace any defective parts which have caused a refrigerant leak are included in your cooling Plan. However, costs of refrigerant recovery, vacuuming and refill are excluded. The Equipment must be:

- . Located within the confines of the permanent foundation of your residence (except for a central air conditioning unit);
- . Properly installed and in proper working order on the Coverage Date;
- . Safely and readily accessible for diagnosis and repair by the authorized technician; and
- . Located in a safe and sanitary environment for our authorized technician.

5. Replacement Parts. Any replacement parts used to repair your eligible appliance may, at our option, be new, refurbished or non-original manufacturer’s parts that perform to the factory specification of the appliance. Commercially reasonable efforts will be made to match dimensions, brand or colour. We are responsible for installing replacement of similar features, capacity and efficiency, but not for matching dimensions, brand or colour. We are not responsible for upgrades or for the cost of construction, carpentry, or other modifications made necessary by existing equipment or installing different equipment.

6. TERMINATING YOUR COVERAGE. (a) Upon signing this Agreement, you may have up to 10 days to cancel it, see Buyer’s right to cancel. We have 30 days after this period to arrange for an initial inspection of your system at our discretion. **If we feel, in our sole discretion, that the system covered under the Plan fails to meet our minimum equipment condition we may terminate the Plan. You are still liable for the maintenance work performed at our standard rate.** (b) If you cancel the coverage prior to the end of its term all payments outstanding will become due and payable.

7. PRE-AUTHORIZED/CREDIT CARD PAYMENTS. You authorize us to make withdrawals from the account identified in the attached sample cheque for payment of all amounts due under this Agreement. You direct the financial institution at which your account is located to debit such account for such withdrawals and such financial institution has no duty to determine whether

withdrawals it debits to your account comply with such authorization. If a pre-authorized payment is not processed or is returned unpaid for any reason or if you do not make a payment when it is due, you authorize us to charge to any credit card identified on the reverse (see Customer and Co-Customer Information) all amounts due under this Agreement. Any cancellation by you of the authorizations in this Section will be effective on the 10th day following receipt by us of your written notice of cancellation.

8. AUTOMATIC RENEWAL. Your coverage under the Plan will automatically renew every year on the anniversary date which is the date you signed this Agreement. You will have 10 days to cancel the Agreement upon its renewal by giving us notice in writing that you do not wish to renew your coverage. We may cancel your renewal by providing you with prior written notice. We may change the Terms and Conditions of the Plan including the renewal price. We will notify you of any changes prior to your renewal after which the new Terms and Conditions and the new rate will take effect.

9. INDEMNITY. You will indemnify us from all losses, claims, costs, expenses, damages, actions and liabilities whatsoever, including legal fees on a solicitor and own client basis, in connection with or arising from this Agreement, any payments made under it, the parts replaced or service performed, possession, ownership, or use of the Equipment.

10. EXCLUSIVITY. Hwisel or the Re-Seller are the exclusive service and parts provider under the Plan.

11. ASSIGNMENT. We may assign our rights and/or obligations under the Plan to a third party. Hwisel Service Plans cover your equipment and are not assignable by you.

12. REPLACEMENT PROGRAM. If repairs exceed \$1,000.00 or the Customer's heating or cooling unit require the replacement of the heat exchanger, condenser coil, or compressor and these replacement parts are not covered under the Customer's Plan, or the unit is deemed irreparable by our licensed technician, the Customer will be provided a credit of \$500 (or the equivalent in rental furnace/AC deferred payments) towards the purchase/rental of a new replacement unit from Hwisel authorized dealer. The Customer's Service plan is transferable to the new unit(s).

13. MOVING - If you are moving to a new residence, you have two options for your Plan:

- a. **Transfer your Plan:** If you move, your Plan is transferable to your new residence provided you move within our service area. Your Plan will be cancelled at your old residence and you will be billed out for the remaining installments owing for the Plan. Those billed installments will then be applied as a credit on your first bill to the new residence. A new Plan will be created for your new residence, which will remain in effect for an initial period of one year or longer depending on the Plan you select. Please contact Hwisel using the information set out under the heading "Contact Us" 30 days before you move out of your old residence to ensure the successful transfer of the plan(s) to your new residence.
- b. **Cancel your Plan:** If you choose not to transfer your Plan to your new residence or your new residence is not located within our service area, you will be billed out for the remaining installments of your Plan.

14. LIABILITY. Hwisel tries to diagnose and repair problems on the first service visit; however, it is not always possible. We are not liable for losses or damages resulting from misdiagnosis or delays in completing diagnosis or repairs. If our contractor does not correct or repair a problem covered by your Plan or if a replacement part fails, our sole liability will be to correct the problem and, if necessary, to provide an additional replacement part. In no event are we liable for indirect, consequential or economic damages or for loss or damages to any person or property, indirect, consequential or incidental arising from the use or inability to use the equipment to the extent such may be disclaimed by law, nor do we cover any defects which are subject to a manufacturer's or distributor's recall, in-home warranty, or which are covered under a manufacturer's, distributor's or builder's program of reimbursement. **Force Majeure.** We are not responsible for failing to perform our obligations or for any loss to you under this Agreement if we are prevented from doing so by events or circumstances beyond our control.

Unavailable Parts or Non-repairable Equipment - We try to locate a replacement part or an appropriate substitute as quickly as reasonably possible, but limited availability of certain parts may result in delays from time to time. In the event that a part is no longer available or we cannot obtain it at a commercially reasonable cost, we will not be liable for replacing the equipment. If the part is no longer available or the equipment cannot be repaired, either of us may terminate your Plan. If the Plan is terminated and you have no prior service completed under your Plan, we will issue a refund up to a maximum of one year of payments made. If you

have had service under your Plan, we will issue a refund up to a maximum of one year of payments made from the last service date.

15. WARRANTY. We make no representations or warranties as to the parts and labour, except for those that are given by law, except as provided below. During the manufacturer's warranty period, the manufacturer is responsible for items covered under their express or implied warranties. Subject to you carrying out your obligations under the Plan and subject to the limitations set out under "Liability", we will pay for repair expense not covered by the manufacturer's warranties and covered by your Plan. We are not a manufacturer of the parts and we are not making any warranty or guarantee in respect of the parts, the supplier or the manufacturer. Any warranties or guarantees provided under applicable legislation are hereby excluded to the extent permitted by law.

16. GENERAL EXCLUSIONS: Your Plan specifically does not cover costs if repairs are needed because of: design faults or faults which existed before your Plan became effective, abuse, tampering, alterations or repairs by persons other than us, accidental or deliberate damage, loss, theft, freezing weather conditions, subsidence, structural repairs, fire, lightning, explosion, earthquake, flood, storm, acts of war or other insurable risks, the thermostat is not at the proper setting, the household electrical fuse or breaker required for the equipment is blown, the Heating Unit or Cooling Unit has been turned off, improper sizing or application of the equipment, redecoration or renovation related work, pre-existing defects or deficiencies in existence or which have previously been repaired during the first 30 days prior the date of coverage under your Plan, lack of reasonable maintenance, heating, cooling, appliance, electrical or plumbing or drains system breaking down.

We reserve the right not to provide coverage for certain types, brands or models of equipment. If your Plan covers only one unit of equipment and we exercise our right not to provide coverage for such equipment, we may cancel your Plan. If you have no prior service completed under your Plan, we will issue a refund up to a maximum of one year of payments made. If you have had service under your Plan, we will issue a refund up to a maximum of one year of payments made from the last service date.

Redecoration and restoration costs: The costs of redecoration and restoration costs required as a result of any work performed in connection with the Plan are not covered. This includes wall-coverings, drywall, plaster, wallpaper, paint, floor coverings, tile, cabinetry, counter tops, landscaping or repair of any structural or cosmetic defects.

Your Plan does not cover: parts, components not specifically listed in the Plan Coverages and the Agreement or that relate to a manufacturer's recall, providing for or closing access to covered items, except as noted in the Plan Coverages and Agreement; service or repairs of equipment that are related to inadequacy or lack of capacity, improper installation, previous repair, design or any modification to the system or appliance, unless performed by us under this Agreement; electronic, computerized or energy management systems or devices, such as "Smart House" service, maintenance, repair, or replacement necessitated by any loss or damage resulting from any cause other than normal usage; loss or damage due to chemical or sedimentary build-up, misuse or abuse, unauthorized repair by others, failure to clean or maintain the equipment; rust, corrosion, insect infestation, mould, mildew or bacterial manifestations, missing parts, structural change, fire, freezing, electrical failure or surge, water damage, lightning, mud, earthquake, soil movement, windstorms, hail, theft, negligence, intentional acts, riot, accidents, pet or pest damage, acts of God, or failure due to excessive water pressure or any other perils are not considered loss or damage by normal use; parts, components, units, components and/or any subassemblies that are covered by a manufacturer's, contractor's, builder's or installer's warranty or program of reimbursement; upgrades or for the cost of construction, carpentry, or other modifications made necessary by existing equipment or installing different equipment; preventative maintenance; consumable items, including but not limited to, filters and fuses and replacement of spoiled food as a result of failure of equipment or electricity outage. Radon monitoring systems, fire sprinkler systems, and solar systems and components are not covered.

Building and Zoning Code Requirements or Violations: If current building or other code violations are discovered before or during the diagnosis or repair of equipment, we shall not be required to repair or service the equipment until you complete the necessary corrective work at your own expense. If you incur additional costs or expenses in order to comply with local, provincial/state, or federal law, we shall not be responsible for that additional cost or expense. We are not responsible for service or repair of equipment when permits cannot be obtained and we will not pay any costs relating to permits.

Hazardous Materials: We shall not cover service involving hazardous or toxic materials, asbestos, lead or the disposal of refrigerants or contaminants.

17. SHARED SYSTEMS AND APPLIANCES.

- a. If the Plan is for a duplex, triplex, or fourplex dwelling, then all units within the dwelling must be covered by one Plan for coverage to apply to shared systems and appliances.
- b. If this contract is for a multi-unit dwelling other, then only items contained within the confines of each individual unit are covered. Shared systems and appliances are not covered.
- c. Except as otherwise provided, shared systems and appliances are not covered.

18. MODIFICATION OF TERMS AND CONDITIONS - We may modify the terms and conditions of your Plan, including the price, by giving you notice of the changes at least thirty (30) days and no more than ninety (90) days prior to the Anniversary Date. Such changes will become effective on the Anniversary Date. This is the entire agreement between you and us and supersedes all prior agreements, understandings or discussions, whether oral or written, and there are no warranties, representations or other agreements except as specifically set out herein.

19. PERSONAL INFORMATION. We collect personal information about you in order to establish and manage our, and our authorized service provider's, business relationship with you. Please refer to our Privacy Policy for more details.

20. SAFETY. No service or repairs under the Plan will be provided if our authorized technician refuses to enter a residence due to the presence of animals, insects, unsanitary conditions or unsafe conditions, or is unable to provide service due to equipment that is not readily accessible. In the event of such unsanitary or unsafe conditions, as determined by us acting reasonably, we may, in our sole discretion, terminate your Plan.

21. GOVERNING LAW. If this agreement is entered into in the United States of America then this Protection Plan Guide and Agreement is governed by and construed in accordance with the laws of the State of Delaware and the laws of the United States of America (USA), for all other countries, the laws of Ontario and federal laws of Canada are applicable therein.

22. MISCELLANEOUS.

- a. Any provision of this Agreement that is unenforceable in any jurisdiction will, as to such jurisdiction, be ineffective only to the extent of such unenforceability without invalidating the remaining provisions of this Agreement. The headings in this Agreement are for convenience only and will not affect the construction or interpretation of this Agreement. References to Sections in this Agreement are to Sections of this Agreement.
- b. We may keep a copy of this Agreement in electronic form only.
- c. You will pay us on demand interest on all amounts payable under this Agreement not paid when due, both before and after judgment, until paid, at an annual rate equal to the lesser of 19.56% per annum and the highest rate per annum permitted by applicable law, compounded monthly.

23. NOTICE. You can provide us notice as required by law. We can provide notice to you by personal delivery, mail (including registered mail), phone or by e-mail. If the e-mail addresses which you have provided us changes, you will need to give us your updated e-mail address.

24. USA MANDATORY ARBITRATION PROVISION. Unless you make written application to Hwisel and Hwisel agrees in writing to allow you to bring a small claims lawsuit against Hwisel solely in your individual capacity, any claim, dispute or controversy, regarding any contract, tort, statute, or otherwise ("Claim"), arising out of or relating to this agreement or the relationships among the parties hereto shall be resolved by one arbitrator through binding arbitration administered by the American Arbitration Association ("AAA"), under the AAA Commercial or Consumer, as applicable, Rules in effect at the time the Claim is filed ("AAA Rules"). Copies of the AAA Rules and forms can be located at www.adr.org, or by calling 1-800-778-7879. The arbitrator's decision shall be final, binding, and non-appealable. Judgment upon the award may be entered and enforced in any court having jurisdiction. This clause is made pursuant to a transaction involving interstate commerce and shall be governed by the Federal Arbitration Act. Neither party shall sue the other party other than as provided herein or for enforcement of this clause or of the arbitrator's award; any such suit may be brought only in Federal District Court for the District or, if any such court lacks jurisdiction, in any state court

that has jurisdiction. The arbitrator, and not any federal, state, or local court, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, unconscionability, arbitrability, enforceability or formation of this Agreement including any claim that all or any part of the Agreement is void or voidable. However, the preceding sentence shall not apply to the clause entitled "Class Action Waiver."

25. USA CLASS ACTION WAIVER. Any Claim must be brought in the parties' individual capacity, and not as a plaintiff or class member in any purported class, collective, representative, multiple plaintiff, 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.