



DISTRIBUTOR/CONTRACTOR SERVICE AGREEMENT

The Corken Steel Products Company D/B/A Midwest Factory Assurance (hereinafter "Distributor") and _____ (hereinafter "Authorized Service Contractor") hereby enter into this Agreement effective this ____ day of _____, 20____, for the purpose of providing Extended Warranty protection with respect to certain Distributor HVAC products specifically identified in this agreement.

In consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Distributor and Authorized Service Contractor agree to be bound by the following terms and conditions.

1. Authorized Service Contractor agrees to offer its customers the opportunity to purchase an extended warranty in the form set out in Exhibit A. If the customer elects to purchase an extended warranty, Authorized Service Contractor agrees to charge the customer the applicable amount set out in Extended Warranty Charge Schedule, Exhibit B, attached hereto, which amount shall be immediately reimbursed to Corken upon collection from the customer and registration of the warranty. It is understood that the Authorized Service Contractor may charge the customer a reasonable mark-up in addition to the charges listed in Extended Warranty Charge Schedule, Exhibit B.
2. Authorized Service Contractor, upon request, will perform service and repair work on HVAC equipment for qualified Extended Warranty holders when such warranty holders have a valid claim under the warranty. The Extended Warranty must be in the form set out in Exhibit A, attached hereto and incorporated herein by reference, and must be fully completed and paid for. A qualified Extended Warranty holder is one who purchases such warranty from Authorized Service Contractor and otherwise complies with the holder's obligation under the warranty.
3. When such a warranty claim is made, Authorized Service Contractor agrees to first charge the manufacturer for labor and parts to the extent they are covered under the manufacturer's warranty. Distributor shall have no obligation to pay any claims for parts during manufacturer's warranty period. Further, Distributor will have no obligation to pay any claims for labor during the period of Authorized Service Contractor's labor warranty. Authorized Service Contractor agrees to first determine if the consumer's Extended Warranty covers both parts and labor or if it covers only the parts or only the labor. The coverage of the Extended Warranty will be clearly stated on the consumer's Extended Warranty agreement. The Extended Warranty service contracts only cover mechanical and electrical failure.
4. Authorized Service Contractor agrees to provide, at a minimum, a 1-year labor warranty with respect to parts and equipment covered by the Extended Warranty which must be exhausted before any obligation of Distributor under the Extended Warranty will commence.
5. Authorized Service Contractor must agree to perform the needed covered service and to repair the unit as efficiently and reasonably as possible. Authorized Service Contractor must give a

minimum 90 days guarantee on labor and honor the standard manufacturer's warranty on parts installed under Extended Warranty. Installation of new parts in accordance with the terms of the Extended Warranty will not extend the term of the Extended Warranty beyond the term set out in the Extended Warranty Agreement issued to the consumer. No claim for service parts or labor will be approved or paid until the manufacturer's warranty and any applicable Contractor's warranties has/have been exhausted.

6. Authorized Service Contractor must not make any repair or replace any part pursuant to this agreement without first checking the Extended Warranty date and terms of coverage and assuring that the manufacturer's warranty and any applicable contractor's warranty have been exhausted. Distributor is obligated to pay Authorized Service Contractor only for items and services covered by the Extended Warranty.
7. Authorized Service Contractor must include the following with all claims:
 - a. Authorized Service Contractor name, complete address, phone number and email address;
 - b. Customer's name, complete address, phone number and email address;
 - c. Extended Warranty service contract number, type and length of agreement;
 - d. Type of unit covered (such as condensing unit, air handler, compressor, etc.) and size of the unit;
 - e. Product manufacturer, model number and serial number;
 - f. Date unit was purchased;
 - g. Date of service;
 - h. Nature of problem (include diagnosis and date of diagnosis);
 - i. Type of service performed and details of the repair;
 - j. List of part numbers used (even if still under manufacturer's warranty);
 - k. Itemized list of charges;
 - l. Copy of distributor's invoice on all parts;
 - m. Customer's and service technician's signature on all service/repair tickets must be kept on file by the Contractor/Rep and made available to Distributor upon request;
 - n. Claims must be legible;
 - o. A copy of the signed service ticket and work order must be submitted and include the technician's arrival and departure time; and
 - p. The relevant invoice(s) for parts and labor provided under this Agreement must accompany all claims, including claims for labor only.
8. If any information described in Item 7 above is missing, then the claim will be returned for the additional mandated information. Distributor will be not be obligated to pay any claim under this Agreement until all such information is provided.
9. Where no problem is found on a call, or the call simply involves the resetting of a tripped switch, such calls and trips are not covered by this Agreement. The Distributor has no obligation to pay or reimburse for any such call or service. It is the consumer's obligation to pay for such calls.
10. Distributor is not obligated to pay for two men per truck labor rates on residential products covered by the Extended Warranty program.
11. Distributor agrees to pay, and Authorized Service Contractor agrees to accept reimbursement for

labor and/or parts at the rates set forth in the Extended Warranty Program Reimbursement Schedule attached hereto as Exhibit C and incorporated herein by this reference. Authorized Service Representative agrees to accept all maximum charge limitations on reimbursement for parts and labor that are set out in Exhibit C. At its sole discretion, Distributor may request Parts regarding which a claim has been made to be returned to Distributor for evaluation. Authorized Service Representative agrees that its sole remedy against Distributor under this Agreement is limited to reimbursement for parts and/or labor as set forth in Exhibit C.

12. All service work must be done during normal working hours. No extra charges for after hours, overtime or weekend and holiday overtime are allowed. Distributor is obligated to pay only those labor rates that are set out in the Program Reimbursement Schedule attached hereto as Exhibit C.
13. No claims will be paid for work done to any pre-existing conditions that occur prior to the effective date of the Extended Warranty.
14. Authorized Service Contractor agrees that, at Distributor's sole discretion, Distributor may verify, directly with the customer or holder of the Extended Warranty, work performed for which the claim has been filed.
15. Authorized Service Contractor further agrees that random audits may be performed at the sole discretion of the Distributor. Authorized Service Contractor or its representative who submit a fraudulent claim or who experience excessive claims will be terminated and their customer list reassigned to another authorized contractor.
16. Claims must be submitted within thirty (30) days of service. Any missing supporting documents must be submitted within 30 days of date of submission. Incomplete claims will not be considered and will be denied. Denied claims may be resubmitted within 30 days of claim denial and will be considered on a case by case basis.
17. Distributor reserves the right to assign any agreement to another registered service contractor if any of the following conditions are met: (a) Authorized Service Contractor fails to promptly and competently perform service work under this Agreement when requested to do so by Distributor; (b) Authorized Service Contractor ceases to operate as a business; (c) Authorized Service Contractor requests such assignment; or (d) homeowner/holder of warranty requests such assignment.
18. This agreement may be terminated by either party at any time, upon giving the other party notice in writing thirty (30) days prior to such termination. Such writing must be sent via overnight mail to the business address of the other party as noted below the signature line of the party at the end of this document. The parties agree to perform any outstanding obligations it may owe to the other party that exists as of the date of termination.
19. In the event of any default by either party of its obligations under this contract, the non-defaulting party shall provide written notice to the defaulting party of the specific default and provide such party an opportunity to cure the default. If, within three working days of notice, the defaulting party has failed to cure the default or provide adequate assurances that the default will be promptly cured, then the non-defaulting party may immediately terminate this Agreement. In such event, the non-defaulting party shall not be liable to the defaulting party for any damages arising out of said termination, including but not limited to lost profits or revenues, and may pursue whatever

legal remedies are available to it.

- 20. It is understood and agreed that Authorized Service Contractor shall purchase and maintain a minimum of \$1,000,000.00 in Comprehensive General Liability Insurance coverage and shall provide evidence of such evidence upon request by Distributor.
- 21. Capacitors and contactors replaced during maintenance calls are not covered by this Agreement and are not considered a covered claim.
- 22. The Parties agree that Distributor may, at its discretion, assign its obligation to another party or entity.
- 23. **Indemnification.** Authorized Service Contractor agrees, to the maximum extent allowed by law, to defend, indemnify and hold harmless Distributor and its representatives, agents and employees (collectively, the "Indemnified Parties") from and against claims, damages, losses, costs and expenses, including, but not limited to, attorneys' fees, arising out of, resulting from or connected with the sale, supply, use or operation of the material and equipment subject to this Agreement and any defect or deficiency therein including any claim, damage, loss or expense attributable to bodily injury, sickness, disease or death, or to injury to or destruction of property. Provided, however, Authorized Service Contractor shall have no duty to indemnify, defend or hold harmless or provide insurance coverage for any of the indemnified parties, under any provision of this Agreement, to the extent any claims, damages, costs, or expenses are found by a competent jurisdiction to be due to the acts or omissions of the indemnified parties, or any other party not under the Authorized Service Contractor's control.
- 24. **Limitation of Liability and Remedies.** TO THE EXTENT PERMITTED BY APPLICABLE LAW, CONSEQUENTIAL DAMAGES FOR INJURY TO THE PERSON OR DAMAGE TO PROPERTY ARE EXCLUDED AND DISTRIBUTOR SHALL NOT BE LIABLE TO AUTHORIZED SERVICE CONTRACTOR OR ANY OTHER PARTY FOR SUCH DAMAGES THAT WOULD OTHERWISE FLOW FROM BREACH OF THIS AGREEMENT.
- 25. **Entire Agreement.** This Agreement, together with the exhibits attached hereto, constitutes the entire agreement and understanding among the parties and supersedes any prior written or oral agreements, promises and understandings between them respecting the subject matter of this Agreement. This Agreement may be amended or modified only in writing, signed by both Parties.

This ____ day of _____, 20__.

Accepted:

The Corken Steel Products Company
Distributor d/b/a Midwest Factory Assurance

Authorized Service Contractor
Company: _____

Signed: _____

Signed: _____

Name(print): _____

Name(print): _____

Title: _____

Title: _____