



**Freschi**  
HEATING & AIR CONDITIONING  
A Service Experts Company

**925.778.1416**  
Toll-free 855-816-8616

**SERVICE EXPERTS  
ADVANTAGE PROGRAM AGREEMENT**

**FreschiServiceExperts.com**  
2440 Sprig Court  
Concord, CA 94520  
License #: 424019

<b>Sales Representative:</b>		<b>Sales Rep. Telephone Number:</b>		<b>Credit Approval Number:</b>	
<b>Equipment Type:</b> <input type="checkbox"/> Heating <input type="checkbox"/> Air Conditioning <input type="checkbox"/> Other (specify) _____			<b>Customer Billing Email Address:</b> <input type="checkbox"/> Opt Out of Ebill		
<b>Lessee and Home Owner</b>		Mr. Mrs. Ms. First Name:	Middle Name:	Last Name or Corporate Name:	
<b>Spouse or Co-Home Owner</b>		Mr. Mrs. Ms. First Name:	Middle Name:	Last Name or Corporate Name:	
<b>Installation Address:</b> Number, Street Name, Unit Number		<b>City:</b>	<b>State:</b>	<b>Zip Code:</b>	<b>Tel/Fax Number:</b>
<b>Mailing Address:</b> (if different than installation address) Number, Street Name, Unit Number		<b>City:</b>	<b>State:</b>	<b>Zip Code:</b>	<b>Tel/Fax Number:</b>
<b>Equipment Replace:</b> <input type="checkbox"/> Gas <input type="checkbox"/> Oil <input type="checkbox"/> Electric <input type="checkbox"/> N/A			<b>Total Installed Cost (excl. taxes):</b>		

**Preferred delivery and installation date (Delivery and installation on specified date if possible):**

Equipment	Quantity	Manufacturer	Model Number	Monthly Lease Rate(\$) (excl. taxes)
1.				
2.				
3.				
4.				
5.				
6.				

**FEDERAL CONSUMER LEASING ACT DISCLOSURES**

<b>Lessor: SERVICE EXPERTS</b>					
<b>Lessee and Home Owner(s):</b>		<b>Lessee and Home Owner(s) Mailing Address:</b>			
<b>Customer Email Address:</b>		<b>Installation Address:</b>			
<b>Telephone Number:</b>					
<b>A. Description of Leased Item(s):</b>					
<b>B. Amount Due at Lease Signing or Delivery:</b> Total: \$ N/A		<b>C. Monthly Lease Payments:</b> (including tax on lease payments) Your First Monthly Lease Payment of: \$ _____ is due date set forth on the invoice (customer will receive notice of the exact due date at least 15 days in advance of the due date), followed by: 11 payments of \$ _____ 12 payments of \$ _____ is due on the date set forth on the invoice (customer will receive notice of the exact due date at least 15 days in advance of the due date). <b>The total amount of monthly payments is \$ _____</b>		<b>D. Other Charges:</b> (not part of your monthly payment) <b>Total: \$ 0.00</b>	<b>E. Total of Payments:</b> (The amount you will have paid by the end of the lease term): \$ _____
<b>F. Purchase Option at End of Lease Term:</b> You do not have an option to purchase the leased property at the end of the lease term.			<b>G. Other important Terms:</b> See your Lease for additional information on early termination, purchase options and maintenance responsibilities, warranties, late and default charges, insurance, and any security interest.		
<b>Official Fees and Taxes:</b> The total amount you will pay for official fees, and taxes over the Terms of this Agreement, whether included with your monthly payments or assessed otherwise: \$ _____. Note that the actual total of fees and taxes may be higher or lower depending on the tax rates in effect at the time a fee or tax is assessed.					

**Specific Addendum to Attached Terms and Conditions: California**

**1. NOTICE RELATING TO HOME IMPROVEMENT CONTRACTS:** Because you are leasing the Equipment set forth in this Agreement, it should not be considered a home improvement contract under California law. To the extent that it might nevertheless be so considered, we are providing you with certain information required in connection with such contracts. By providing these notices, Service Experts does not admit that it is required to provide them or that it is a home improvement contract under California Law.

**1.1 Contact and License Information:** a. Name and address of Contractor: \_\_\_\_\_  
Telephone number of Contractor: \_\_\_\_\_ License Number of Contractor: \_\_\_\_\_  
b. **Anticipated installation dates:** APPROXIMATE START DATE: \_\_\_\_\_ APPROXIMATE COMPLETION DATE: \_\_\_\_\_  
These dates are approximate and the parties agree that no completion date is of the essence.  
c. Name and address of salesperson \_\_\_\_\_  
Telephone number of Salesperson: \_\_\_\_\_ License Number of Salesperson: \_\_\_\_\_  
d. **List of Documents to be Incorporated into the Contract:** Service Experts' HVAC Advantage Program Agreement; Service Experts' Terms and Conditions; this Addendum; Notice of Cancellation form;

**1.2 Notice Relating to Copy of Agreement:** You are entitled to a completely filled in copy of this agreement, signed by both you and the contractor, before any work may be started.

**1.3 Note About Extra Work and Change Orders:** Extra Work and Change Orders become part of the contract once the order is prepared in writing and signed by the parties prior to the commencement of work covered by the new change order. The order must describe the scope of the extra work or change, the cost to be added or subtracted from the contract, and the effect the order will have on the schedule of progress payments.

**1.4 Additional Information about Extra or Change-Order Work:** A customer may not require the contractor to perform extra or change-order work without providing written authorization prior to the commencement of work covered by the new change order. Extra work or a change order is not enforceable against a customer unless the change order also identifies all of the following in writing prior to the commencement of work covered by the new change order: (i) the scope of work encompassed by the order; (ii) the amount to be added or subtracted from the contract; and (iii) the effect the order will make in the progress payments or the completion date. The contractor's failure to comply with the requirements of this provision does not preclude the recovery of compensation for work performed based upon legal or equitable remedies designed to prevent unjust enrichment.

**1.5 Lien Release Furnished Upon Partial Payment:** Upon satisfactory payment being made for any portion of the work performed, the contractor, prior to any further payment being made, shall furnish to the customer a full and unconditional release from any potential lien claimant claim or mechanics lien authorized pursuant to Sections 8400 and 8404 of the Civil Code for that portion of the work for which payment has been made.

**1.6 Commercial General Liability Insurance (CGL):** Freschi Air Systems, Inc. is a named insured under the commercial general liability insurance held by SE Holdco, LLC written by Chubb Insurance. You may call the insured's broker, Aon, at 214-989-0000 to check the contractor's insurance coverage.

**1.7 Workers' Compensation Insurance:** Freschi Air Systems, Inc. is a named insured under the workers' compensation insurance held by SE Holdco, LLC for all employees.

**1.8 Contractors' State License Board:** Information about the Contractors' State License Board (CSLB): CSLB is the state consumer protection agency that licenses and regulates construction contractors. Contact CSLB for information about the licensed contractor you are considering, including information about disclosable complaints, disciplinary actions, and civil judgments that are reported to CSLB. Use only licensed contractors. If you file a complaint against a licensed contractor within the legal deadline (usually four years), CSLB has authority to investigate the complaint. If you use an unlicensed contractor, CSLB may not be able to help you resolve your complaint. Your only remedy may be in civil court, and you may be liable for damages arising out of any injuries to the unlicensed contractor or the unlicensed contractor's employees. For more information:  
Visit CSLB's Internet Web site at [www.cslb.ca.gov](http://www.cslb.ca.gov) • Call CSLB at 800-321-CSLB (2752) • Write CSLB at P.O. Box 26000, Sacramento, CA 95826

**1.9 Performance and Payment Bond:** The owner or tenant has the right to require the contractor to have a performance and payment bond.  
Customer Initials \_\_\_\_\_ Contractor Initials \_\_\_\_\_

**1.10 Three-Day Right to Cancel:** You, the buyer, have the right to cancel this contract within three business days. You may cancel by e-mailing, mailing, faxing, or delivering a written notice to the contractor at the contractor's place of business by midnight of the third business day after you received a signed and dated copy of the contract that includes this notice. Include your name, your address, and the date you received the signed copy of the contract and this notice. If you cancel, the contractor must return to you anything you paid within 10 days of receiving the notice of cancellation. For your part, you must make available to the contractor at your residence, in substantially as good condition as you received them, goods delivered to you under this contract or sale. Or, you may, if you wish, comply with the contractor's instructions on how to return the goods at the contractor's expense and risk. If you do make the goods available to the contractor and the contractor does not pick them up within 20 days of the date of your notice of cancellation, you may keep them without any further obligation. If you fail to make the goods available to the contractor, or if you agree to return the goods to the contractor and fail to do so, then you remain liable for performance of all obligations under the contract. Customer Initials \_\_\_\_\_

**2. NOTICES RELATING TO HOME SOLICITATION SALES:** In addition to any other right to cancel this agreement that you may have under law, if this agreement was solicited or entered into at a place other than Service Experts' place of business, the following important statement is made part of this Agreement: "You, the buyer, may cancel this transaction at any time prior to midnight of the third business day after the date of this transaction. See the attached notice of cancellation for an explanation of this right."

**I HAVE READ AND UNDERSTAND THIS EXHIBIT A**  
Property Home Owner \_\_\_\_\_ Date \_\_\_\_\_ Service Experts \_\_\_\_\_ Date \_\_\_\_\_  
Property Co-Home Owner (if needed) \_\_\_\_\_ Date \_\_\_\_\_

**I HAVE READ AND UNDERSTAND THIS AGREEMENT, FEDERAL CONSUMER LEASING ACT DISCLOSURE, STATE SPECIFIC ADDENDUM, TERMS AND CONDITIONS PROVIDED ON THIS AGREEMENT AND I ACKNOWLEDGE THAT I HAVE BEEN PRESENTED WITH MULTIPLE OPTIONS INCLUDING AN OPTION TO PURCHASE THE EQUIPMENT:**

<b>Lessee and Property Home Owner's Name (Print name as it appears on driver's license):</b> _____	
<b>Authorized Property Home Owner Signature:</b> _____	(I have authority to bind the Owner) <b>Date:</b> _____
<b>Name and Signature of Property Home Owner's Spouse or Property Co-Home Owner (if Applicable):</b>	
Name as it appears on driver's license _____	Signature _____ Date _____
<b>Service Experts RSC Signature:</b> _____	<b>Date:</b> _____

## TERMS AND CONDITIONS

1. Definitions: "Equipment" means the item(s) you lease from us, which are described in section A of the Federal Consumer Leasing Act Disclosures of this Agreement; "Owner(s)" or "Home Owner(s)" means the owner of the Premises on which the Equipment will be installed; "Premises" means the Installation Address set out on the first page of this Agreement and shall include the residence and all property thereon excluding the Equipment; "Agreement" means this agreement between Service Experts and you, "we", "our", "Service Experts" and "us" means Service Experts LLC and its subsidiaries, affiliates and/or our authorized service providers; and "you", "customer", "Customer" and "your" means the "Lessee and Owner" named in the Federal Consumer Leasing Act Disclosures of this Agreement.

2. Term: This Agreement will have a term of 120 months (the "Original Term"). This Agreement will continue thereafter for successive one-month terms (each an "Extension Month"), unless otherwise terminated as provided herein or by either party during any such Extension Month with at least 30 days' prior written notice.

3. Our Commitment to You: In consideration of your commitment to the payment terms provided in this Agreement and your continued compliance with the terms and conditions contained herein, we agree to the following: (i) Installation: to ensure proper installation of the Equipment; however, any and all costs and expenses arising beyond the normal and typical installation process, including any costs or expenses related to permits, licenses, inspections or other requirements of local laws or regulations, shall be the sole responsibility of you, the Customer. (ii) Service & Maintenance: during the Original Term, and subject to your continuous compliance with the terms and conditions of this Agreement, we will perform all normal and reasonable repair and maintenance on the Equipment with no additional service charges or part replacement charges beyond the monthly lease rate except (a) as may be caused by or arising from your failure to properly care for the Equipment, as more generally described in Section 4 below, or any other act of negligence, neglect, misuse, or abuse, (b) any alteration, modification, adjustment, damage, service, repair, moving or disconnection of the Equipment, or any use of the Equipment in a manner, way, or purpose other than as intended, (c) where any ancillary or connecting equipment, materials, or elements (including, but not limited to, any venting, piping, wiring, ducting and/or electrical services) require cleaning, repair or replacement or otherwise contribute to the need for any service, repair, or maintenance on the Equipment, or (d) as otherwise described in this Section 3. Our 24-hour per day, 7-days-per-week emergency phone number is 1-855-816-8616. (iii) Periodic Inspection: from time-to-time (which may be more or less frequently than annually), we will contact you to arrange a mutually agreeable time for us to have access to the Premises to inspect the Equipment and assess its condition and your compliance with your obligations and commitments contained in this Agreement. Your failure to provide us with access to the Premises and Equipment shall be deemed a breach by you of this Agreement and such breach shall entitle us to all rights and remedies provided in this Agreement or otherwise available to us in equity or law. Our commitments specifically do not cover, and we are not responsible for, any of the following: • The cost of replacement of the Equipment, during any Extension Month; • Duct cleaning • Repair, service, or replacement of the Equipment or Premises (including any and all direct, consequential, or resulting costs and expenses) required, recommended, or needed as a result of any: (1) weather conditions, subsidence, structural repairs, fire, freeze, power or electrical surge, riots, lightning, explosion, earthquake, tornado, flood, storm, acts of war, any insurable risks, and any and all acts of God; (2) abuse, tampering, alterations, improvements, or repairs by anyone other than us; (3) improper use or setting of the Equipment, including but not limited to the thermostat; (4) faulty or poor performing electrical wiring, breakers, fuses, piping, venting, or any other element of the heating or cooling system not included in the Equipment, including but not limited to the plumbing and drainage systems; (5) the extinguishment of the pilot light; (6) the Equipment has been turned off; (7) renovation or repair work done at or to the Premises; (8) failure to properly care for and clean the Equipment or otherwise perform reasonable maintenance; (9) electronic, computerized, or energy management systems (such as a smart house), applications, or devices, including connected home systems, devices, and applications; (10) chemical or sedimentary buildup, rust, corrosion, insect infestation, mold, mildew or bacterial manifestations, missing parts, structural change; (11) your failure to fully perform and comply with your obligations under this Agreement; and/or (12) negligence, misconduct, or any other acts or omissions by parties other than us; • Ancillary Equipment and Materials: You acknowledge and agree that you own, or are otherwise responsible for, any and all costs and expenses arising from or related to the piping, venting, wiring, ducting on the Premises (regardless of who installs such material), unless it is expressly itemized and included within the Equipment, as better described in the Description of Leased Item(s) in the Federal Consumer Leasing Act Disclosures attached to this Agreement. In addition to any lease charges under this Agreement, you are responsible for the costs of any ancillary piping, venting, wiring, and ducting we install on the Premises. We are not required to remove these items after this Agreement ends and have no responsibility for them if any of the Equipment is removed or if this Agreement is terminated; • Repairs needed as a result of accidental or deliberate damage, loss or theft; • Any and all redecorating, restoration, and/or repair costs or expenses that may be required or recommended as a result of any work performed in connection with this Agreement, including, but not limited to, wall coverings, drywall, plaster, wallpaper, paint, floor coverings, tile, cabinetry, counter tops, landscaping or repair of any structural or cosmetic defects. If it is necessary for us to dig on your property in connection with work performed in connection with this Agreement, we will fill any holes and leave the ground level or mounded, but we will not restore the original surface or construction, including upgrades or the cost of construction, carpentry, or other modifications made necessary by the Equipment or the installation of the same; • Providing for or closing access to covered items: • Service, maintenance, repair, or replacement necessitated by any loss or damage resulting from any cause other than normal usage. Loss or damage due to failure to clean or maintain the Equipment, rust, water damage, mud, soil movement, windstorms, hail, theft, intentional acts (other than by us), accident, pet or pest damage, acts of God, or failure due to excessive water pressure • Preventative maintenance other than to the extent noted in Section 3(ii) above; and • Consumable items, including but not limited to filters and fuses. At our sole discretion, we may refuse and/or exclude the cost of replacement of any Equipment, any part of the Equipment and/or any replacement part cost ("Part") during the Extension Month". If, after installation, building or other code violations are discovered before or during the diagnosis or repair of Equipment, we will not be required to repair or service such Equipment until the necessary corrective work is completed at your own expense. If additional costs are incurred in order to comply with local, state, or federal law, we shall not be responsible for that additional expense and you shall pay for same. 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. Our commitment does not cover any service involving hazardous or toxic materials, asbestos, lead or the disposal of refrigerants or contaminants. If a thermostat that is included in the Equipment fails, we will provide a replacement thermostat with a make/model, of our choice, that enables like operation of your dependent heating, ventilation and/or air conditioning equipment. Zone thermostats/controls and energy management controls are not covered by our commitment. We are not responsible for insufficient air distribution due to existing ductwork design or clogged duct work or for insufficient water flow due to existing piping or radiators or clogged piping or radiators. Costs of refrigerant recovery, vacuuming and refill are excluded from our commitment.

4. Customer Obligations and Commitments: In consideration of receiving and using the Equipment, you agree that: • You will pay your charges billed under this Agreement when due. You agree to pay any taxes payable in connection with this Agreement. Payment is due on the date set forth on the invoice. We will mail or email (depending on the option selected on the first page) the invoice at least fifteen (15) days before the invoice is due. Acceptable methods of payment, which currently include pre-authorized electronic payment and payment by check. If you choose to pay by check or pre-authorized electronic payment and any check is returned or pre-authorized electronic payment is not processed due to non-sufficient funds ("NSF"), you agree to pay a NSF charge of \$25 and a late payment charge. • Late Payments: You will be charged a late payment of 1.5% per month of any amount past due or the maximum amount allowed under law, whichever is less. Notwithstanding anything contrary herein, and without limiting any of our remedies set forth herein or otherwise allowed at law or equity, we reserve the right to turn any past-due amounts to a collections agency. • You will promptly inform us of any change in (i) your mailing or email address at least 30 days in advance of such change; and/or (ii) if previously provided, bank account or credit card information you provided us promptly after such change is made. • You will provide us with timely access to the Equipment whenever requested by us to perform services or exercise our rights under this Agreement. • You will use the Equipment safely and responsibly for its intended purpose only, and in particular you will: (i) ensure that no combustible, hazardous or flammable materials are used or stored in the same room as, or near, the Equipment; (ii) ensure that the Equipment is not confined in a location where it is difficult to service or remove or where there is inadequate ventilation; (iii) ensure that the filters, vents and openings are kept clear and clean and are otherwise kept well maintained by you; and (iv) obtain our approval before you connect any add-on equipment, such as air handlers, humidifiers, storage tanks, air duct systems or hydronic baseboards to the Equipment. We are not responsible for the installation or maintenance of any add-on equipment, or for any damage caused by this add-on equipment or the Equipment if the damage occurred because of the add-on equipment. • You will notify us promptly if the Equipment breaks down or is damaged. • You will not permit anyone but us to service, repair, modify, move or disconnect the Equipment. • You will be responsible for any damage to, or loss of, the Equipment, including if caused by you or third parties. You will also be responsible for any damage to, or loss of, the Equipment if caused by fire, flood, accident or other insurable risks. We will only be responsible for damage to the Equipment outside of our warranty obligations if the damage is caused by our gross negligence. You will maintain sufficient insurance to cover any damage to the Equipment and, upon our request, promptly provide us with evidence of such insurance. You are responsible for determining whether the installation of the Equipment affects your existing insurance coverage, as well as making any necessary additions or corrections to your insurance policy and for the consequences of failing to make such additions or corrections, if any were needed. • You will maintain in good working order the ancillary piping, venting, wiring or ducting owned by you or otherwise on the Premises that but are not included within, the Equipment. • The Equipment remains our property, is not intended to become a fixture and you will not tamper with any plate(s), tag(s) or sticker(s) identifying the Equipment as leased Equipment owned by us unless and until you exercise your right to purchase the Equipment as provided in this Agreement. • If you sell, lease or otherwise transfer the Premises, you will, in addition to your obligations in Section 6 (Sale of your Home), advise us in advance and advise the transferee and any potential purchasers that the Equipment is leased pursuant to this Agreement. • This Agreement is binding upon and will inure to your heirs, personal representatives, successors and permitted assigns.

5. Ownership of Equipment/Customer Credit: THIS IS AN AGREEMENT AND NO OWNERSHIP INTEREST IN THE EQUIPMENT IS BEING TRANSFERRED HEREBY. SERVICE EXPERTS OR ITS ASSIGNEE WILL REMAIN THE OWNER OF THE EQUIPMENT DURING THE EFFECTIVENESS OF THIS AGREEMENT AND THE EXPIRATION THEREOF. YOU WILL ONLY BE THE OWNER UPON THE PURCHASE OF THE EQUIPMENT PER SECTION 17. WE MAY REMOVE THE EQUIPMENT AT THE EXPIRATION OF THIS AGREEMENT OR UPON YOUR DEFAULT.

• During the time that this Agreement is in force, the Equipment remains the property of Service Experts or its assignee and although it may be affixed to the Premises, is not intended to become a fixture. • You agree to assist in protecting our ownership interest by signing and providing any further documents we may reasonably require and you acknowledge that we may register notices of security or ownership, such as appropriate liens, including on title to the Premises. See Section 18 for further information regarding any security interest. • You agree to keep the Equipment free of all liens, security interests, mortgages and other claims. You understand and agree that we may require a background and credit check in connection with this Agreement and, by signing this Agreement, you consent to and approve our solicitation of such information and our use of the same to make a determination as to certain terms required in this Agreement or to refuse to enter into or terminate this Agreement prior to the installation of the Equipment. In the event that Service Experts decides to take any action to terminate or refuse to enter into the Agreement, you would be provided with any and all required notices.

6. Sale of your Home: If you are the Owner and you sell or otherwise transfer the Premises, you are required to inform the buyer or transferee, at or before the effective date of the sale or transfer, of the existence of this Agreement and the leased Equipment installed in the Premises. In the event the sale of the Premises requires the preparation of a residential property condition disclosure or similar document, you agree you will disclose this Agreement in that disclosure. We will permit the purchaser to assume your rights and obligations under this Agreement, effective from the date of sale, or other transfer, provided that (i) you or your representative notify the transferee in the sale or transfer agreement that the Equipment is leased and is subject to this Agreement, (ii) you or your representative advise us in advance of the transferee's name and the intended date of sale or other transfer, (iii) you or your representative advise us in advance of the address and telephone number where you can be contacted after the date of sale or transfer, (iv) the transferee agrees in writing or by conduct with us to assume your obligations, and (v) you have paid us all amounts owing under this Agreement. Unless and until these conditions are satisfied, or unless we otherwise waive any or all of these conditions, which we are under no obligation to do, both you and/or the customer(s), as applicable, will remain responsible for the Equipment lease and your obligations under this Agreement, including making all lease payments. You hereby authorize us to respond to information requests relating to your account made by or on behalf of the transferee. We may also accept performance of your obligations (including payment obligations) from other parties (such as tenants) but will not be required to do so.

7. Limited Warranty: This is an Agreement and not a sales contract and we make no representations or warranties as to the Equipment or its performance. As between you and Service Experts, the Equipment is "As-is". WE HEREBY EXPRESSLY DISCLAIM ANY AND ALL WARRANTIES, EXPRESS AND IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. However, we do warrant that the services performed by us as to the Equipment under this Agreement will be free from material defects. The duration of such warranty shall continue as long as this Agreement remains in effect, but no less than thirty (30) days from the date of performance. In the event any of our services fail to conform to this warranty we will repair or replace the defective service at our expense. We will also assign or provide coverage of the Equipment manufacturer's warranty. We make no representations or warranties as to the performance of the Equipment except for those which are given by statute and which you cannot waive. We are not the manufacturer of the Equipment and we are not making any warranty or guarantee on behalf of the supplier, or the manufacturer of the Equipment, including whether the Equipment is suitable for you, except as provided above. EXCEPT AS EXPRESSLY SET OUT HEREIN, WE DISCLAIM ALL OTHER WARRANTIES, EXPRESS AND IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

8. Limitation on Liability: You understand and agree that (i) we will not be liable for any loss, damage, expenses, or injury of any type arising out of or related to this Agreement or otherwise caused or contributed to in any way by the supply, installation, use and/or operation of the Equipment; (ii) except in the event of injury to person(s), we will not be responsible for any direct, indirect, incidental, special or consequential damages, even if reasonably foreseeable and if caused by us; and (iii) if we are unable to perform any of our commitments under this Agreement because of circumstances or events beyond our control, we shall be excused from their performance until such time as we shall be able to perform and we shall not be liable for any such failure to perform or delay in performance.

9. Indemnification: You will indemnify and hold us harmless from any and all claims, losses, expenses, and costs that we may suffer or pay or may be required to pay, including legal expenses, in connection with or arising from this Agreement or the supply, installation, use and/or operation of the Equipment, including any claims for any injury or death to individuals or damage to the Premises or other property, regardless of the cause, to the fullest extent permitted by law. This obligation survives the termination of this Agreement for any reason.

10. Termination and Default: You may not terminate this Agreement before the end of the Original Term or Extension Month (as applicable), except as provided in Section 17, below. This Agreement may be terminated by us at any time in the event of a Default (as defined below) by you. Upon termination of this Agreement, (i) we may enter upon the Premises for the purposes of repossessing and removing the Equipment, and we will charge a \$500.00 removal fee if this Agreement is terminated during the Original Term; and (ii) all amounts owing hereunder are immediately due and payable and you will be deemed to be exercising your early termination option as provided in Section 17 of this Agreement. When you no longer lease the Equipment, you will not be obligated to pay for the leased Equipment and we will not be obligated to supply replacement Equipment, unless we mutually agree at the time pursuant to a new agreement. Each of the following will be an event of default by you ("Default"): • If any bankruptcy, insolvency or receivership proceedings are commenced with respect to you; and/or • If you breach any provision of, or fail to perform any of your obligations under this Agreement, including but not limited to any failure to pay any amount when due or otherwise care for or maintain the Equipment. At any time while there is a Default, we may terminate this Agreement and/or pursue any other remedies we may have at law. In the event the Equipment is equipped with a device that allows us to access it remotely, either now or in the future, you agree that we may use that remote access to enforce our rights under this Agreement including, but not limited to, remotely disabling the Equipment.

11. Assignment: We may transfer, assign, encumber or otherwise dispose of all or any part of our interest in this Agreement and/or the Equipment to another party at any time without notice to you and without your permission. To the extent permitted by law, you will not assert against any transferee any claims, defenses, set-offs, deductions or counter-claims which you may now or in the future be entitled to assert against us. Except as otherwise provided in this Agreement, you may not transfer, assign or encumber all or part of your interest in this Agreement or the Equipment without our prior written consent (see Section 6 (Sale of Your Home)).

12. Invalidity of Provision/Severability: If any provision of this Agreement or the application thereof to any person or circumstance is held to be invalid or unenforceable, such provision shall be severed and the remainder of this Agreement shall continue to remain in full force and effect subject to such modifications as may be necessary to carry out the provisions and intent of this Agreement.

13. Governing Law: This Agreement shall be governed by the laws of the State where the property on which the Equipment is installed is located (without giving effect to internal principles of conflict of laws).

14. Entire Agreement and Amendments: You understand that this Agreement, together with any attachments, state specific addendum, and/or addendums, 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 in this Agreement. This Agreement may be amended from time to time by us by notice in bill inserts, by letter or by any method permitted by law. Should there be any discrepancy between this Agreement and any prior, current, subsequent, and/or additional terms and conditions regarding this or similar programs, whether or not online, in additional documentation or otherwise, the terms and conditions of this Agreement shall prevail.

15. Notices: All notices and other communications required or permitted under this Agreement shall be properly given by the sending party when made in writing and: (i) delivered by a reputable courier service requiring signature for receipt; (ii) mailed by certified or registered first-class mail, postage prepaid, with a return receipt requested; (iii) sent by fax as evidenced by a printed confirmation from the sending party's fax machine; or (iv) emailed, in each case to your address on the first page of this Agreement or to Freschi Service Experts, 2440 Sprig Court, Concord, CA 94520 such other address notified by the other party in writing from time to time. The parties agree that any faxes or emailed document shall be deemed an original document, however all notices of arbitration must be sent according to (1) or (2) in the preceding sentence.

16. Mandatory Arbitration of Disputes: Any dispute, disagreement or claim between you and Service Experts arising out of or in connection with this Agreement, or the Equipment, which cannot be amicably resolved by the parties shall be submitted to final and binding arbitration in a location that is a convenient distance from the Premises for you, in accordance with the Consumer Arbitration Rules of the American Arbitration Association (the "AAA Consumer Rules"), administered by the American Arbitration Association except as otherwise provided in this Section. This agreement to arbitrate is governed by the Federal Arbitration Act. While a dispute, disagreement or claim is being resolved under this Section, both parties shall continue to perform their obligations under this Agreement. YOU AND SERVICE EXPERTS AGREE THAT BY ENTERING INTO THIS AGREEMENT, YOU AND SERVICE EXPERTS ARE WAIVING THE RIGHT TO SUE IN COURT AND WAIVING THE RIGHT TO A JURY TRIAL. IN ADDITION, EACH PARTY MAY BRING CLAIMS AGAINST THE OTHER PARTY IN ITS INDIVIDUAL CAPACITY ONLY AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING. OTHER RIGHTS THAT YOU OR SERVICE EXPERTS WOULD HAVE IN COURT MAY ALSO NOT BE AVAILABLE IN ARBITRATION. The parties agree that the award of the arbitration (the "Arbitration Award"): (i) shall be conclusive, final, and binding upon the parties; and (ii) shall be the sole and exclusive remedy between the parties regarding any and all claims and counterclaims presented to the arbitrator. The judgment on the Arbitration Award may be entered in any appropriate court as necessary to pursue judgment. The Arbitration Award shall be based exclusively on the provisions of this Agreement. In addition, in the case of any conflict between the provisions of the AAA Consumer Rules and the provisions of this Agreement, the provisions of this Agreement shall govern. Prior to filing a demand for arbitration, a party must first give the other party at least fifteen (15) days' prior written notice of its intent to file the demand. All notices to be given in connection with the arbitration shall be as provided in Section 15(i) or (ii). Demand for arbitration must be filed within one (1) year after the event giving rise to the arbitration demand. If the complaining party fails to file the demand for arbitration within that time, the claim shall be deemed to be waived and shall be barred from either arbitration or litigation. If you provide a reasonable explanation why your claim is not frivolous and why you cannot afford to pay the arbitration filing fee in your written notice, we will pay the filing fee for you. The Arbitration Award shall be made and shall be payable free of any tax or any other deduction. The Arbitration Award shall include interest, at a rate determined as appropriate by the arbitrator, as of the date of the breach or other violation of this Agreement to the date of the Arbitration Award. In the event you are the prevailing party in any such arbitration, and the amount you are awarded is greater than any demand you submitted at least fifteen days prior to filing the demand for arbitration, you shall be awarded your costs of the arbitration, including reasonable attorneys' fees and court costs, in addition to the Arbitration Award. In the event of any breach by a party of this Agreement which would cause any non-breaching party to be irreparably harmed or for which such non-breaching party could not be made whole by monetary damages, then in such circumstances, such non-breaching party, in addition to any other remedy to which it may be entitled at law or in equity, shall be entitled to equitable relief, including injunctive relief and specific performance, in any action instituted in a court of applicable jurisdiction.

17. Your Termination Option: You may not terminate this Agreement except as provided below. Should you wish to terminate this Agreement prior to its expiration, at any time during the Original Term or Extension month, you will be subject to an early termination fee. This early termination fee is set forth, below, and is based on (among other things), the unpaid cost of the Equipment and related installation, finance, service and maintenance costs. Should you terminate this Agreement prior to the expiration of the Agreement and pay the applicable early termination fee, you may keep the Equipment.

SERVICE EXPERTS ADVANTAGE PROGRAM AGREEMENT - Early Termination Fee Schedule+			
Age of Equipment	Early Termination Fee + (% of Total Installed Cost)	Age of Equipment	Early Termination Fee + (% of Total Installed Cost)
0 to less than 1 yr. old	100%	8 to less than 9 yr. old*	74%
1 to less than 2 yr. old	98%	9 to less than 10 yr. old*	68%
2 to less than 3 yr. old	96%	10 to less than 11 yr. old*	61%
3 to less than 4 yr. old	92%	11 to less than 12 yr. old*	53%
4 to less than 5 yr. old	89%	12 to less than 13 yr. old*	43%
5 to less than 6 yr. old	86%	13 to less than 14 yr. old*	31%
6 to less than 7 yr. old	83%	14 to less than 15 yr. old*	15%
7 to less than 8 yr. old*	79%	15 years old and onward*	5%

\* this is applicable in Extension Months only

+ The Early Termination Fee for the Equipment is based on the percentage of the original "Total Installed Cost" of the Equipment. All applicable taxes will be added to the stated Early Termination Fee.

18. Security Interest: Protecting Our Rights to the Equipment To protect our rights to the Equipment, we may register a notice of security or ownership of the Equipment as we deem appropriate, including a notice on title to the Premises. You agree to sign and give us any documents or guarantees we need to preserve our rights to the Equipment and protect us against any claims to it.

19. Your Signature: By signing this Agreement, you represent that are both (a) at least eighteen (18) years of age and (b) an individual citizen or resident of the United States and that you have all needed authorization to sign.

20. Notice of Right to Cancel: You may cancel this transaction at any time prior to midnight of the third business day after the date of this transaction, unless a different time period applies under state law. See the included notice of cancellation form for an explanation of this right.

21. Title Search: Service Experts expressly reserves the right, prior to or during any term of the Lease to perform a title search on the Premises. If anyone who has signed this Agreement is not found on the title of the Premises, Service Experts will provide an amended Agreement reflecting only those signatories found on the title of the Premises.