

**Residential Heating and Water Heater Protection Plan
Terms and Conditions**

1. Covered Appliances - Your Residential Heating and Water Heater Protection Plan ("Plan") coverage applies to one of the following residential natural gas appliances: fireplace under 50,000 BTU and that is not in excess of 10 years old, furnace, heating boiler or combo boiler (including air handler) and provided that you have coverage on one of the foregoing appliances coverage may also be added for one of the following residential appliances: indirect fired hot water heater, tank type hot water heater or an instantaneous hot water heater ("Covered Appliances"), located in a building comprised of six or fewer residential units and no commercial units, subject to the exceptions and exclusions noted herein. Heat pumps, equipment using conversion burners and the conversion burner itself are not eligible for coverage.

2. Coverage Period - Your Plan coverage is effective for a term of one year from the date you request coverage under the Plan ("Effective Date").

3. Renewal - For your convenience, there is an automatic renewal process. Coverage will renew each year for another one-year term on the anniversary of your Effective Date unless (a) you have given EGNB prior notice that you do not wish to renew your coverage, or (b) EGNB has given you prior notice that it will not be offering you renewed coverage.

4. Plan Price - The annual price of the Plan (the "Plan Price") is due and payable on the Effective Date or the anniversary thereof for any renewal term. Alternatively, at your option, you may pay the Plan Price in 12 consecutive equal monthly installments (the "Monthly Payments"), commencing on your Effective Date, or the anniversary thereof for any renewal term. If your Plan includes Water Heater Protection, your Plan Price will have two components - Heating Protection and Water Heater Protection.

5. Early Termination - Failure to pay any amounts due and payable may result in cancellation of your coverage, at EGNB's discretion. Upon such cancellation, if you have chosen Monthly Payments, the remaining Monthly Payments, if any, for the then-current term shall become immediately due and payable.

6. Services Covered by the Plan - Your Plan covers the diagnosis and repair, replacement or adjustment by EGNB or its authorized representatives, as determined necessary by EGNB in its sole discretion, of problem parts within your Covered Appliances, subject to the exceptions and exclusions noted herein. Service and parts must be provided solely by EGNB or its authorized representatives. EGNB will not reimburse the costs of service or parts repair, replacement or adjustment by unauthorized contractors. For parts and services included in the Plan, you are protected from all labour and parts costs.

EGNB may, in its sole discretion, provide coverage under your Plan with respect to parts or services for which coverage is available under a warranty. In the event that EGNB provides such coverage, you agree to grant in writing to EGNB the right to claim for reimbursement as against the provider of the warranty.

Your coverage also includes an annual check-up and cleaning of your Covered Appliances. This maintenance will be performed between February and August of your coverage year. Additional cleaning that is required due to insufficient maintenance prior to joining the Plan is excluded from coverage and will be charged to you at EGNB's standard labour rate.

Service in relation to a fireplace shall only be provided Monday to Friday during regular business hours from 8:00 a.m. to 5:00 p.m excluding statutory holidays.

Flushing of the heat exchanger, where required, is excluded from the annual maintenance and may be purchased by you at an additional charge. Boiler system drainage and refill are also excluded from Plan coverage.

7. Thermostat Failure - If your thermostat fails, EGNB will provide a replacement with a make/model, of EGNB's choice, that enables like operation of your current dependent heating, ventilation and air conditioning equipment. Zone thermostats/controls and energy management controls are not covered by your Plan.

8. Ancillary Equipment - Your Plan does not cover ancillary equipment such as air conditioners, humidifiers and air cleaners, parts added on to your heating unit to accommodate such equipment, or repairs to the Covered Appliances made necessary as a result of faulty ancillary equipment. If you are enrolled in EGNB's Cooling Protection Plan, your air conditioner will be covered under the terms and conditions of that Plan.

9. Unavailable Parts - EGNB will attempt to obtain 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 unusual event that a part is no longer available or EGNB cannot obtain it at a commercially reasonable cost, EGNB will not be liable for the related replacement. In any such case, you or EGNB may terminate your Plan coverage for the Covered Appliances involved. If there have been no services rendered by EGNB in the current coverage year, the annual price will be refunded in full upon termination pursuant to this section.

10. Liability - Losses, damages, claims, costs or expenses resulting from the failure of parts repaired, replaced or adjusted, or services performed under the Plan are not the responsibility of EGNB, unless such losses, damages, claims, costs or expenses result from the negligence of EGNB or its authorized representatives.

11. Parts Covered by the Plan - Subject to the exceptions and exclusions set out in these terms and conditions, your Plan provides coverage for all parts within the Covered Appliances casing and for the thermostat, with the following exceptions: heat exchanger, heating, heating sections (boiler), liner, vessel, firebox/combustion chamber, furnace filters, low and high water cut-off valves, and parts added on to accommodate ancillary equipment such as air conditioners and humidifiers. The following fireplace parts are not eligible for coverage under this Plan: glass, logs, specifically recommended embers by the manufacturer, trim, remote and mantle. Replacement of the complete heating unit is not covered under your Plan.

For your reference, the following is a complete list of the parts (only those contained in the Covered Appliances are applicable to your Plan) included in your Plan:

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| • Aquastat Controls | • Flow Switch | • Pilot Tubing |
| • Automatic Vent Damper/Motor | • Furnace Low Voltage Circuit Fuse | • Pressure Relief Valve |
| • Blower/Blower Components | • Gas Appliance Regulator | • Pressure Switch |
| • Collector Box | • Gas Burner and Orifices | • Primary Circulator/Pump |
| • Cycle Timer | • Gas Control Valve | • Pulley and Belt |

- Dip Tube
- Door Switch
- Electric Ignition System
- Fan Control
- Fan Motor
- Flamable Vapour Switch
- Flame Sensor
- Flame Spreader
- Heating Circuit Transformer
- Ignition Runner Bar
- Internal Controller
- Internal Relay
- Internal Wiring
- Limit Controls
- Pilot Burner
- Roll Out Switch
- Standard Embers
- Summer/Winter Switch
- Temperature and Pressure Valve
- Thermocouple/Generator
- Thermostat
- Vent System Pressure Switch/Tubing
- Ventor Motor Assembly

12. Generally Excluded Costs

For the purposes of these Generally Excluded Costs, "Breakdown" means partial or complete failure or diminished performance, capacity or efficiency of the Covered Appliances.

- **Incidental or Consequential Damage:** This Plan does not extend to damages for personal injury, property damage, pecuniary loss, or consequential or incidental damages resulting from any action of the manufacturer, EGNB or its authorized representatives.
- **Alterations:** Breakdowns arising from alterations, modifications, tampering or repairs by persons other than EGNB representatives, abuse, negligence or misuse of Covered Appliances are excluded from coverage.
- **Intended Purpose:** Breakdown of Covered Appliances that is not used for its intended purpose is excluded from coverage.
- **Appearance** features, including but not limited to, esthetics, paint and cabinet parts, knobs and buttons are excluded from coverage.
- **Extrinsic Damage:** Breakdowns consequential to, or otherwise caused by, rust, power interruptions, environmental conditions outside the manufacturer's specifications, oxidation, corrosion, water, freezing, fire, flood or other natural occurrences are excluded from coverage.
- **Breakdowns** due to overrated capacities, insufficient water or poor water conditions are excluded from coverage.
- **Consumable products** including, but not limited to, nitrogen, torch, solder, carbon dioxide, process fluids, lubricants, glycol, additives and batteries are excluded from coverage.
- **Wiring and electrical** components including, but not limited to, low or high voltage wiring external of the Covered Appliances (e.g. humidifier, thermostat, condensor or other controls mounted external of the Covered Appliances), fuses, breakers (unless included as part of the Covered Appliances by the manufacturer) are excluded from coverage.
- **Miscellaneous** items including, but not limited to, registers, grills, key valves, duct work, routine maintenance, plumbing, and venting are excluded from coverage.
- **Accessories and Add-Ons** including, but not limited to, hard start capacitors, motor controllers, isolation relays, time delays, zone valves, and secondary circulator pump(s) are excluded from coverage.
- **Repair or Replacement** necessary because of accidental or deliberate damage, damage caused by animals, theft, acts of war or other insurable risks is excluded from coverage.
- **Water damage is excluded from coverage.**

13. Specifically Excluded Costs

Without limiting the generality of the foregoing Generally Excluded Costs or any other exceptions and exclusions in these terms and conditions, your coverage under this Plan does not include the cost of problem diagnosis and service, parts repair, replacement or adjustment in circumstances where:

- the problem part in question is not specifically listed in these terms and conditions as covered by your Plan or is subject to a manufacturer's part recall
- the thermostat is not at the proper setting (e.g.: thermostat is turned off or set in such a way as to cause the Covered Appliances not to operate; set-temperature too low)
- a part fails due to a lack of proper regular maintenance not included in the annual check-up and cleaning of your Covered Appliances under the Plan
- the pilot has been extinguished by means other than an EGNB representative
- the household electrical fuse or breaker required for the Covered Appliances is blown, removed or turned off
- power to the Covered Appliances has been turned off
- the problem relates to improper sizing or application of equipment

Please review the above list before you call for service to avoid unnecessary costs.

14. Other Terms

- All parts that are removed and replaced under your Plan coverage become the property of EGNB.
- If you move, the balance of the Plan coverage then in effect remains with the Covered Appliances and will be transferred to the new owner.
- Your Plan coverage is not transferable to another residence and, except as specifically noted herein, is non-refundable.
- EGNB reserves the right to change the terms and conditions of the Plan without notice or liability.
- EGNB reserves the right, from time to time to assign its rights and/or obligations in connection with the Plan to a third party.
- EGNB reserves the right to discontinue the Residential Heating and Water Heater Protection Plan at any time. In any year in which such discontinuation occurs, if no services have been rendered under the Plan by EGNB in the current coverage year the price of the Plan that you have paid for the current coverage year will be refunded on a pro rata basis, according to the number of days remaining in the year and EGNB will complete any repairs or parts replacements covered by your Plan for which you have notified EGNB up to the date the Plan is discontinued.