

APPLIANCE REPAIR TERMS AND CONDITIONS

- This contract applies to one (1) single family residence. Your coverage begins or began on the date specified in the accompanying letter confirming your order ("Confirmation Letter"). That is also the first date for which you will be billed (your "Billing Date"). If the Confirmation Letter and this contract were sent to you in error, if you have changed your mind and do not want this service, or if you have been billed for any period occurring before your Billing Date, please contact us immediately at the toll-free number in the Confirmation Letter to avoid being billed or to arrange for a refund or credit, if applicable.
- You are provided repair service on covered appliances for one (1) year from your Billing Date, but your annual service fee will be divided into twelve (12) equal monthly installments unless you request otherwise. If you are a customer of Public Service Company of North Carolina ("PSNC Energy"), PSNC Energy will include your monthly service fee and any applicable Service Call Fees (as defined in Section 13 and listed in the "Customer Pricing" section) on your PSNC Energy bill, unless you request a separate bill in writing. Any unpaid balance not paid within twenty-five (25) days of the date of your bill shall bear interest at the rate of one-and-one-half percent (1.5%) per month. If your account becomes past due, PSNC Energy may demand immediate payment of the entire balance of your annual service fee and any outstanding Service Call Fees or immediate payment of the cost of all services and parts provided to you, less any payments made by you to PSNC Energy during your current contract period. PSNC Energy has the right to refuse appliance repair service if your account is delinquent.
- Unless either you or PSNC Energy cancels this contract in writing prior to the annual anniversary of your Billing Date, it will be automatically renewed for another twelve (12) months at the renewal price then in effect. If you are unsure of your Billing Date, please call us for this information. Unless we have given you at least fifteen (15) days notice otherwise before the anniversary of your Billing Date, the renewal price for the subsequent twelve (12) months will be the same as the price applied during the previous twelve (12) months. Nothing in these terms and conditions or elsewhere obligates PSNC Energy to renew this contract with you.
- If you have not filed any claim during the current contract period and you are current on all payment obligations, you may terminate this contract at any time and without further payment. If you have filed a claim during the current contract period and you wish to terminate this contract prior to the anniversary of your Billing Date, you have the option of either paying the total remaining monthly payments and any outstanding Service Call Fees or reimbursing PSNC Energy for the total cost of the claim(s), whichever is less. If you relocate to an area served by PSNC Energy, you may transfer this contract to your new residence, but you may not assign or transfer this contract without the written approval of PSNC Energy. In addition, you may cancel this contract within the first thirty (30) days following the Billing Date and receive a full refund provided you have made no claims and you terminate this contract by calling the toll-free number in the Confirmation Letter. After the initial thirty (30) day period, any cancellation or termination must be in writing. PSNC Energy reserves the right to amend the Terms and Conditions of this contract upon fifteen (15) days written notice to the Customer. In the event that the Customer does not accept the amended Terms and Conditions, the Customer may cancel this contract by notifying PSNC Energy in writing within thirty (30) days of Customer's receipt of the notice of amendment from PSNC Energy; provided that Customer shall remain liable for all charges through the date of cancellation or the effective date of the amendment, whichever is earlier. Any notice of cancellation or transfer request must be in writing and forwarded to PSNC Energy, 3680 Leeds Avenue, Charleston, SC 29405. The effective date of your cancellation shall be the date your written notice is received by PSNC Energy.
- Covered appliances must meet all applicable code requirements and be in full operating condition at the time of your Billing Date.
- Neither PSNC Energy nor its contractors shall be responsible for charges for services rendered or parts provided by third parties.
- PSNC Energy shall have sole discretion to determine the type, make and source of parts and labor used in repairs. Any equipment that is not included on the "Covered Items" list is not covered. The basic service package provides coverage for one washer, dryer, range, refrigerator, ice maker and water heater as described in this contract. Additional appliances, including additional washers, dryers, ranges, refrigerators, ice makers and water heaters, may be added to your coverage with no waiting period, for the then-current applicable monthly service fees; however, if you call for service on such additional appliances, you may not cancel your coverage for such additional appliance for at least one (1) year after the service call, regardless of the outcome of the call.
- If PSNC Energy estimates that the cost of a repair (including, without limitation, parts and labor) would be more than the value of your appliance in its then-current condition or if code violations exist, PSNC Energy may decline to make the repair and no liability will result from such decision.
- Service request calls are taken 24 hours a day, 365 days a year. You may reach PSNC Energy at 1-800-983-4948. Repair services are provided Monday through Friday during normal working hours. PSNC Energy shall have the sole discretion to determine if a service call is an emergency and, if such occurrence is deemed an emergency, after-hours service will be provided and responded to within 24 hours. If a service call is not deemed an emergency, service will not be provided outside of normal working hours.
- PSNC Energy may, at its option, use licensed (where required) independent contractors to perform all or a portion of PSNC Energy covered services. Any additional or non-covered services performed at your request will be at your expense, and PSNC Energy shall have no liability or responsibility with respect to such services.
- Neither PSNC Energy nor its contractors will be responsible for direct damages, consequential, special or punitive damages, illness or injury caused by delays, failure to service, unavailability of parts, labor difficulties, and other conditions beyond their control. PSNC Energy's liability is limited to the amounts actually paid by you to PSNC Energy pursuant to the terms of this Agreement. In no event will PSNC Energy be liable for consequential, special or punitive damages arising from any cause whatsoever.
- PSNC Energy reserves the right to terminate this Agreement and/or to refuse service as to specific appliance(s) in the event you are in violation of the terms hereof, you commit any act of fraud, abuse or misrepresentation with respect to your participation in the PSNC Energy program, or if the condition of the appliance(s) is in violation of applicable codes and you do not bring the appliance(s) into compliance with applicable codes.
- You will be charged a service call fee of ten dollars (\$10.00) (the "Service Call Fee") on a subsequent monthly bill for each service call. If you miss a scheduled appointment, you will be charged the Service Call Fee and you will be charged another Service Call Fee when you reschedule your appointment. You will not be charged a Service Call Fee for any repeat visit for the same problem occurring within thirty (30) days of the original visit, provided you have not missed a prior appointment. You will not be charged a Service Call Fee if we decline to make the repair pursuant to Paragraph 8 above.
- You may cancel this contract at any time after purchase and receive a *pro rata* refund of any amounts paid to us covering the period after your cancellation, less the cost of any claims paid on the contract.
- Obligations of PSNC Energy under this contract are backed by the full faith and credit of PSNC Energy.

CONDITIONS, PARTS AND SERVICES NOT COVERED

- Any condition that arises from abuse, theft, vandalism, fire, flood, acts of nature, acts of God, freezing, electric, gas or water outages, power surges, unusual atmospheric conditions or other abnormal conditions.
- Appliance installation, disconnection, household electric and plumbing, general inspection and/or preventive maintenance items.
- Any appliance, labor, part, material or condition that is not listed on the "Basic Appliances Covered" list is not covered (appliances and parts listed in the "Additional Appliances Covered" list may be covered for an additional service fee, as provided in the contract).
- Repairs to specific makes of equipment as determined by PSNC Energy.
- Non-covered items include, but are not limited to: refrigerator compressor, freon systems, washing machine transmission, clutch/brake assembly, self-cleaning function, ice maker auger assembly, through-the-door dispenser, ice bucket, stand-alone commercial appliances, ice machine, appliance venting, range exhaust, manufacturer warranty items, exhaust motors and power cords.
- Cost of a repair (including, without limitation, parts and labor) that would be more than the value of your appliance in its then-current condition.
- Repairs if a violation of an applicable code exists.
- Commercial property and residential property used for businesses, including but not limited to daycare centers, nursing homes/long-term care facilities or any other property used for purposes other than a single-family residence.

CUSTOMER PRICING

Appliance Plan	Monthly Plan Cost	Annual Plan Cost	Fee Per Service Call
Service Fee for Basic Package*	\$12.95	\$155.40	\$10.00
Service Fee for Each Additional Appliance**	\$2.95	\$35.40	\$10.00

PSNC Energy's ServiceCare Appliance Protection Plan is not part of the regulated services offered by PSNC Energy and is not in any way sanctioned by the North Carolina Utilities Commission. There is no advantage to customers of PSNC Energy if they buy products or services from PSNC Energy's ServiceCare Appliance Protection Plan. A customer does not have to buy products or services from PSNC Energy's ServiceCare Appliance Protection Plan in order to continue to receive the same safe and reliable natural gas service from PSNC Energy.

* Basic package covers the washer, dryer, range, refrigerator, ice maker and water heater.
 ** Adding a dishwasher costs \$4.95.

BASIC APPLIANCES COVERED

Your ServiceCare plan covers the indicated parts:

<u>CLOTHES WASHER</u>	Pump Assembly	Igniter	Selector Switch	Pilot	Condenser Fan Motor	Microswitches
Agitator	Pump Gaskets	Pilot Burner	Start Switch	Regulator	Defrost Heater	Mold & Heater Assembly
Agitator Drive Block	Relay	Regulator	Terminal Block	Spark Module	Defrost Thermostat	Shut-off Arm
Belts	Spin Drive Block	Thermocouple	Thermostat	Thermocouple	Defrost Timer	Water Inlet Valve
Boot (Top Loading Only)	Temperature Selector Switch	General Items	Timer Knob	General Items	Door Switch	
Capacitor	Timer	Belts	Touch Pad Membrane	Door Springs	Drain Blockage	<u>WATER HEATER</u>
Circulating Motor	Timer Knob	Blower Wheel	Tub Bearings	Electronic Range Control (ERC)	Drain Heater	Electric
Circulating Pump	Touch Pad Membrane	Control Timer		Fuse	Electronic Control Board	Heating Elements
Control Magnet	Transformer	Door Catch	<u>RANGE*</u>	Gaskets	Evaporator Fan Blade	Lower Thermostat
Door Switch	Water Level Switch	Door Gaskets	Electric	Oven Sensor	Evaporator Fan Motor	Upper Thermostat
Drain Hose		Door Switch	Bake/Broil Relay	Relay Board	External Overload	Gas
Drive Motor	<u>CLOTHES DRYER</u>	Drum Felt	Heater Element	Seals	Fan Switch	Flame Spreader
Electrical Switches	Electric	Drum Glides	Heater Element Switch	Selector Switch	Light Switch	Gas Valve
Electronic Control Board	Heater Element	Electronic Control Board	Surface Element	Thermostat	Start Relay	Main Burner
Fill Hose	Heater Element Switch	Fan Bearing	Receptacles	Touch Pad Membrane	Thermostat	Pilot Burner
Fuse	Motor Start Switch	Fuse	Transformer		Touch Pad Membrane	Regulator
Internal Hoses	Gas	Limit Control	Gas	<u>REFRIGERATOR</u>		Thermocouple
Lid Switch	All Burners	Lint Filters	All Burners	<u>REFRIGERATOR ICE MAKER</u>	Cams	General Items
Mixing Valve	Coil Kit	Motor Drive	Gas Valve	Air Flow System	Gear	Limit Control
Pressure Control	Flame Sensor	Pulleys	Igniter	Capacitor	Ice Maker Drive Motor	Relief Valve
Pulleys	Gas Valve	Rollers	Igniter Switches	Condenser Fan Blade		

*1 Cooktop and 1 Oven

ADDITIONAL APPLIANCES COVERED

Your ServiceCare plan may be upgraded to cover:

<u>DISHWASHER</u>	Drain Valve	Relay	<u>FREEZER</u>	Drain Heater	<u>GAS LOGS</u>	<u>GARBAGE DISPOSAL</u>
Belts	Electric Switches	Soap Dispenser	Air Flow System	Electronic Control Board	Fan Motor	Clearing of Obstacles
Bimetal Trigger	Electronic Control Board	Spray Arm	Capacitor	Evaporator Fan Blade	Gas Valve	Resetting Overload
Circulating Motor	Fan Control	Spray Support	Condenser Fan Blade	Evaporator Fan Motor	ODS Valve	
Circulating Pump	Fan Motor	Thermostat	Condenser Fan Motor	External Overload	Regulator	
Door Baffle	Fill Valves	Timer	Defrost Heater	Fan Switch	Thermocouple	
Door Gasket	Fuse	Touch Pad Membrane	Defrost Thermostat	Light Switch	Thermostat	
Door Latch	Heating Element	Transformer	Defrost Timer	Start Relay		
Door Spring	Limit Control	Tub Seals	Door Switch	Thermostat		
Door Switch	Pulleys	Water Level Switch	Drain Blockage			

HVAC REPAIR TERMS AND CONDITIONS

- This contract applies to one (1) owned or rented single-family residence. Your coverage begins or began on the date specified in the accompanying letter confirming your order ("Confirmation Letter"). That is also the first date for which you will be billed (your "Billing Date"). If the Confirmation Letter and this contract were sent to you in error, if you have changed your mind and do not want this service, if any of the information listed in the Confirmation Letter is incorrect, or if you have been billed for any period occurring before your Billing Date, please contact Public Service Company of North Carolina, Incorporated ("PSNC Energy") immediately at the toll-free number in the Confirmation Letter to avoid being billed or to arrange for a refund or credit, if applicable.
- You are provided heating and air conditioning repair service for covered unit(s) for one (1) year, but your annual service fee will be divided into twelve (12) equal monthly installments unless you request otherwise. If you are otherwise a customer of PSNC Energy, PSNC Energy will include your monthly service fee and any applicable Service Call Fees (as defined in Section 14 and listed in the "Customer Pricing" section) on your PSNC Energy bill, unless you request a separate bill in writing. Any unpaid balance not paid within twenty-five (25) days of the date of your bill shall bear interest at the rate of one-and-one-half percent (1.5%) per month. If your account becomes past due, PSNC Energy may demand immediate payment of the entire balance of your annual service fee and any outstanding Service Call Fees or immediate payment of the cost of all services and parts provided to you, less any payments made by you to PSNC Energy during your current contract period. PSNC Energy has the right to refuse service if your account is delinquent.
- Unless either you or PSNC Energy cancels this contract in writing prior to the annual anniversary of your Billing Date, it will be automatically renewed for another twelve (12) months at the renewal price then in effect. If you are unsure of your Billing Date, please call us for this information. Unless we have given you at least fifteen (15) days notice otherwise before the anniversary of your Billing Date, the renewal price for the next subsequent twelve (12) months will be the same as the price applied during the previous twelve (12) months. Nothing in these terms and conditions or elsewhere obligates PSNC Energy to renew this contract with you.
- If you have not filed any claim during the current contract period, have received no rebates and you are current on all payment obligations, you may terminate this contract at any time and without further payment. If you have filed a claim during your current contract period and/or received a rebate during the previous twelve months and you wish to terminate this contract prior to the anniversary of your Billing Date, you have the option of either paying the total remaining monthly payments and any outstanding Service Call Fees and rebates paid or reimbursing PSNC Energy for the total cost of the claim(s) and rebates, whichever is less. If you relocate to an area served by PSNC Energy, you may transfer this contract to your new residence, but you may not assign or transfer this contract without the written approval of PSNC Energy. In addition, you may cancel this contract within the first thirty (30) days following the Billing Date and receive a full refund provided you have made no claims and you terminate this contract by calling the toll-free number in the Confirmation Letter. After the initial thirty-day (30-day) period, all cancellations or terminations must be in writing. PSNC Energy reserves the right to amend the terms and conditions of this contract upon fifteen (15) days written notice to the Customer. In the event that the Customer does not accept the amended terms and conditions, the Customer may cancel this contract by notifying PSNC Energy in writing within thirty (30) days of Customer's receipt of the notice of amendment from PSNC Energy; provided that Customer shall remain liable for all charges through the date of cancellation or the effective date of the amendment, whichever is earlier. Any notice of cancellation or transfer request must be in writing and forwarded to PSNC Energy, 3680 Leeds Avenue, Charleston, SC 29405. The effective date of your cancellation shall be the date your written notice is received by PSNC Energy.
- Covered heating and air conditioning units must meet all applicable code requirements and be in full operating condition at the time of your Billing Date. If after the sign-up date and during the fifteen-day (15-day) waiting period, the covered heating and air conditioning unit(s) should need a repair or should not meet all applicable code requirements, it is your responsibility to bring the unit(s) to full operating condition and to all applicable code requirements before any repair will be done to the unit(s) under these Terms and Conditions.
- Neither PSNC Energy nor its contractors shall be responsible for charges resulting from service and/or parts you have others provide.
- PSNC Energy shall have sole discretion to determine the type, make and source of parts and labor used in repairs. Replacement parts will be of similar or equal quality and efficiency as those being replaced. PSNC Energy is not responsible for any upgrades. PSNC Energy reserves the right to exempt specific makes of equipment from eligibility. Any equipment that is not listed on the "HVAC Covered Items" list is not covered.
- If PSNC Energy estimates that the cost of a repair (including, without limitation, parts and labor) would be more than the value of your unit in its current condition, or if code violations exist, PSNC Energy may decline to make the repair and no liability will result from such decision.
- If you replace a unit that we decline to repair pursuant to paragraph 8 above because the cost of the repair exceeds the value of the unit in its then-condition (referred to as Beyond Economical Repair or "BER") and you remain on the PSNC Energy HVAC program for at least one year following receipt of the rebate, upon written request received from you within thirty (30) days of the date that we decline to make the repair, you will be entitled to the following rebates directly from PSNC Energy:

1-5 year-old unit	\$150
6-10 year-old unit	\$100
11 years-old or more	\$50

PSNC Energy rebates will be paid only after receiving a correct and verifiable invoice and documentation from Customer. Any PSNC Energy rebate is contingent upon a minimum of twelve (12) months' HVAC coverage by PSNC Energy of the new unit. If you cancel your HVAC coverage within twelve (12) months of receiving a PSNC Energy rebate, PSNC Energy is entitled to a refund of your rebate.

- Service request calls are taken 24 hours a day, 365 days a year. You may reach PSNC Energy at 1-800-983-4948. Normal repair services are provided Monday through Friday during normal working hours of the contractor in your area. PSNC Energy shall have the sole discretion to determine if a service call is an emergency and, if such occurrence is deemed an emergency, after-hours service will be provided. If PSNC Energy responds to an emergency repair request and deems the call was not an emergency, you will be responsible for all costs associated with the service call.
- PSNC Energy will use qualified, local independent contractors to perform all or a portion of PSNC Energy-covered services. Any additional or noncovered services performed by a PSNC Energy contractor at your request will be at your expense, and PSNC Energy shall have no liability or responsibility with respect to such services.
- Neither PSNC Energy nor its contractors will be responsible for direct damages, consequential, special or punitive damages, illness or injury caused by delays, failure to service, unavailability of parts, labor difficulties, and other conditions beyond their control. PSNC Energy's liability is limited to the amounts actually paid by you to PSNC Energy pursuant to the terms of this Agreement. In no event will PSNC Energy be liable for consequential, special or punitive damages arising from any cause whatsoever.
- PSNC Energy reserves the right to terminate this Agreement and/or to refuse service as to a specific unit in the event you are in violation of the terms hereof, you commit an act of fraud, abuse or misrepresentation with respect to your participation in the PSNC Energy program, or if the condition of the unit(s) is in violation of applicable codes and you do not undertake to bring the unit(s) in compliance with applicable codes.
- You will be charged a service call fee of twenty-five dollars (\$25) (the "Service Call Fee") on a subsequent monthly bill for each service call. If you miss a scheduled appointment, you will be charged the Service Call Fee. You will not be charged a Service Call Fee for any repeat visit for the same problem occurring within thirty (30) days of the original visit, provided you have not missed a prior appointment. You will not be charged a Service Call Fee if your unit is deemed Beyond Economical Repair (BER).
- Obligations of PSNC Energy under this contract are backed by the full faith and credit of PSNC Energy.
- You may cancel this contract at any time after purchase and receive a *pro rata* refund of any amounts paid to us covering the period after your cancellation, less the cost of any claims paid on the contract.

CONDITIONS, PARTS AND SERVICES NOT COVERED

- Any condition that arises from abuse, theft, vandalism, fire, flood, acts of nature, acts of God, freezing, electric, gas or water outages, power surges, unusual atmospheric conditions or other abnormal conditions.
- Commercial property and residential property used for businesses, including but not limited to day care centers, nursing homes/long-term care facilities or any other property used for purposes other than a single-family residence.
- HVAC installation, disconnection, general inspection, or preventive maintenance.
- Coverage for systems over five tons, gas air conditioning systems, water source, portable and solar heating units, oil furnaces, any type of heating or cooling unit that is not supported by duct work, condenser casings, filters/electronic air filters/cleaners, registers, grills, timers, heat lamps, humidifiers, dehumidifiers, flue/vent pipes, any part or component of the zoning system, drain pans, drain lines, float switches, external disconnects, external wiring, thermostat wiring, copper lines/tubing, duct work, any additional motors attached to unit to expel exhaust; fee associated with evacuation/disposal of freon, freight charges associated with warranty compressor, condenser, evaporator, heat exchangers and any condition that may arise due to manufacturer defects or upgrades to system; any unit, labor, part, material or condition that is not listed on the "HVAC Covered Items" list.
- Cost of a repair (including, without limitation, parts and labor) that would be more than the value of your unit in its then-current condition.
- PSNC Energy will not cover any pre-existing conditions with the unit.
- Any noncovered repairs or nonauthorized repairs will be the sole responsibility of the customer.
- Repairs if a violation of an applicable code exists.

CUSTOMER PRICING

HVAC Plans	Monthly Plan Cost	Annual Plan Cost	Fee Per Service Call
1st Unit (HVAC coverage only)	\$16.95	\$203.40	\$25.00
2nd Unit (HVAC coverage only)	\$14.95	\$179.40	\$25.00
1st Unit (HVAC plus appliance coverage)	\$14.95	\$179.40	\$25.00
2nd Unit (HVAC plus appliance coverage)	\$12.95	\$155.40	\$25.00

You are also responsible for all parts and services not covered under the contract.

HVAC COVERED ITEMS

Accumulator *	Condenser Coils **	Evaporator Coils **	Hard Start Kit *	Orifice	Solid State Circuitry	Wall Thermostat
Belts	Condenser Fan Motor	Fan Blades/Hub	Heat Exchanger **	Pilot Assembly	Spill Switch	(\$50 cap)
Blower Motor	Contacto	Assembly	Heat Strips	Pulleys	Step Down Transformer	
Blower Wheel	Control Unit	Fan Safety Switch	High/Low Limit	Regulator	Thermal Overload	
Burner	Defrost Thermostat	Fan Switch	Switches	Relays	Protector	
Burner Assembly	Direct Spark Ignition	Flame Sensor	Internal Disconnect in	Reversing Valve *	Thermocouple	
Capacitors	Door Safety Switch	Freon *	Air Handler	Rollout Safety Switch	Thermopile	
Check Valve	Draft Inducer Motor	Gas Pressure Switch	Internal Wiring	Schraeder Valve	Transformer	
Circuit Board	Electronic Elements	Gas Safety Valve	Internal Wiring Harness	Sequencer	Transistor	
Compressor **	Electronic Ignition	Glow Coil	Moisture Dryer	Solenoid Valve	TXV Valve *	

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* Items are replaced once per life of unit.

** Items must be under manufacturer warranty, then PSNC Energy will cover labor to replace (once per life of unit).