

RHEEM SALES COMPANY, INC.
Water Heater Division – Customer Care
1241 Carwood Court
Montgomery, Alabama 36117

AUTHORIZED SERVICE PROVIDER CONTRACT

Rheem Sales Company, Inc., Water Heater Division, is willing to engage the business specified in Section 7, below (referred to herein as "Service Contractor" or "you") as an independent contractor to perform warranty repair service on products of our manufacture on the terms and conditions hereinafter set forth:

1. The geographical area within which you shall perform such services. Zip Codes

[Insert territory description]

2. You and/or your employees shall render prompt, efficient, workmanlike and courteous repair service, in accordance with all applicable codes, with respect to the following products of our manufacture (the "Products"):

[Insert description of products by type and brand that contractor will service. For example, "Rheem, Ruud, Richmond, GE, Grainger, gas and electric, residential and commercial water heaters"]

3. All service work, which you perform on the Products on which our limited warranty has not expired ("that is within the applicable warranty period"), must comply with our warranty provisions as outlined in the product warranty and/or additionally explained in warranty bulletins. For this work, subject to the conditions set forth in paragraph 5, we shall, pay to you the following amounts for your services:

- (a) \$ [redacted] for each completed local repair call located within the limits of paragraph 1. Anything over this must have an authorization number from 800 432 8373 or 877 882 0682.
- (b) In addition, any special conditions as outlined herein:

You must not perform replacement of entire water heaters under this Agreement or exceed the applicable labor rates agreed in this Agreement.

without authorization from Rheem 800 Tech service line @1-800-432-8373 or 877-882-0682.

Replacement labor not to exceed \$250.00 without authorization from Rheem.

4. You shall make a reasonable charge in accordance with the customs of the territory to the owner for your services with respect to products as to which our limited warranty has expired, except that if we have agreed to pay a labor allowance for services with respect to such Products beyond the applicable warranty period, your charge to the owner shall be reduced by the amount of the applicable labor allowance. Except for such labor allowances, if any, we shall not be liable in any way for the payment of your charges to the owner or for any services rendered by you under this paragraph 4. The terms of the current Rheem Sales Company, Inc. Rheem-Ruud Authorized Service Contractor Guidelines are incorporated into this Agreement in their entirety. The Guidelines contain very important, legally binding obligations. Be certain that you read and fully understand the Guidelines because they form a part of this contract.

5. Not later than the 15th day of each month during the term of this agreement, you shall complete and forward to our Rheem Montgomery Parts Department one copy of our standard service report covering all warranty service performed during the preceding month. The top copy of the report (White) is to be returned with the defective parts, if no part has been replaced, enclose only the White copy. The part tag is to be attached to the defective part. The 2nd copy (Yellow) is the contractors and the bottom section is the customers receipt. For each service call made during the preceding month the report must contain; the model and serial number of the Product; name and address of owner; whether the service call was made within or beyond the city limits referred to in (a); name and address of installer; name of distributor; date of installation; the reason for service call; the nature of work performed; name of person requesting service and other pertinent data. Defective parts replaced "in-warranty" must be reported in accordance with Rheem's current "in-warranty" procedure. Within 30 days after receipt and approval of this report, we agree to pay you the amount due under paragraph 3; provided, however, that we shall not be liable to pay you for any services for which you are unable to provide to us, satisfactory evidence that the services described were actually rendered by you within the applicable warranty period. Rheem shall have no obligation to pay you if you fail to submit a complete and satisfactory service report within sixty (60) days after the service is performed. Rheem shall be exempt from all sales/labor tax.

6. You shall carry at all times an adequate inventory of Rheem replacement parts for the repair and service of the Products in order to ensure prompt and proper service in your territory. We shall sell you such replacement parts at the current single, bulk, or discounted published distributor prices and on the other terms and conditions set forth on Rheem's current parts price list. For any Rheem replacement parts which you install without charge to the owner during the "in-warranty" period with respect to the parts replaced, we shall give you proper credit or replacement upon return of the defective replaced parts to Rheem Montgomery Parts Department.

7. You shall operate your business in connection with the servicing of the Products under the name of _____ and you are a _____ (corporation, partnership, sole-proprietorship)

You agree not to use the names "Rheem", "Ruud", "Richmond", "Grainger", "GE", or "General Electric Company" in any manner, in advertising or otherwise, without our prior written consent.

8. All services performed by you hereunder shall be at your sole risk and you shall be liable for, and you agree to defend, indemnify and hold Rheem harmless from and against any loss, damage, liability, expense, claims or demands, arising out of or by reason of such services performed by you, your employees, contractors, agents, and representatives.

9. You hereby guarantee your workmanship for a period of 90 days, and material you supply, other than Rheem warranted parts, for a period of ONE (1) year after the service is performed. If such workmanship or material proves defective within such periods, you shall render such further services or furnish such replacement materials, without charge to us or the owner of the Products, as shall be necessary to correct the defective condition.

10. (a) You shall act solely as an independent contractor. You and your employees, contractors, agents, and representatives shall under no circumstances represent yourselves as, or be deemed to be, agents, employees or representatives of Rheem, and you shall have no right or authority to enter into any contracts or commitments in the name or on behalf of Rheem or to bind us in any respect whatsoever.

(b) You represent and warrant that you have performed checks of criminal, sexual predator, and driver's license records, and confirming clean records, for all of your employees or contractors who may enter consumers' residences in the performance of your obligations under this Agreement. If you subsequently obtain information that any employee or contractor who enters consumers' residences no longer has a clean record, or previously provided false or incomplete information, or any other information that indicates that the employee or contractor may present a danger to consumers, you will promptly disqualify such person from performing work in consumers' residences.

(c) You shall carry a comprehensive general liability insurance policy, including contractual liability, of not less than \$1 million (one million US Dollars) per occurrence and a motor vehicle insurance policy of not less than \$1 million (one million US Dollars) per accident. If you use contractors, your contractors must carry the same types and levels of insurance coverage. You shall carry workman's compensation and other insurance on your employees, and comply with all applicable Federal, State, local or municipal laws or statutes.

11. You shall not give opinions or advice to owners of our Product with respect to the application or meaning of our warranty of such Products, and shall not give opinions or advice as to any claim by such owners who have or claim to have been injured or sustained a loss through use of our Products. You shall not discuss any financial disclosures you have between Rheem and yourself with any customer but Rheem Sales Company, Inc. You shall maintain a satisfactory quality of service as measured by a general survey or audit of customers who have received service from you. All inquiries of this nature shall be referred by you to the Rheem Administrator of Support Services.

12. This agreement shall continue from year-to-year, unless sooner terminated as hereinafter provided. Either of us may terminate this agreement at any time, with or without cause, upon a notice in writing to the other at least 30 days prior to the effective date of termination specified in said notice. Such notice shall be delivered or sent by registered mail to the other party at its regular business address set forth herein. You shall render the same services during such 30-day period as were rendered by you prior to the notice of termination. Any change of service rates serves to terminate this agreement and must be the subject of a new agreement between the parties.

In the event of termination by Rheem, you agree to resell to us, and we agree to purchase from you, your entire usable inventory at the date of termination of new replacement parts theretofore purchased from us upon delivery of such inventory to us or upon our order following the receipt and verification by us of a detailed list of such inventory. The price of such inventory shall be the cost thereof to you of the new replacement parts which are then usable in Products currently being manufactured by us, less 20% handling charge.

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13. This agreement is personal in nature and cannot be assigned or delegated by you except by prior written consent of Rheem. This agreement may not be modified except by an instrument in writing executed by parties hereto.

If the foregoing terms and conditions of this Service Contract are acceptable to you, please sign and return to us the enclosed copy hereof.

Very truly yours,

RHEEM SALES COMPANY, INC.
Water Heater Division

ACCEPTED:

Name of Firm or Corporation

By _____
Service Contracts Facilitator – Christa Wilson

By _____
Sign

By _____
Technical Service Manager – Jason Roberts

Print

Capacity of Signer (President, Vice President, General Partner)

Phone _____

Address _____

_____ Zip _____

Date _____

Resale Certificate No. _____

Federal I.D. Number. _____

Social Security No. _____