

Burnham Winter Warmth Assurance Plan

ADMINISTERED BY CornerStone

800-824-5090 • Eastway Plaza • 1899 Tate Boulevard, SE-Suite 2110 • Hickory, North Carolina 28602 • FAX 828-345-1918

DEALER AGREEMENT

(Please Type or Print Legibly-Thank You)

This Agreement is entered into this ____ day of _____, 20____, by and between _____, (Dealer),

located at (Address) _____, (City) _____, (State) _____ (Zip) _____,

Telephone (_____) _____, FAX (_____) _____, E-mail Address _____, and TELEVISION & APPLIANCE WARRANTY, INC. (CornerStone), with its principal place of business at Eastway Plaza, 1899 Tate Boulevard, SE – Suite 2110, Hickory, North Carolina, 28602, on behalf of Burnham Hydronics (Burnham) with whom CornerStone has entered into an Agreement.

WHEREAS, CornerStone is engaged in the business of administering extended service contract programs (Plan) on behalf of Burnham, the Dealer and the customers of the Dealer, and;

WHEREAS the Dealer desires to offer the Plans on Burnham products sold to customers of the Dealer and/or the Dealer desires to provide actual repairs required to be provided pursuant to the terms of the Burnham Winter Warmth Assurance Plans, and;

NOW, THEREFORE, in consideration of the premises, mutual covenants, terms and conditions set forth herein, Dealer and CornerStone agree as follows:

I. AKNOWLEDGEMENT OF ADMINISTRATOR

- A. Dealer hereby acknowledges CornerStone as the exclusive administrator of Burnham Winter Warmth Assurance Plans sold by Dealer to its customers commencing upon the date of the Agreement.

II. APPOINTMENT OF THE SERVICE DEALER

- A. CornerStone, acting on behalf of Burnham, appoints this Dealer as a primary Burnham Winter Warmth Assurance Plan service dealer to provide repairs required under the Burnham Winter Warmth Assurance Plans sold by the Dealer.

III. ADMINISTRATOR OBLIGATIONS

- A. CornerStone shall provide a toll free telephone number for the Dealer and customers of the Dealer for confirmation of authorized service, service procedures, customer inquiries concerning their Plans and general communications with CornerStone concerning the Burnham Winter Warmth Assurance Plan Program.
- B. Direct and administer the servicing by Service Dealers of products sold by the Dealer in accordance with the terms and conditions of the Plans.
- C. Collect from the Dealer the proper purchase price of Plans sold by Dealer per the current Burnham Winter Warmth Assurance Plan Dealer Wholesale Price Schedule.
- D. Upon completion of satisfactory repairs and submission of a repair invoice in such form as required by CornerStone, CornerStone will pay such invoice, less any charges paid by the customer, according to the terms of this Agreement, including attachments. The Plan purchaser is responsible for any service call determined to be a nuisance call or that does not fall under the coverage of the Plan.
- E. In order to maintain the quality control standards of Burnham and CornerStone for repairs under the program, CornerStone will have the right to verify and audit service and repairs performed by the Dealer's personnel by means of mail and/or telephone contact with customers.
- F. CornerStone shall have the right to off set any amount CornerStone may owe the Dealer against any sums the Dealer may owe for any obligations of the Dealer to CornerStone.
- G. CornerStone agrees to reimburse the Dealer for performance of legitimate repairs and service to properly registered products under the Plan on the following schedules. Your service call charge is \$_____ which includes the trip to the customer's home and the first sixty (60) minutes of on-site labor. Additional labor, if required, is \$_____ per hour. Service call and hourly rates must not exceed the normal rate for the Dealer's geographic area, as determined by CornerStone. Please note that all labor is reimbursed at the approved rate regardless of when the service is performed. Labor to replace an entire boiler, furnace, air conditioning system or boiler sections is limited to a maximum of six (6) hours at the approved rate, provided the replacement is authorized by Burnham, in writing, prior to commencement of the replacement.
- H. CornerStone will reimburse the Dealer for the wholesale cost of the covered part plus a forty percent (40.0%) markup (wholesale part cost x 1.4). A copy of the purchase invoice on the part is required, if requested by CornerStone.

IV. SELLING DEALER OBLIGATIONS

- A. When a Dealer sells a Plan at the same time as the sale of new equipment to be covered by the Plan, the Dealer shall, within ten (10) days from the date of Plan purchase by the consumer, complete the Plan Application and send it, along with proper payment, directly to CornerStone. Failure to do so will prevent the Plan from being properly registered by the CornerStone.
- B. Dealer may sell Plans on new equipment to the retail customer within nine (9) months after installation of an eligible product under the following conditions:
 - 1. Proof of purchase is required if the Plan is not sold at the same time as the product.
 - 2. The Dealer, by purchasing the Plan on behalf of the homeowner, is certifying that the equipment is in good working condition and that no repairs are pending.
 - 3. The Plan Application and proper remittance must be sent to CornerStone within ten (10) days following the Plan purchase date by the consumer. Failure to do so will prevent the Plan from being properly registered by the CornerStone.
 - 4. In no case will the Plan Application and remittance be accepted if they are received by CornerStone more than ten (10) months after the date of product installation.
- C. In no case may a Plan be sold on a product more than eighteen (18) months after its original date of manufacture.
- D. Dealer shall be bound by the terms, instructions and procedures as set forth in the Dealer Guidelines of CornerStone and Burnham.
- E. Dealer shall be responsible for making full and partial refunds of the Plan retail sale price to a Plan purchaser as required by law and/or by the terms of the Plan. CornerStone shall pay to the Dealer its appropriate portion of the refund based on the wholesale price received by CornerStone from the Dealer.

V. SERVICE DEALER OBLIGATIONS

- A. Dealer accepts the appointment as a Burnham authorized Service Dealer for the specific products designated.
- B. Dealer warrants that it possesses the experience and expertise to service and repair the types of products designated and will only undertake repairs on products for which it is factory authorized unless otherwise agreed to by CornerStone.
- C. If CornerStone should direct a customer to the Dealer for service on a product, before beginning service, the Dealer must (1) verify coverage from the Plan, (2) verify information as set forth in the CornerStone service procedures, (3) advise CornerStone, in advance of the repair, of its estimate of the cost to repair the product if the estimate approaches and/or exceeds the salvage value of the product as determined by CornerStone.
- D. If a customer should initially contact the Dealer for service, the Dealer shall refer the customer directly to CornerStone before beginning service on the product unless the Dealer actually sold the Plan to the customer, in which case the Dealer may proceed with the repair.
- E. Upon completion of satisfactory service, the Dealer shall then invoice CornerStone for the covered repair on such invoice form that CornerStone may require for the service rendered. The invoice form must include the repair order number, the verification number, when necessary, and such other relevant information as required by CornerStone and outlined in the Dealer Guidelines. All invoices must be submitted within forty-five (45) days of completion of the service or they will not be processed for payment.
- F. The Dealer agrees to seek reimbursement from the manufacturer, after the manufacturer's warranty expires, for any chronic problems or "duds allowances" and to reduce the Dealer's invoice to CornerStone by the amount of the reimbursement.
- G. Dealer agrees to send defective parts replaced and claimed under the Plan to CornerStone, if requested, within ninety (90) days of receipt of the claim.
- H. No charge for dismantling the product to determine the malfunction (breakdown or access charge) or diagnostic charges shall be made by the Dealer. The customer is solely responsible for any diagnostic, breakdown or access charges.
- I. With respect to any additional service not provided for under the Plan, which the customer requests and the Dealer may wish to provide, the Dealer must advise the customer that the additional service is not covered under the terms of the Plan and that the customer is solely responsible for the cost of such additional service. The Dealer shall not assess the customer any fees or charges for service and repairs covered by the Plan.
- J. Dealer agrees not to subcontract any service to be provided hereunder for the account of Burnham without prior written consent of CornerStone.
- K. The parties hereto are independent dealers and nothing in this Agreement will be construed as an employer-employee relationship.
- L. Dealer indemnifies, defends and holds Burnham, CornerStone and their directors, officers, employees, successors and assigns, harmless from and against all liabilities, claims, injury expenses (including reasonable attorney's fees) or loss resulting from or arising out of acts or omissions of the Dealer, its agents, directors, officers, employees and Dealers in providing service to a customer, and the Dealer shall reimburse Burnham and/or CornerStone in defending any such actions brought against the same.
- M. Dealer warrants all labor performed for a minimum of sixty (60) days from completion date.
- N. Manufacturer and/or Dealer warrant all replacement parts used for a minimum of one (1) year from service completion date.
- O. Dealer agrees to provide labor and parts as set forth above.

- P. This Agreement and any rights or obligations hereunder are personal to the Dealer and shall not be assignable, subcontracted or transferable in whole or in part without prior written consent of CornerStone.

VI. GENERAL AGREEMENT GUIDELINES

- A. CornerStone shall be under no obligation to administer any Plan if the Service Dealer covers a product not listed in the current Burnham Winter Warmth Assurance Plan Dealer Wholesale Price Schedule.
- B. Plan coverage for labor for properly registered equipment will begin on the thirty-first (31st) day after equipment installation for properly registered Plan Applications and will continue for a total of five (5) or ten (10) years from the original date of, a) equipment installation or b) eighteen (18) months from the date of equipment manufacture, whichever comes first and depending upon the coverage purchased. The coverage period will include any manufacturer, OEM and/or Dealer warranty. NOTE: Labor, under the Winter Warmth Assurance Plan, to replace an entire boiler, furnace, air conditioning system or boiler sections is limited to a maximum total of six (6) hours.
- C. Plan coverage for parts for properly registered equipment will begin on the first (1st) day of the second (2nd) year following the date of equipment installation or upon expiration of the original manufacturer's warranty, whichever is later, and will continue up to a total of five (5) or ten (10) years from, a) the original date of equipment installation or b) eighteen (18) months from the date of equipment manufacture, whichever comes first and depending upon the coverage purchased. The coverage period will include any manufacturer, OEM and/or Dealer warranty.
- D. CornerStone shall be under no obligation to administer any Plan if the Dealer fails to remit the wholesale purchase price relating to the liability under that Plan to CornerStone or remits such wholesale purchase price more than ten (10) days after the date the Plan was sold to the purchaser.
- E. CornerStone assumes no responsibility for any expenses incurred under the Program for workmanship, quality of repairs or replacement parts, nor for any bodily injury, property damage, incidental damages or consequential damages whatsoever caused directly or indirectly by a product failure or malfunction, of Service Dealer's services or repairs or any other obligation not specifically set forth herein.
- F. The Agreement may be terminated immediately by either party upon giving written notice to the other party.
- G. Upon termination by either party, all obligations hereunder shall cease provided, however, that CornerStone shall continue its administration and liability for all Plans sold and properly registered by the Dealer and administrated by CornerStone prior to the termination date and for which the Dealer has paid the appropriate wholesale purchase price to CornerStone.
- H. This Agreement may not be assigned in whole or in part by the Dealer or CornerStone without the prior written consent of the other party. CornerStone may enter into agreements with affiliates or independent third parties to perform duties under this Agreement.
- I. CornerStone offers Plans on various products. The conditions, coverage, exclusions, etc., described in this Agreement may be superseded by the terms and conditions contained in the various product Plans. Any representation of the Plan other than the terms therein are not binding on Burnham, CornerStone, their agents or members, nor shall they be liable for any incidental or consequential damages.
- J. This document, together with any addenda, constitutes the full and entire Agreement between CornerStone and the Dealer, superseding any prior oral or written representations, agreements, or understandings between the parties relating to this subject matter. Future modifications or agreements must be made in writing and signed by both parties.

VII. GENERAL TERMS AND CONDITIONS OF THE PLAN

Burnham Hydronics Winter Warmth Assurance Plan

Covered Items: Upon receipt of payment of the contract price, the issuing Dealer through the Plan Administrator, will replace parts and furnish labor for same, necessary to maintain the specified product in operating condition, provided that such service is made necessary by product failure in normal residential use. The Plan Administrator, in consultation with the service contractor, shall determine whether a part is repaired or replaced under this Plan. Where replacement of a component is necessary, the replacement shall be of like kind and quality, either new or refurbished. The total limit of liability under this Plan shall be the actual cash value of the entire product, as purchased by the homeowner, at the time of the claim. This same limit of liability shall be honored whether the claim is made for a one-time occurrence or an accumulation of claims over the life of the contract. The parts liability under this Plan starts at the termination of the standard Burnham parts warranty for properly registered equipment. The labor liability under this Plan starts on the thirty-first day after product installation for properly registered equipment.

Repair service will be provided by the Dealer selling this Plan, providing that he is a current Burnham equipment dealer in good standing. In the event that the selling Dealer ceases to be a Burnham dealer in good standing, the Plan Administrator will appoint a new service contractor. The owner of this Plan may, at any time, choose a new authorized Burnham dealer to perform service under this Plan. All work under this Plan will be performed at the sight of original installation, except in the case where the Dealer deems it necessary to remove an item for repair at an off-site facility. Before starting repairs, the contractor may call the Administrator at (800) 824-5090 or (828) 345-6019 for verification of coverage.

The Winter Warmth Assurance Plan covers the entire Burnham boiler including all component parts supplied by Burnham as standard equipment. Residential boilers up to 500,000 BTUH input for gas and 2.1 GPH input for oil are covered by this Plan. Optional equipment as listed shall be covered against manufacturer's defects under the same terms as the Burnham boiler. Components or parts of the boiler that are found to be defective in material or workmanship are covered from the end of the Burnham standard warranty through the expiration of the term as indicated hereon. (Ten (10) years from date of boiler installation maximum.)

What is not covered: The following items are not covered under this Plan. Components furnished by the Dealer or homeowner that are part of the heating system and are not part of the boiler. This includes but is not limited to the following: water feeders, thermostats, relays, zone valves, fittings, filters, nozzles, orifices and external wiring, unless the optional coverage is purchased at the time of original purchase of the boiler for a specific item.

This Plan does not provide coverage for failures due to the following: operating the unit over or under the rated capacity; improper installation, abuse, field or unauthorized alterations to the standard unit, units installed in a structure that is not a residential dwelling, damage to the unit caused by improper service or operation, damage caused by unauthorized maintenance personnel, insufficient water supply, freezing, flooding, corrosion or erosion caused by water conditions, fuel or additives which cause abnormal deposits in the heat exchanger, damage caused by failure to follow the routine maintenance procedures as recommended by Burnham, interruption of fuel or electrical service, loss or damage caused by water, hail, fire, winds, lightning, or other acts of God, acts of war, any condition that is not considered as a defect in manufacturers materials or workmanship, inaccessibility of the unit or component, consequential damages or delay in rendering service due to unavailability of parts and nuisance calls. Maintenance needed to keep the product in good operating condition is not covered. This includes, but is not limited to, cleaning, tune-ups, adjustment of customer controls and customer product education. Additional or unusual utility bills incurred due to any malfunction or defect in equipment listed on the Plan are not covered. Labor, material, expenses or equipment required to comply with laws and/or regulations imposed or set forth by any government agencies are not covered by the Plan. Labor for diagnostics is not covered.

Agreement: This Plan is for the benefit of the original purchaser named hereon in the residence where it is originally installed. This Plan may be transferred to a new homeowner upon approval by the Plan Administrator. Contact the Plan Administrator to obtain transfer information. An administrative fee of \$10.00 may be charged.

Entire Agreement: This document sets forth the entire agreement between the parties and no representation, promise, or condition not contained herein shall modify these terms. This agreement becomes valid after receipt and approval by the Plan Administrator. This Plan is void if the Plan Administrator does not receive payment prior to service being requested for the product named hereon and/or the Plan is not registered by the issuing dealer in accordance with procedures set forth by Burnham and the Plan Administrator.

Notes: Unauthorized repairs may void this Plan. Care and maintenance must be performed according to Burnham Corporation recommendations. The Plan Administrator reserves the right to have the covered components inspected at it's own expense from time to time.

To obtain service: Call the issuing Dealer. If the issuing Dealer is not known, contact the Plan Administrator at (800) 824-5090.

The Plan Administrator is: CornerStone, Inc., Eastway Plaza, 1899 Tate Boulevard, SE – Suite 2110, Hickory, NC 28602.

This Plan is insured by: An "A" or better-rated insurance company and Administered by CornerStone, Inc. In the event that the Plan Administrator ceases to do business and you have a claim, you may file it with the insurer. Contact Burnham Hydronics for information on the claims filing process.

In witness of the above, this Agreement is executed on the dates indicted below.

_____ DEALER NAME	CornerStone United, Inc _____ ADMINISTRATOR
By: _____ SIGNATURE	By: _____ SIGNATURE
_____ PRINTED NAME	_____ PRINTED NAME
_____ TITLE	_____ TITLE
_____ DATE	_____ DATE

YOUR BURNHAM PROGRAM ID NUMBER # _____ (To be assigned by CornerStone)

PLEASE MAIL OR FAX YOUR COMPLETED DEALER AGREEMENT DIRECTLY TO CornerStone

ADDITIONAL DEALER INFORMATION *(Please Type or Print -Thank You)*

Check One That Applies: () Sales & Service () Sales Only () Service Only

Main Contact Person: _____

List The Product Types & Brands You Sell and/or Service: _____