

# SERVICE AGREEMENT

## Labor Coverage



### WHAT YOU RECEIVE

When covered by the Labor Coverage Service Agreement, SMO will provide labor at no charge for all repairs covered under the Premium Service Agreement. You will only pay for the parts used in maintaining your equipment. Any labor that must be performed outside of normal working hours (except for “No Heat”) will be billed at the After Hours Rate (\$195/hour) less a 10% discount. Emergency service (for loss of heat) will be provided within five hours of the call – 24 hours a day, seven days a week – or we will credit your account \$50!



### YOUR COST

**\$239.00** (as a stand-alone agreement)

**\$179.00** (each additional covered unit at your location)



### TUNE-UP & INSPECTION

An annual tune-up and efficiency inspection on the covered equipment will be performed once during the Service Agreement term at the customer’s request.



### REMINDER

The annual inspection and tune-up will be scheduled during normal working hours (8:00am-4:30pm, Monday-Friday, except holidays).



### COVERED SERVICES

- Check fan operation
- Clean pilot and burners
- Check gas pilot safety system
- Check for proper ignition and combustion
- Visually check venting and chimney draw (where accessible)
- Check for adequate combustion and ventilation air
- Inspect gasket
- Conduct combustion efficiency test
- Inspect combustion chamber
- Clean and check electrodes and nozzle assembly
- Replace or clean (as necessary) fuel filter cartridge, pump strainer, and burner nozzle (up to 3 gph)
- Oil and clean all burner and circulator motors
- Safety check all operating controls
- Vacuum furnace/boiler and flue pipe (including chimney base where accessible)



### LOYALTY CREDITS

We love to reward our loyal customers. For each consecutive year you purchase a Labor Coverage Service Agreement you will earn \$50 in loyalty credits. You may accumulate up to \$500 in credits which can then be applied to future equipment purchases. Credits are non-transferable and have value only as a credit toward the equipment listed below when purchased from SMO by our customers. Only one agreement per household may accumulate loyalty credits in a given year.

EQUIPMENT TYPE	LOYALTY CREDIT
Hot Water or Steam Boiler	\$500
Heat Pump Condensing Unit	\$400
Central A/C Condensing Unit	\$300
Warm Air Furnace	\$300
Fuel Storage Tank	\$300
Water Heater (direct or indirect)	\$300
Humidifier/Air Filtration System	\$100
Ultraviolet Light	\$100
Digital Thermostat	\$ 75

## TERMS and CONDITIONS for SERVICE AGREEMENTS

- 1. Size and Type of Units Covered:** These service agreements are intended for single-family dwellings. The heating fuel-fired agreements are designed for residential equipment burning up to three gallons per hour. The air conditioning/heat pump agreements are designed for residential units up to five tons. Equipment outside of these parameters will be priced individually.
- 2. Inspection and Service:** SMO reserves the right to inspect equipment to be covered under a service agreement prior to acceptance. We do this to ensure that your equipment is working properly and so that both parties are aware of the equipment's condition at the time of agreement acceptance. If upon inspection the equipment covered does not meet acceptable standards for coverage, all costs for parts & service rendered prior to the date of cancellation will be applied against the cost of the agreement. Any remaining credit balance, if any, will be refunded to the customer. Repairs required before agreement acceptance will be billed at the prevailing rates. Inspections (including flue pipe), tune-ups, and required service are subject to the accessibility of the equipment and parts from normal SMO supply sources. Inspections and annual tune-ups will only be performed Monday through Friday, between 8:00am and 4:30pm, except on holidays. SMO will not be responsible for tune-ups, inspection, or service not performed due to unavailability of customer to schedule work. Customer requests to perform heating tune-ups and air conditioning tune-ups on separate days shall be subject to an additional service charge. All services will be performed providing the safety of our technicians is not compromised. The condition and maintenance of the chimney and flue are the responsibility of the customer.
- 3. Purchase of Heating Fuel/Cancellation:** The customer hereby agrees that during the term of the service agreement, and any renewal thereof, they or their tenants will purchase their entire home heating fuel requirements from SMO and keep their account payments current. Service agreement will be cancelled in the event that the customer breaches this agreement or in the event that an SMO representative determines that continued operation of the equipment may pose a health or safety risk. A contract may also be cancelled at the discretion of an SMO representative with proper notice being given to the customer. In the event of cancellation, refunds (if any) will be prorated on the full months remaining on the plan less services rendered prior to cancellation. The customer may also elect to apply any refund to another service plan.
- 4. Renewal:** This plan will automatically renew from year to year on the anniversary date, unless customer cancels the plan by giving SMO written notice 30 days in advance of the anniversary date. The anniversary date refers to the date of SMO's acceptance of this agreement. This agreement may be terminated by SMO at the end of the service agreement period due to aging equipment or excessive service calls.
- 5. Tanks/Piping:** This plan does not cover tank repair or replacement. The tank owner is responsible for the condition and maintenance of the fuel tank, oil lines, and all piping. SMO assumes no responsibility for these components. This agreement does not ensure against tank leakage or any damage to persons or property resulting from tank leakage. This agreement does not cover any installation, clean up removal, remedial, or any other costs of compliance with any environmental law, rules, or regulations. SMO will not be responsible for bodily injury or property damage arising out of the disposal, discharge, dispersal, release, or escape of fuel or other petroleum substances or derivatives into or upon the customer's property, surrounding properties, the atmosphere, or any water course or body of water, unless caused by the negligence of SMO. In no event shall SMO's liability for any such damage exceed \$1,000.
- 6. Service by Others:** This agreement is void if anyone other than a SMO employee performs modifications to the systems or equipment covered under the plan without prior written approval of SMO.
- 7. Exclusions:** The following acts or conditions are specifically excluded from this agreement because they are not related to maintenance service. Any work performed due to these conditions will be billed at our prevailing rates:
  - Frozen or congealed fuel lines
  - Repeated (after 1st attempt) pump out of water in fuel storage tanks (additional water/ waste disposal fees will apply)
  - Coverage to vacant properties or damages from heat failure in an unoccupied home
  - Tripped circuit breakers/ blown fuses
  - Electrical or plumbing work further than three (3) feet from the heating fuel burner or air handler
  - Owner/operator errors or omissions
  - Damage due to water, fire, acts of God, tampering, or abuse
  - Emergency switch left in the "off" position or an improperly set thermostat
  - Damage due to attempts to service equipment by person(s) including owners (unless instructed by our Service Department)
  - Lack of heating fuel (unless on automatic delivery with SMO)
  - Searches in excess of two hours for refrigerant leaks (will be billed at normal labor rates, less a discount of 10%)
  - Addition of components or replacement of entire system
  - Chimneys (masonry or metal) or chimney maintenance including mechanical chimneys and inducers or chimney malfunction
  - Tank repairs, replacement, tank, or fuel line leaks

No part or service is covered by this agreement unless it is specifically listed as covered in this agreement. Listed parts are not covered if obsolete, unavailable, or inaccessible. The parties agree that this written agreement constitutes the entire agreement and supersedes all previous agreements. Any statements, which are not contained in this agreement, are not part of this agreement. Secondary damages caused by tank or fuel line leakage, malfunctioning chimney or vent piping, failure of equipment, or other conditions resulting from delay or failure to render service due to situations beyond our control, including water around the heating unit, inclement weather, strikes, war, riots, or acts of God, are not covered by this agreement. Service under this agreement does not include labor or parts made necessary by fire, water damage, removal of water from fuel tank, soil remediation, environmental compliance, or other abnormal conditions.

- 8. Five Hour Response and Tune-Up Scheduling:** The purchase of either the Premium Heating Service Agreement or Labor Coverage Service Agreement will guarantee the customer that SMO will respond to their residence within five (5) hours of receiving a call for "No Heat." In the event that SMO fails to perform to this standard, the customer will receive a \$50 credit on their fuel account. SMO does not guarantee five-hour response if road conditions are unsafe or when SMO weather contingency plans are in effect. SMO's primary tune-up season will run from April 1st through October 1st. This service is provided under the agreement but in itself holds no monetary value. SMO will make every effort to contact the customer to schedule their tune-up during that time frame; however it is the customer's responsibility to have this important service scheduled. Failure to do so could result in forfeiture of service coverage.
- 9. Limitations of Liability:** SMO shall not be liable for injury or damage to persons or property resulting from defects in, or non-operation of, customer's heating or cooling equipment or its accessories or damages resulting from equipment failure. SMO will not be held responsible for modifying or replacing equipment that fails to heat or cool any structure due to improper system design or improperly sized equipment. The customer shall be responsible for the condition and maintenance of the fuel tank, fuel lines, and piping. SMO assumes no liability for same. This service plan does not insure against tank leakage or any damages to persons or property resulting from tank leakage. This service plan does not cover any installation, cleanup, removal, remediation, or other cost of compliance with any environmental or other laws, rules or regulations. Tank repair or replacement shall be billed at the prevailing rates at the time of repair or replacement. Due to safety concerns for our technicians, we reserve the right to postpone working on outdoor air conditioning and heat pump units after dark or in inclement weather. Soot damage from oil or gas fired boilers and furnace puff backs can be caused by a variety of sources including chimney blockage, equipment malfunction, back pressure, and unit plugging. SMO shall not be liable for injury or damage to persons or property unless soot damage results from a puff back caused solely by the negligence of SMO. It shall be presumed conclusively that SMO is not negligent, did not cause a puff back, and shall not be liable for injury or damage to persons or property if the puff back (1) results from an act or omission excluded from this plan, or (2) occurs more than twenty-four (24) hours after SMO performs any service pursuant to this plan.

