 James River Air Conditioning Company, Inc. offers many accessories to enhance your heating and cooling system. Ask us about our: <u>-Humidifiers</u> Add moisture to your home in dry winter months, making your air feel warmer. <u>-Electronic Air Cleaners - Media Air Cleaners</u> and ensures you breathe clean air. <u>-Programmable Thermostats</u> Allows you to regulate the comfort level in your home and improve efficiency. 	TERMS: DUE UPON COMPLETION. This invoice is subject to a fi- nance charge of 1 1/2% per month, annual percentage rate of 18%, which is allowed by law on all balances over 30 days past due. Purchaser agrees to pay all costs and reasonable attorney's fees if this invoice is placed in the hands of an attorney for collection. PARTS WARRANTY All parts as recorded are warranted as per manufacturer's specifi- cations.
 <u>-Electrical Service</u> Qualified electrical technicians to service your electrical needs. <u>-Hot Water Heaters</u> Designed for high efficiency, including tankless models. <u>-Plumbing Service</u> Repairs and upgrades. <u>-Whole-House Generators</u> To provide your home with backup electricity. 	LABOR GUARANTEE The labor charge as recorded here relative to the equipment ser- viced as noted, is guaranteed for a period of 1 year. We do not, of course, guarantee other parts than those we install. If repairs later become necessary due to other defective parts, they will be charged separately.

Dear Customer:

About your service call.....

James River Air Conditioning Company, Inc. is committed to providing you with quality and efficient service. In order to maintain this standard of excellence, a substantial investment of time, money, and equipment is required.

When that professional service technician knocks on your door, many costs have been incurred just to get them there, ready to do the job.



Insurance - Trucks, Liability

Fire, Theft, Property

Workman's Compensation

Taxes, Income, Property

Business, Social Security,

Employment Compensation



Specialized Training

Yellow Pages Advertising

Badio



Trucks (jadders, etc.)

E

Phone, Light, Heat

\$2.51

4011



Service Management Administration

Office Help



Periodic Literature Courses & Refreshers Operation - Gas, Oil, Tires, etc.

C













Stationery, Office Supplies and Postage

When our professional service technician arrives at your door, many costs have already been incurred just to get him and our truck there, ready and able to complete the job.

Without years of training, it would not be possible for a doctor to make a diagnosis and prescribe a remedy. Consider for a moment that it isn't just his initial training, but an ongoing variety of continuing study, and the expense of maintaining an adequately equipped staff and office.

As a patient, you pay for his knowledge and skill plus a share of his business costs (overhead). Even if he spends only a few minutes, his fee could range from \$100.00 to \$300.00 depending on his degree of expertise.

This analogy holds true for any service business: the charge for providing service in your home cannot be determined solely by the time it takes the technician to make the repairs.

A qualified service organization's costs begin with the salary of the professional technician. This amount is the same whether the technician actually makes repairs on customer premises, traveling to keep service appointments, or participating in training programs to sharpen his skills.

The cost of doing business (overhead) must also be added to the technician's salary. These overhead costs can amount to substantially more than the technician's salary.

Now comes profit. A 5% net profit on the selling price, although seldom realized, would be ideal. Accordingly, if your charge is \$200.00 and we are efficient enough to earn 10% of the \$200.00, we earn 20 taxable dollars. We are sure you'll agree that is not excessive for providing top quality services on your premises.

All things considered, the cost of a service organization for its service technician's time on the job is the same whether he works with tools or not. A service call that results only in a diagnosis for resolving the problem warrants a service charge.

Thank you again for your business. Please take a moment and rate our service by filling out the attached quality control card. Your comments are important to us.

Please Visit our Website at www.jamesriverair.com !

Computerization

Quality Control Stock Of Beplacement Parts



Employee Benefits Counsel, Recruitment, etc.

ADDITIONAL TERMS AND PROVISIONS

1. MAINTENANCE SERVICES: Company agrees to provide planned maintenance services ("Maintenance Services") for the Equipment described on the front page of this Agreement, which Maintenance Services shall consist of the procedures specifically identified on the front page of this Agreement. Company shall also notify Customer of any needed reparis to the Equipment advected reparis to the Equipment and upon the request of Customer shall perform such reparis at a preferred rate and on a preferred response basis. Replacement, paris shall be paid to thy Customer at Company's then prevailing prices.

2. MAINTENANCE FEE: Customer agrees to pay to Company, its agents or assigns the total payment set forth on the front page of this Agreement ('Maintenance Fee') payable in advance for the Maintenance Services.

3. TERM AND RENEWAL: This Agreement shall be for the term specified on the front page hereof and shall be automatically renewed for additional periods of the same duration unless either party notifies the other of its intention to terminate this Agreement, not less than thirty (30) days prior to the expiration of the original term or any renewal term thereof. Company may increase / adjust the annual Maintenace Feo for any renewal period by univing Customer notice at the time of renewal.

RECEIPT OF COPY: CUSTOMER ACKNOWLEDGES RECEIPT OF A COPY OF THIS AGREEMENT.

 CANCELLATION: YOU, THE CUSTOMER, MAY CANCEL THIS AGREEMENT AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION.
 COMPANY'S LIABILITY/DISCLAIMER OF WARRANTIES: THE CUSTOMER ACKNOWLEDGES AND AGREES: THAT COMPANY HAS MADE NO REPRESENTATIONS OR WARRANTIES.
 EXPRESS OR IMPLIED, AS TO THE CONDITION OF THE EQUIPMENT, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, NOR HAS CUSTOMER RELIED ON ANY REPRESENTATIONS OR WARRANTIES.
 CUSTOMER FURTHER ACKNOWLEDGES AND AGREES: THAT ANY AFFIRMATION OF FACT OR PROVISE SHALL NOT BE DEEMED TO CREATE AN EXPRESS WARRANTY, AND THAT THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE FACE OF THE AGREEMENT HEREOF. CUSTOMER FURTHER ACKNOWLEDGES AND AGREES: THAT CUSTOMER HAS READ AND UNDERSTANDS ALL OF THIS AGREEMENT, PARTICULARLY PARAGRAPH 15 WHICH SETS FORTH COMPANY'S MAXIMUM LIABILITY IN THE EVENT OF ANY LOSS OR DAMAGE TO CUSTOMER OR ANYONE ELSE.

7. EQUIPMENT INCLUDED: This Agreement applies only to the Equipment as set forth on the front page hereof and not to fixtures in which they are contained, nor to hardware, ducts, plumbing, electrical writing, pans, defrost heaters, nor to deterivation of housing, itemas or other items due to corrosion. If repairs or adjustments require any alterations or additions to structure or property, the Customer will obtain written consent of the owner thereof prior to the performance of such work.

8. OBLIGATIONS OF CUSTOMER: Customer agrees to promptly notify Company of any unusual operating conditions of the Equipment and Customer further agrees to promptly notify Company of any suspected malfunction or defect in the Equipment. In the event Customer moves or relocates Equipment from the location on the front page hereof without the prior written consent of Company, Company at its obtion may cancel this Agreement or reluse to service the Equipment and or relocates.

UNATHORIZED REPARTS: Any changes, adjustments or repairs made by others to the Equipment, unless authorized or approved by Company in writing shall, at the option of the Company, terminate Company's obligations hereunder.

10. WATER DAMAGE: Company assumes no liability for any damages caused by water or other substances due to overflow or obstruction of any drain or otherwise. Customer understands that if the Equipment requires the use of water, either re-circulated or otherwise, the water thus used may be or may become contaminated or cause corrosion. As neither the extent nor nature of such contamination or corrosion can be predicted in advance. Company no liabilities for either the quality or condition of the nove used water or for any damage to the Equipment.

11. STANDARDS OR WORKMANSHIP: The standard of workmanship hereunder shall be that which is reasonable and customary in the industry.

 GOVERNMENT AND INSURANCE REQUIREMENTS: If Company furnishes, at the request of Customer, any items of equipment, labor or other services which are recommended or required by insurance companies or any governmental agency, including the conducting of any test required by any of the foregoing, not included in the Maintenance Services, Customer shall pay Company's then prevailing price for such equipment, labor or other services.

13. DISCLAIMER OF WARRANTIES OF COMPANY:

13.1 COMPANY SHALL NOT BE LIABLE FOR ANY LOSS, DAMAGE, CONSEQUENTIAL DAMAGES, NEGLIGENCE, BREACH OF CONTRACT OR ANY OTHER DAMAGES OF ANY NATURE COMPANY BASED UPON EXPRESS OR IMPLIED WARRANTY OR OTHER LEGAL THEORY DUE TO THE NON-OPERATION OR MALFUNCTION OF THE EQUIPMENT, INCLUDING DAMAGE TO PROPERTY OR PERSONAL INJURY CAUSED BY THE EQUIPMENT, UNLESS SAID MALFUNCTION OR NON-OPERATION OF SAID EQUIPMENT IS DUE SOLELY TO THE NEGLIGENCE OF COMPANY IN PROVIDING THE MAINTENANCE SERVICES.

13.2 ANY WRITTENE EXPRESS WARRANTES GIVEN BY THE COMPANY ARE IN LIEU OF ANY AND ALL OTHER WARRANTES, EXPRESS OR IMPLIED, INCLUDING WARRANTEY OR MERCHANT. ABILITY OR FITNESS FOR A PARTICULAR USE, WITHOUT LIMITATIONS. COMPANY SHALL NOT BE LIABLE UPON ANY WARRANTY THEORY, EXPRESS OR IMPLIED, REGARDING THE MANUFACTURE OR OPERATION OF ANY EQUIPMENT INSTALLED BY IT WITH THE EXCEPTION THAT COMPANY SHALL CAUSE SAME TO BE REPARTED OR REPLACED IN THE EVENT OF FAULTY OPERATION OF MAY EQUIPMENT INSTALLED BY IT WITH THE EXCEPTION THAT COMPANY SHALL CAUSE SAME TO BE REPARTED OR REPLACED IN THE EVENT OF FAULTY OPERATION OF MALEUNCTION OF SAID EQUIPMENT AND SHALL BE LIABLE FOR NO OTHER DAMAGES EXCEPT AS SPECIFIED HEREIN, COMPANY DISCLAIMS ANY IMPLIED WARRANTY OF ANY NATURE WHATSOEVER.

14. DESIGN DEFECTS; MALFUNCTIONS; ETC.: Company shall not be liable for any damages whatsoever which are occasioned by defective design, defective materials, defective operation or malfunctions of the Equipment or for any Equipment which is specially designed.

15. COMPANY IS NOT AN INSURÉR; LIMITATION OF LÍBBILITY: CÚSTOMER UNDERSTANDS AND AGRES THAT IF COMPANY SHOULD BE FOUND LIABLE FOR LOSS OR DAMAGE DUE FROM: (I) FAILURE O COMPANY S NERFORM ANY OF THE OBLIGATIONS HEREIN, INCLUDING BUT NOT LIMITED TO INITIAL CONNECTION, INSEPTIONS, TESTS, OM MANTENANCE SERVICES; (I) COMPANY S NEGLIGENCE: OR (III) THE FAILURE OF THE SERVICES OR EQUIPMENT IN ANY RESPECT WHATSOEVER, COMPANY'S LIABILITY SHALL BE LIMITED TO THE ANNUAL MAINTENANCE FEE AND THIS LIABILITY SHALL BE EXCLUSIVE; AND THAT THE PROVISIONS OF THIS PARAGRAPH SHALL APPLY IF LOSS OR DAMAGE, IRRESPECTIVE OF CAUSE OR ORIGIN, RESULTS DIRECTLY OR INDIRECTLY TO PERSONS OR PROPERTY FROM PERFORMANCE OF NONPERFORMANCE OF THE OBLIGATIONS IMPOSED BY THIS AGREEMENT, OR FROM NEGLIGENCE, ACTIVE OR OTHERWISE, OF COMPANY, ITS AGENTS, SERVANTS, ASSIGNS OR EMPLOYEES.

16. THIRD PARTY INDEMNIFICATION: Customer agrees to and shall indemnify, defend and hold harmless Company, its employees and agents for and against all claims brought by parties other than the parties to this Agreement. This provision shall apply to all claims regardless of cause, including Company performance or failure to perform and including detects in products, design, initial connection, inspections, tests, repair service, or non-operation of the Equipment, whether based upon active or passive negligence, indemnification, contribution warranty, or strict or product liability on the part of Company, its employees or agents, but this provision shall not apply to claims for loss or damage solely and directly caused by an employee of Company wills on or about Customer's premises.

17. HAZARDOUS SUBSTANCES: If Company encounters a hazardous substance, such as asbestos or any other substance which Company in its sole and reasonable discretion determines to be hazardous, while performing the Maintenance Services hereunder, Company may refuse to perform such Maintenance Services until such time as Customer retains a licensed abatement contractor to remove or contain such hazardous substance and such hazardous substance is actually removed or contained. In the event company refuses to perform the Maintenance Services or any portion thereof under this paragraph 17, Company shall refund a pro rata portion of the Maintenance Fe.

18. FÖRCE MAJEUR: Company assumes no liability for any delay or failure to render the Maintenance Services hereunder caused by Federal, State or Municipal actions or regulations; strikes or other labor troubles, fires, embargoes, earthquakes, storms, accidents, power failures, negligence, acts of God, acts of Customer or any third parties labor disputes freeze-ups of any kind, or any other causes, contingent to or circumstances beyond the control of Company and/or which make the fulfillment of this Agreement impractical, or for any consequential damage whatsoever. On removal of the cause of such failure or interruption, performance shall be resumed pursuant to the terms as set for the herein.

19. DESTRUCTION OF EQUIPMENT: This Agreement may be suspended or cancelled, without notice at the option of Company, if the Equipment is destroyed by fire or other catastrophe, or so substantially damages that it is impractical to continue Maintenance Services or in the event Company is unable to render Maintenance Services as a result of any action by other governmental authority.

20 DEFAULT BY CUSTOMER: If Customer fails to pay any amount herein provided within ten (10) days after the same is due and payable, or if Customer fails to perform any other provisions hereof within ten (10) days after Company shall have requested in writing performance thereof, or if any proceeding in bankruptcy, receivership or insolvency shall be commenced by or against Customer or his property, or if Customer makes any assignment for the benefit of creditors, Company shall have the right to discontinue Maintenance Services and recover from Customer all sums Company may be entitled to under law or equity.

22. SUBCONTRACTORS: Company shall have the right to subcontract with other persons, firms or corporations any of the Maintenance Services.

23. BENEFIT OF AGREEMENT: Customer acknowledges that this Agreement, and particularly those paragraphs relating to Company's limited liability, disclaimer of warranties, and third party indemnification, inure to the benefit of and are applicable to any assignees, and/or subcontractors, and that they bind Customer to company.

24. LIMITATIONS ON ACTIONS, WAIVER OF JURY TRIAL: BOTH PARTIES HEREBY AGREE THAT NO SUIT OR ACTION THAT RELATES IN ANY WAY TO THIS AGREEMENT (WHETHER BASED UPON CONTRACT, NEGLIGENCE OR OTHERWISE) SHALL BE BROUGHT AGAINST THE OTHER MORE THAN ONE (1) YEAR AFTER THE ACCRUAL OF THE CAUSE OF ACTION THEREFOR. IN ADDITION, BOTH PARTIES HEREBY WAIVE ANY RIGHTS TO A JURY TRIAL IN ANY JUDICIAL ACTION BROUGHT BY EITHER PARTY WHICH RELATES IN ANY WAY TO THIS AGREEMENT (WHETHER BASED UPON CONTRACT, NEGLIGENCE OR OTHERWISE).

25. CONFLICTING DOCUMENTS: It is understood and agreed by and between the parties hereto, that if there is any conflict between this Agreement and any other document or agreement between Customer and Company with respect to the matters described herein, this Agreement shall govern and control, regardless of whether such other document or agreement is prior to subsequent to this Agreement.

26. INVALID PROVISIONS: In the event any of the terms or provisions of this Agreement shall be declared to be invalid or inoperative, all of the remaining terms and provisions shall remain in full force and effect.

27. REMEDIES: Nothing contained herein is intended to or shall be construed so as to limit the remedies which Company may have against Customer in the event of a breach by Customer of any representation, warranty, covenant or agreement made under or pursuant to this Agreement, it being intended that such remedies shall be cumulative and not exclusive.

APPLICABLE LAW: This document shall, in all respects, be governed by the laws of the State of Virginia applicable to agreements executed and to be wholly performed within the State of Virginia.
 ATTORNEYS FEES AND COSTS: In the event any action or arbitration in instituted by a party hereto in the terms or provisions hered, the prevailing party in such action or arbitration shall be entitled to such reasonable attorneys fees, costs and expenses (including the costs of the arbitrator) as may be fixed by the Court or arbitration.

30. THIRD PARTY RIGHTS: Nothing in this Agreement, expressed or implied, is intended to confer on any person other than the parties and their respective successors and assigns, any rights or remedies under or by reason of this Agreement, nor is anything in this Agreement intended to relieve or discharge the obligations or liability of any third persons to any party to this Agreement, nor shall any provision give any persons any right of subrogation or action over or against any party to this Agreement.

31. CAPTIONS: All paragraph headings are inserted for convenience only and shall not be used in any way to modify, limit or construe or otherwise affect this Agreement.

32. TAXES: The Customer shall be responsible for any and all sales or similar taxes now or hereafter imposed with respect to this Agreement.

33. ENTIRE INTEGRATED AGREEMENT; MODIFICATION; ALTERATIONS; WAIVER: This writing is intended by the parties as a final expression of their agreement and as a complete and exclusive statement of the terms thereof. This Agreement supersedes all prior representations, understandings or agreements of the parties, and the parties rely only upon the contents of this Agreement in executing it. This Agreement can only be modified by a writing signed by all of the parties hereto or their duly authorized agent. No waiver of a breach of any term or condition of this Agreement shall be construed to be a waiver of any succeeding breach.

34. CONDEVSATE LEAKS: Condensate drains may clog at any time due to the natural occurrence of debris in the air stream and system. This agreement is not a guarantee against condensate leaks. Customer is encouraged to monitor drains monthly.

BENEFITS OF A PREVENTIVE MAINTENANCE AGREEMENT

REDUCED DIAGNOSTIC FEES

<u>30% PRICE DISCOUNT ON ALL FLAT RATE SERVICE REPAIR</u> Additionally, no overtime flat rate premium is charged. This significantly reduces your service costs.

IMPROVED SYSTEM EFFICIENCY A clean, properly-maintained HVAC system will use 20-30% less energy. This savings will more than pay for the contract.

FEWER BREAKDOWNS AND EMERGENCY CALLS On average, 68% of all emergency trouble calls are a result of not having a preventive maintenance program.

<u>50% LONGER EQUIPMENT LIFE</u> Research proves that well-maintained equipment will last much longer than non-maintained equipment.

PRIORITY SERVICE Many times in the summer we have a 4-5 day waiting list for service. Contract customers are guaranteed service within 24 hours.

<u>PEACE OF MIND</u> You do not have to worry about your system. You can rest assured that your system will operate well when needed.

TWO (2) FULL OPERATION SERVICE INSPECTIONS OF YOUR SYSTEM

All required maintenance parts, cleaning and labor are included at a discounted rate. (Heating only or A/C only - 1 inspection.)

35 HIGHLY TRAINED TECHNICIANS to serve you.

HEALTHIER ENVIRONMENT Dirty, non-maintained equipment can cause dustmites, poor indoor air quality, soiling of grilles, walls, and furniture. This increases cleaning time and in severe cases can cause health-threatening diseases.

SATISFACTION GUARANTEED