

**Service Contract Agreement**  
**PIEDMONT WATER COMPANY**  
P.O. Box 913  
GREENSBORO, GA 30642

**Please read this Agreement carefully.**

**KEY TERMS:**

Throughout this document, “You” and “Your” refers to the each customer of Piedmont Water Company. “We”, “Us”, and “Our” refers to Piedmont Water Company, P.O. Box 913, Greensboro, Georgia 30642, 1-800-248-7689. In addition, when in bold certain words and phrases are defined as follows:

**Agreement** means this document. It describes the terms, conditions, and exclusions (losses We do not cover) that apply to the Water Leak Protection Program.

**External Water Line** means the section of the water supply line You own that runs from the Piedmont Water Company meter to Your home.

**Internal Water Line** means the internal plumbing of a residential structure and water using appliances connected to the internal plumbing of a residential structure.

**Water Leak** means the occurrence of a :

- a) a loss of water due to a leak or breakage in the **External Water Line**; or
- b) a the loss of water due to a leak or breakage in an **Internal Water Line** or other water using appliance.

**Water Leak Protection Plan** means the program sponsored by Piedmont Water Company in which Your utility bill may be reimbursed or credited for a **Water Leak** as governed by the Agreement.

**A. COVERAGE**

During the term of coverage, subject to the terms and conditions of this **Agreement**, We agree, in the event of a covered **Water Leak**, to reimburse you or credit your account for the additional charges, subject to the limitation set forth in section F, on your water bill as a result of Your covered **Water Leak**.

**Certain items, events, and losses are not covered by this Agreement. Please refer to the exclusions listed in SECTION E of this Agreement.**

Unless You execute and submit a Water Leak Protection Plan Opt Out letter, You are automatically enrolled in the **Water Leak Protection Program**. You will remain enrolled for each month thereafter in which your account with Piedmont Water Company is current and up to date. You may execute a Water Leak Protection Plan Opt Out letter at any time and should you decide to opt out of **Water Loss Protection Plan**, all corresponding fees will be removed from your monthly water bill on the first invoiced water bill that is invoiced after thirty (30) days from receipt of the Water Leak Protection Plan Opt Out Letter.

**B. YOUR RESPONSIBILITIES REGARDING SERVICE**

1. The **Water Leak Protection Program** will not pay for any repair services associated with a **Water Leak**. Notice of any **Water Leak** must be given to Us immediately upon discovery and during the coverage period.
2. When repair is required, You are obligated to provide information relating to the cause and nature of any **Water Leak**. To be eligible for reimbursement or credit, You must provide Us with with proof that repair was conducted by a licensed professional (i.e. plumber) or such other persons that is satisfactory to US. Other information may include estimates, copies of inspection reports, or other supporting

- information. If asked, You must sign forms needed for Us to complete your claim under this **Agreement**.
3. Misrepresentation or any attempt to defraud Us, including collusion between You and a service provider, shall result in a denial of coverage, and We shall seek reimbursement and may pursue remedies under the law.
4. Claim documentation and any correspondence can be sent to Us.
5. In the event You need to contact someone about this **Agreement** for any reason, please contact Us to make a claim or inquire about coverage.

**C. PAYMENT OF CLAIMS**

In some cases, You may be required to pay for the water and/or sewer charges associated with a **Water Leak**, in which case, We will reimburse You. Piedmont Water Company reserves the right to either reimburse You directly or credit Your customer account for the amount owed. This Section C is subject to Coverage Limitations outlined in Section E.

**D. EXCLUSIONS**

We are not responsible for:

1. **Water Leaks in External or Internal Water Lines** if the **Water Leak** is caused by any of the following:

- a) Negligence, misuse, abuse or use not intended by the manufacturer; improper service or maintenance by a service provider.
  - b) The addition to existing systems or loads in greater quantities or capacities than the original design, or gradual reduction in performance due to wear and tear where no failure or breakdown has occurred.
  - c) Fire, wind, water, flood, lightning, ice, hail, snow, explosion, chemical, sedimentary or mineral build up, mold, mud, earthquake, soil movement, storm, pet damage, pest damage, vandalism, accident, or condition other than normal use of the system.
2. Any and all costs associated with a repair visit for **Water Leak**. You are responsible for the cost of the entire repair visit (including any and all costs associated with gaining access to equipment).
  3. Failure to provide service due to conditions beyond Our control, including but not limited to, delays in obtaining parts or equipment or labor difficulties.
  4. Secondary or consequential damages resulting from the **Water Leak**. For example, excavation performed on Your property or damage to the property caused by a Water Leak.
5. **Water Leaks** in the **External or Internal Water** line that occur prior to Your enrollment in the **Water Leak Protection Program**.
  6. Any costs associated with treatment, removal, recovery, disposal, transport or storage of any known or suspected toxic or hazardous substance/material. Repairs where there is environmental contamination or if such repairs would cause contamination.
  7. **Water Leaks** in Residential property that is used for commercial, business, or care purposes, including but not limited to: day care centers, fraternity/sorority houses, nursing, or special care homes or facilities.
  8. Coverage on mobile homes, recreational vehicles, or any residential home that has a External Water Line or External Sewer Line over 300 feet.
  9. Water Loss due to a leak in an irrigation system attached to the External Water Line or an Internal Water Line.
  10. Coverage on multiple-unit dwellings where the agreement holder does not have sole ownership and maintenance responsibility.

#### E. COVERAGE LIMITATIONS

The **Water Leak Protection Program** will only cover **Water Leaks** caused by a break, crack, or other failure in an **External or Internal Water Line**. The **Water Leak Protection Program** will only reimburse You for a covered **Water Leak** once per 12 month period. For example, if You have a covered **Water Leak** on July 15 and you submit a claim for reimbursement then you will not be eligible for another reimbursement for an otherwise covered **Water Leak** until July 16 of the following year.

Under the **Water Leak Protection Program** for a **Water Leak** to be reimbursable to you, the **Water Leak** must have caused your water bill to increase by \$200 or more over the average of Your twelve (12) previous monthly water bills (where there was no **Water Leak** in such previous twelve (12) months) and such increase and is caused by a **Water Leak**. The **Water Leak Protection Program** will reimburse or credit your account for those amounts charged in excess of \$200 above the previous twelve (12) month average. .

For example assume that You have a **Water Leak** in April that results in an \$800 water bill. Further assume that the average cost of your water bills from March to April of the previous year total \$100. Taking the \$100 and adding \$200 the **Water Leak Protection Program** would reimburse or credit Your account for \$500. Under the same example, if a covered **Water Leak** caused Your water bill to be \$300 or less, the **Water Leak Protection Program** would not be responsible for reimbursing or crediting any amounts to Your account. (Note: If you have not been a customer of Piedmont Water Company for twelve (12) months, We use the average cost of Your water bills for the months that You have been customer. If there was a **Water Leak** in Your first month as a customer a \$250 deductible would apply).

Reimbursements from a covered **Water Leak** are limited to \$2,500 maximum payout under the **Water Leak Protection Program**.

**This is not a contract of insurance. Obligations of the provider under this contract are guaranteed under a service contract reimbursement insurance policy issued by Fortis Captive Insurance Company, Inc. If we fail to pay any valid claims within 60 (sixty) days after proof of loss has been filed, You are entitled under state law to make a claim directly against Fortis Captive Insurance Company, Inc., 5256 Peachtree Road, Suite 120, Atlanta, Georgia 30341.**

#### F. GENERAL PROVISIONS

##### 1. Cancellation

This **Agreement**:

- a.) Can be canceled by You within thirty (30) days of the receipt of this **Agreement**; and the purchaser shall be entitled to a full refund.
- b.) Can be canceled by You after thirty (30) days of the receipt of this **Agreement**, and a pro-rata refund of the **Agreement** charge will be made. Claims paid and cancellation fees shall not be deducted from any refunds owed as a result of cancellation.

This **Agreement** cannot be cancelled by Us, except for:

- a.) Nonpayment of **Agreement** charges;
- b.) Fraud or material misrepresentation

Any refund owed and not paid as required is subject to a penalty equal to 25% of the refund owed and interest of 18% per year until paid; however, such penalty shall not exceed 50% of the amount of the refund.

If the **Agreement** is cancelled by Us, the purchaser may be entitled to a pro-rata refund of the paid **Agreement** charge for the remaining term.

Notice of such cancellation will be in writing and given at least thirty (30) days prior to cancellation with the reason and effective date of cancellation.

Cancellations will comply with Section 33-24-44 of the Code of Georgia.

**2. Non-Renewal:**

Piedmont Water Company reserves the right to remove a customer from the Water Leak Protection Program. This **Agreement** is renewable at Our option. If We choose to renew Your **Agreement**, You will be offered the terms, conditions and rates that are currently in effect

**3. Transfers:**

If the covered property is sold during the coverage period, coverage may be transferred by contacting Us at 800-248-7689.

**4. Where You Are Covered:**

This **Agreement** applies only to a Water Leak occurring within the state of Georgia, at residential properties where Piedmont Water Company provides potable water service to the property.

**5. Rights of Recovery:**

If We pay for loss associated with a **Water Leak**, We may require You to assign Us Your rights of recovery against others. We will not pay for a **Water Leak** if You impair these rights to recover. Your right to recover may not be waived.