COMMUNICATIONS MEMORANDUM

#5-2022

DATE: Aug. 8, 2022

TO: Honorable Mayor Meredith Leighty and City Council Members

THROUGH: Heather Geyer, City Manager

FROM: Diana Wilson, Director of Communications

SUBJECT: Service Line Warranty Update

PURPOSE

To update City Council on the partnership with Service Line Warranty of America (SLWA) and inquire if additional information and/or services should be provided to residents.

BACKGROUND

In 2011, the City entered into an agreement with SLWA, a company that offers residents optional coverage in the event of a water or sewer line break on their property. The agreement allows SLWA to use the City name and logo in marketing materials for Northglenn residents.

There are 2,162 Northglenn residents enrolled in the program; about 38% of eligible homeowners. There have been 1,168 covered repairs completed, which amounts to over \$1.2 million saved by residents. The SLWA customer satisfaction score, according to the company, is 4.83/5.

Recent developments:

- February 2022 Monthly cost coverages increased by \$1 per month for new customers and upon renewal for existing customers.
- May 2022 SLWA was acquired by HomeServe. There are no changes to services provided, although two new options are now available – coverage of water heaters and inhome plumbing. Adding these options for residents would require redoing the contract.

BUDGET/TIME IMPLICATIONS

Minimal time and budget impacts. Staff approves marketing mailers produced by Service Line seasonally and answers inquiries about the company from residents. Staff time spent on this partnership may increase slightly if Council opts to allow more information on City platforms.

STAFF RECOMMENDATION

Staff would like to include some basic information on the City website to clarify the company has permission to use the City logo but is a private entity and the coverage is entirely optional.

If Council feels water heater and in-home plumbing coverage is beneficial to residents, please provide staff direction to update the agreement. An updated agreement will be brought forward for City Council approval at the Aug. 22 regular City Council meeting.

STAFF REFERENCE

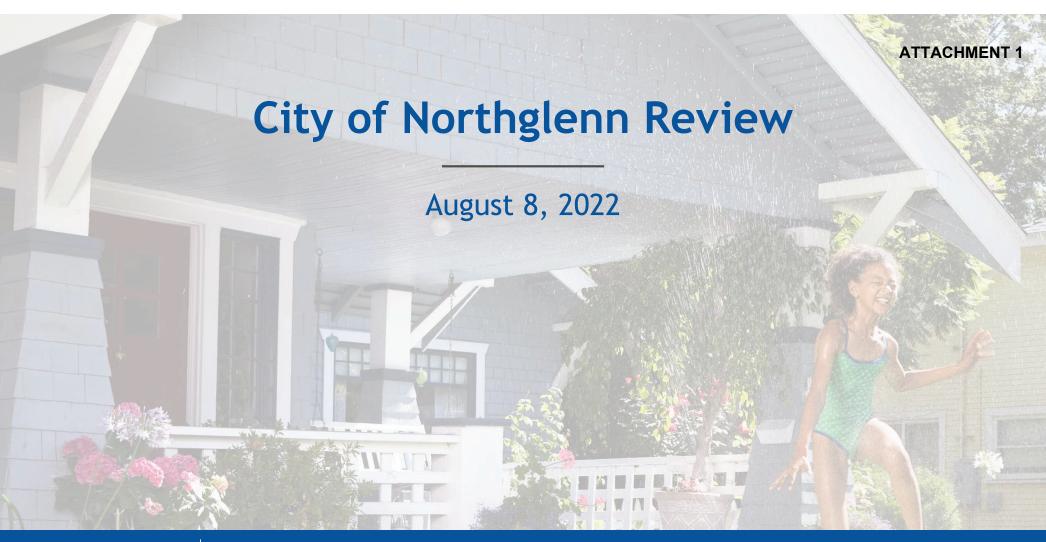
If Council members have any questions, please contact Diana Wilson, Director of Communications, at dwilson@northglenn.org or 303.450.8713.

ATTACHMENTS

- 1. Presentation
- 2. Agreement

Service Line Warranty Update Aug. 8, 2022 Page 2 of 2

- 3. Overview brochure
- In-home plumbing coverage information
 Water heater coverage information









Aging Infrastructure is Problematic for Cities & Homeowners



- Lateral lines are subjected to the same elements as public lines, ground shifting, fluctuating temperatures, tree root penetration, corrosion and more
- Failed lines waste thousands of gallons of water and present an environmental hazard
- Common homeowner misconceptions the municipality is responsible for maintenance of the water and sewer lines on their property or repairs are covered by their homeowner's policy







Solution for Municipalities and Residents

- Offers optional low-cost protection against potentially expensive water and sewer line repairs
- Educates residents about their responsibility for these lines
- Turnkey program provides marketing, billing, claims, customer service
- Enhances the local economy through use of local-area contractors
- No cost to cities to participate, revenue share available
- Reduces calls to the city
- Timely repairs reduce water loss from line breaks









About the Service Line Program

- The Service Line Warranty Program is one of seven Savings & Solutions Programs that are offered through the National League of Cities corporate partnerships
- NLC launched its partnership with Utility Service Partners in 2010, and now there are 1,000+ participating municipalities and utilities
- Only Service Line Program Endorsed by the National League of Cities
- No cost for the Municipality to participate
- Ongoing Revenue Stream for the Municipality
- Educates homeowners about their lateral line responsibilities
- Free Public Awareness Campaign
- Peace of Mind with one toll-free call a reputable plumber is dispatched
- All repairs performed to code by local licensed contractors
- Contractors undergo rigorous vetting process to ensure quality service







Strategic Partnerships with Key National and Local Associations











What We Cover

Homeowner repair protection for leaking, clogged or broken water and sewer lines from the point of utility connection to the home exterior



SEWER/SEPTIC LATERAL COVERAGE



WATER/WELL LINE COVERAGE

Coverage includes:

- Educating homeowners about their service line responsibilities
- Up to \$8,500 coverage per repair incident
- Includes coverage for thawing of frozen external water lines
- No annual or lifetime limits, deductibles, service fees, forms, or paperwork

- 24/7/365 availability
- Repairs made only by licensed, local contractors
- Affordable rates and multiple payment methods









5 of 16

SLWA/HomeServe Quick Facts



Over 4.7 million customers



Over 8.2 million policies



4.8/5 customer satisfaction score last year



Saved customers over \$1.2 billion in repair costs since inception



A+ rating from the Better Business Bureau



Partnering with more than 1,100 municipalities, utilities and associations







Partnership Overview Since Inception, September 2011









Northglenn Policy & Claims Breakdown



Water lateral

Number of policies: 1,876 Number of repairs: 85 Total cost: \$162,680



Sewer lateral

Number of policies: 1,682 Number of repairs: 1,083 Total cost: \$1,129,960







Customer Satisfaction

Customer response proves that our partnership with Northglenn is a great success. They value our seamless customer service, quality repairs from trustworthy contractors and affordable coverage.

"Jeff was professional and educational. Very pleased." — Teresa S.

"Service was great. It was a Sunday, and I had the problem fixed by 10 am! Awesome....thank you " — Barry S.

4.83

STARS

"Fast service! Wonderful technician. Couldn't be more pleased with service!" — Pat T.

"The tech sent out was very good and he was sent in a timely matter. I was very pleased with your service." — Diane T.









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Our Customers Want More!

SLWA would like to introduce new coverage options for the residents of Northglenn. These include:



Interior plumbing & drainage



Water heater





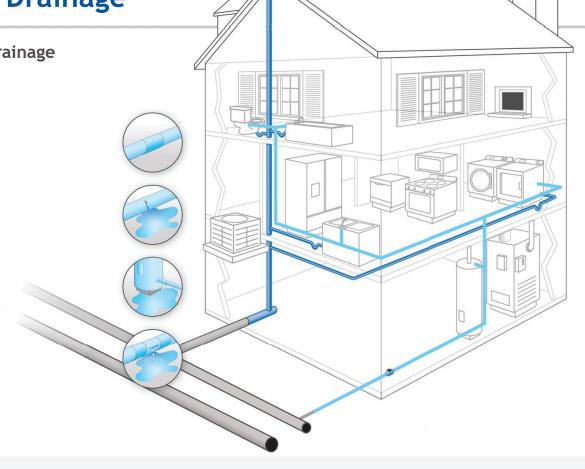




Interior Plumbing and Drainage

Our expansive interior plumbing & drainage coverage includes:

- Repair/replacement of leaking water and drain piping
- Clearing blocked/clogged sinks and toilets
- Multiple service calls annually
- \$3,000 per claim w/no annual limit











Water Heater

Our generous water heater program includes:

- Repair or replacement of most major parts or the entire unit itself
- Multiple service calls up to the annual benefit limit
- \$1,000 in annual coverage



Natural gas water heater









12 of 16



A core component of HomeServe's culture is giving back to the communities we serve. The HomeServe Cares program is part of this commitment.



Committed to helping homeowners in need



Making our communities better with support for programs that align with our core values



Providing
post-military training
and career opportunities
for service veterans



Engaging our employees in charitable giving and volunteer opportunities

www.HomeServeCares.com







ServLine by HomeServe

In December 2019, HomeServe broadened its place as a leading provider of water line protection when it acquired ServLine, a National Rural Water Association (NRWA) affinity partner. Servline works with 144 water utilities in 18 states.



Benefits to Homeowners



No cost from excess water bill

Better Experience

- · Seamless processing of claims
- Staff to ensure resident satisfaction

Increased Awareness

- Materials sent to residents about responsibility
- Questions answered by ServLine
- Peace of mind that unexpected expenses will be fully covered



Benefits to Utilities

Costs

- Customer's excess water bills get paid by ServLine
- Utility recaptures lost revenue from adjustments and bad debts

Administration

Staff workload is reduced, becomes simplified, and consistent

Customer Satisfaction

- Public relations improved
- · Greater satisfaction with utility







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ServLine At a Glance:



69% of partners chose ServLine to lower writeoff and bad debt



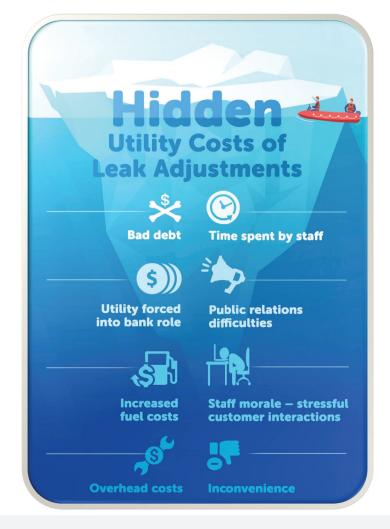
70% higher customer satisfaction with the utility with ServLine



91% Customer Satisfaction with ServLine



91% Customer Satisfaction with ServLine









SLWA & ServLine Together:









Thank You for Partnering With Us!



Michael Oravitz
Director, Account Management
Michael.Oravitz@homeserveusa.com
412.290.4685

Michael Oravitz is Director of Account Management, overseeing our SLWA partners, responsible for the overall management of municipal relationships. With over 11 years of experience in Account Management, Michael has served in roles at PureREDCreative, MARC USA and, most recently, PNC Bank. In these roles, he has been responsible for leading and coaching teams charged with building and maintaining client relationships and driving customer satisfaction. Michael graduated from Penn State University with a B.S. in Business Management and Operations.



Justin Steinbugl
SLWA Account Manager
Justin.Steinbugl@homeserveusa.com
412.514.2673

Justin Steinbugl is Account Manager for our water utility partners, responsible for supporting partner needs and functioning as their advocate within the organization. Justin has over eight years of experience in partner relationships and has been with HomeServe for almost five years, initially working in the Business Development department with both water and energy partners. Justin graduated from the University of Pittsburgh with a B.S. in Business Administration.



Christopher Rebar SLWA Account Manager Christopher.Rebar@homeserveusa.com 412.215.7331

Christopher Rebar is Account Manager for our water utility partners, responsible for supporting our SLWA partner needs and functioning as their advocate within the organization. Christopher has over ten years of experience in partner relationships and has been with HomeServe for almost two years, initially working in the Business Development department with water partners. Christopher graduated from Edinboro University with a B.A. in Speech and Communications.



Mark Slater
General Manager, ServLine
Mark.Slater@homeserveusa.com
423.488.7141

Mark Slater, Jr. co-founded the ServLine program in 2013 and currently serves as a General Manager. Mark and the Mid-Atlantic team help educate and develop the best program options for utilities and municipalities and their customers. Prior to coming to HomeServe, Mark enjoys 30 years' experience in the insurance industry with the last 7 years focused on strengthening cities, utilities, and communities across the country by implementing innovative solutions to common problems. Mark attended the University of Georgia and earned his B.S. degree from the University of Tennessee at Chattanooga. Professional development includes earning a Certified Insurance Counselor designation in 1995 and completing the Drake University Insurance Program and the Appalachian State Insurance Executive Program. Mark is married to Lorrie Slater and between them have five children with three wonderful grandkids and another one on the way. Outside of work Mark enjoys looking for his golf balls in the woods and creeks around golf courses, and spending time with his family.





SPONSORED BY: MAYOR DOWNING	
COUNCILMAN'S RESOLUTION	RESOLUTION NO.
No. <u>CR-86</u> Series of 2011	11-81 Series of 2011
A RESOLUTION APPROVING THE MARKETING AS OF NORTHGLENN AND UTILITY SERVICE PARTY SERVICE LINE WARRANTIES OF AMERICA	
BE IT RESOLVED BY THE CITY COUNCIL COLORADO, THAT:	OF THE CITY OF NORTHGLENN,
Section 1. The Marketing Agreement between Service Partners Private Label, Inc. d/b/a Service Line Water Exhibit A, is hereby approved, and the Mayor is authorized on behalf of the City.	
DATED at Northglenn, Colorado, this BH day of	Exptember, 2011.
JØYC Mayor	e DOWNING
ATTEST:	
JOHANNA SMALL, CMC City Clerk	
APPROVED AS TO FORM:	
CORENY, HOPPMANN	
City Attorney	

September 8, 2011

Mayor Joyce Downing City of Northglenn, Colorado 11701 Community Center Drive PO Box 330061 Northglenn, CO 80233-8061

RE: Marketing Agreement with Utility Service Partners Private Label, Inc. d/b/a Service Line Warranties of America ("SLWA")

Dear Mayor Downing:

We have discussed entering into a marketing agreement between The City of Northglenn (the "City") and SLWA.

SLWA provides affordable utility service line warranties to consumers. It is SLWA's understanding that, in consideration of the License Fee (as defined below) to be paid by SLWA to City, City has agreed to cooperate with SLWA in marketing SLWA's services to City's residents and homeowners (the "Residents") as described below:

- 1. City hereby grants to SLWA a non-exclusive license to use City's name and logos on letterhead and marketing materials to be sent to the Residents from time to time, and to be used in advertising, all at SLWA's sole cost and expense and subject to City's prior review and approval, which will not be unreasonably conditioned, delayed, or withheld.
- 2. As consideration for such license, SLWA agrees for the term of this Agreement, including any renewal periods, to charge Northglenn residents, regardless of whether they elect a monthly or an annual payment, the amount referenced as the charge without a "royalty," as more particularly described in the Pricing Matrix attached hereto as Exhibit A, and incorporated herein by this reference. SLWA further agrees that Northglenn residents shall be entitled for the term of this Agreement, including any renewal periods, to a charge that is ten percent (10%) less than that charged in communities that include a royalty as part of the monthly and annual charges. City shall have the right upon reasonable notice while this marketing agreement is in effect to request pricing matrices of other communities to confirm that Northglenn residents are receiving the annual payments at a ten percent (10%) discount (without the "royalty") as set forth herein. Notwithstanding the foregoing, SLWA shall have the right to increase from time-to-time the price charged to Northglenn residents for the warranties if repair costs increase over any six month period, provided, however that Northglenn residents, regardless of any such price increase, shall continue to be charged an amount that is ten percent (10%) less than that charged in communities that include a royalty as part of the monthly and annual charges.
- 3. The term of this marketing agreement will commence upon execution of the acknowledgement below and this agreement until December 31, 2011, and shall then renew on an annual basis on January 1 of each calendar year unless one of the parties

gives the other advance written notice of at least 90 days that it does not intend to renew this marketing agreement. City may terminate this marketing agreement 30 days after giving notice to SLWA that SLWA is in material breach of this agreement if such breach is not cured during such 30-day period. SLWA will be permitted to complete any marketing initiative initiated or planned prior to the effective date of any termination of this marketing agreement and shall pay the License Fee to the City for the calendar year in which this marketing agreement is terminated after which time, except for SLWA'S obligation to permit City to conduct an audit as described above, neither party will have any further obligations to the other and the license described in this letter will terminate.

4. SLWA shall indemnify, hold harmless, and defend City, its elected officials, appointed officials, and employees from and against any loss, claim, liability, damage, or expense that any of them may suffer, sustain or become subject to in connection with any third party claim (each a "Claim") resulting from the negligence or willful misconduct of SLWA in connection with, arising out of or by reason of this marketing agreement, provided that the applicable indemnitee notifies SLWA of any such Claim within a time that does not prejudice the ability of SLWA to defend against such Claim.

If City agrees that the foregoing fully and accurately describes the agreement between City and SLWA, please arrange to have a duly authorized representative of City execute and date the acknowledgement below in each of the duplicate original versions of this letter and return one to me in the enclosed self-addressed stamped envelope.

If you have any questions or wish to further discuss this marketing agreement, please do not hesitate to contact us.

Very truly yours,

Utility Service Partners Private Label, Inc.

Print Name: Philip E. Riley, Jr.

Title: President & CEO

Print Name: Brad H. Carmichael

Title: VP, Business Development

Acknowledged and Agreed:

City hereby acknowledges and agrees that the foregoing letter fairly and accurately describes the agreement between City and SLWA as of the date of this acknowledgement.

By: Date: 09/08/2011

Print Name: Joyce Downing

Title: Mayor

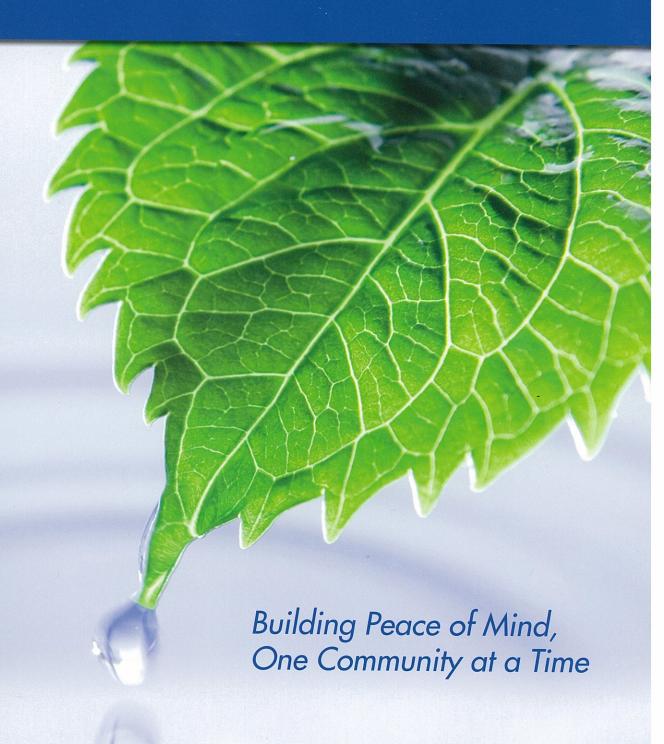
CITY OF NORTHGLENN PRICING MATRIX

Northglenn Pricing Matrix

	10% ROYALTY			NO ROYALTY				
	MONTHLY		ANNUAL		MONTHLY		ANNUAL	
WARRANTY	STANDARD	CAMPAIGN	STANDARD	CAMPAIGN	STANDARD	CAMPAIGN	STANDARD	CAMPAIGN
EXTERNAL WATER LINE	\$4.75	\$4.25	\$50.00	\$44.00	\$4.25	\$3.75	\$44.00	\$39.00
EXTERNAL SEWER LINE	\$5.95	\$5.50	\$64.40	\$59.00	\$5.50	\$4.75	\$59.00	\$52.00

NATIONAL | LEAGUE of CITIES

NLC SERVICE LINE WARRANTY PROGRAM









To strengthen and promote cities as centers of opportunity, leadership, and governance.



National League of Cities

2010 Officers

President Ronald O. Loveridge Mayor Riverside, California

First Vice President James E. Mitchell, Jr. Council Member Charlotte, North Carolina

Second Vice President Lester J. "Les" Heitke Mayor Willmar, Minnesota

Immediate Past President James C. Hunt Councilmember Clarksburg, West Virginia

> Executive Director Donald J. Borut

Dear City Official:

The National League of Cities (NLC) is pleased to partner with Utility Service Partners, Inc. (USP) in offering the **NLC Service Line Warranty Program**. Our Service Line Warranty Program is an affordable home protection solution for your residents to help them deal with the financial burden of unanticipated utility line repair and replacement costs that are not the city's responsibility to repair. Some additional program benefits are:

- No cost for cities to participate
- Affordable rates for residents
- Repairs made by trusted local contractors
- Reduces local officials' frustration
- Increases citizen satisfaction

We selected this program because of two outstanding features. First, by endorsing the NLC Service Line Warranty Program, the city generates extra revenue. USP will pay the city a royalty on every dollar collected. The Program generates an on-going, sustainable source of revenue for the city. Second, the program helps stimulate the local economy. USP uses local contractors to complete the repairs, which helps keep money in the local economy.

Some other things to consider in evaluating our Service Line Warranty Program are: 1) USP pays for the repairs, not your residents, 2) all repairs are performed to local code, 3) customers are provided with a 24/7 customer service repair hotline, and 4) USP is responsible for all aspects of the program including marketing, billing, customer service, and performing all repairs.

The Warranty Program came to the attention of the NLC through a grass roots effort that began in West Virginia, Illinois, Oklahoma and Texas. Participating cities have been delighted with the program and eagerly endorsed it to the NLC.

When you participate in an NLC-endorsed program, you have the satisfaction of knowing that the NLC staff is working with the service provider to offer superior service. We are here to help cities participate in the program and make sure the program works for you. I strongly encourage you to consider NLC for *solutions*, *service and savings*.

For more information about the NLC Service Line Warranty Program, contact Denise Belser, NLC Program Director, at <u>belser@nlc.org</u> or (202) 626-3028. I also invite you to visit the Enterprise Programs section of NLC's website at <u>www.nlc.org</u>.

Donald J. Borut

Sincerely,

Executive Director

Past Presidents: John DeStelano, Jr., Mayor, New Haven, Connecticut • Brian J. O'Neill, Councilman, Philadelphia, Pennsylvania Directors: Ulysses Z. Addison, Jr., Councilmember, Baton Rouge, Louisiona • David Baker, Mayor, Kenmore, Washington • Geoffrey C. Beckwith, Executive Director, Massochusetts Municipal Association • M. Margaret Bates, Commissioner, Lauderhill, Florida • Charles A. Blango, Aldermon, New Haven, Connecticut • William G. *Blill" Brooks, Mayor, Belle site, Florida • Kenneth H. Bullack, Executive Director, Utah League of Cities and Towns • Jim Byard, Jr., Mayor, Prativille, Alabama* of Carry W. Campbell, City Director/Vice Mayor, Fort Smith, Arkansas • Shert Capehant, Councilmember, Asington, Texas • Nancy G. Carter, Council Member, Chaidate, North Carolina • Brad Cole, Mayor, Carbondole, Illinois • Sandra Calvin-Roy, Council Member, Minneapolis, Minnesota • John F. Cook, Mayor, El Paso, Texas • Mildred C. Grump, Council President, Newark, New Jersey • Joe Davis, Sr., Alderman, Milwaukee, Wisconsin • Gretchen Driskell, Mayor, Soline, Michigan • Larry G. Frang, Executive Director, Illinois Municipal League • Dan Furtado, Councilmember, Campbell, California • John A. Garret, League of Cities and Municipalities • Paul M. Gresham. Councilmember, Centerville, Ohio • Miriam Hair, Executive Director, Municipal Association of South Carolina • Rap Hankins, Council Member, Microna • Grego Lamke, Council Member, Minnesota • George Lewis, Executive Director, Handshaper, Mayor, Sovannah, Georgia • Dennik Kavanaugh, Tannesse • Milchael McCauley, Executive Director, League of Minnesota • George Lewis, Executive Director, Minnesota • George Lewis, Executive Direct





For Immediate Release March 7, 2011

Contact:

Utility Service Partners Brad Carmichael 724-749-1003 bcarmichael@utilitysp.net

National League of Cities Gregory Minchak 202-626-3003 Minchak@nlc.org

Utility Service Partners (USP) awarded master agreement with the North Central Texas Council of Governments

Canonsburg, PA - Utility Service Partners (USP), the administrator of the National League of Cities (NLC) Service Line Warranty Program, was awarded a master agreement with the North Central Texas Council of Governments (NCTCOG) to assist cities in providing their residents with protection against the high cost of broken or leaking utility lines. Cities can access the NLC Service Line Warranty Program through an interlocal agreement.

Mike Eastland, NCTCOG's Executive Director added "In response to local entities' interest in this type of program, we are pleased to introduce a new Shared Services program that allows cities to provide their residents optional protection against utility line repair costs. NCTCOG's Shared Services programs are programs of choice; they are designed for flexibility so they can be made available to a wide variety of entities and meet each entity's specific needs. Participation by each city is strictly voluntary."

After a review of four leading utility line warranty providers, USP was unanimously selected by a NCTCOG review committee comprised of five NCTCOG member cities representing various populations within the North Central Texas region. "We were up against some pretty stiff competition so this was very rewarding for our company to have been unanimously selected by this independent panel," stated Phil Riley, USP's President and CEO.

"We believe that the NLC Service Line Warranty Program provides a unique service to cities and their residents, combining an efficient solution for homeowners while providing a source of additional income for cities. USP has a strong, proven track record of customer satisfaction and we are delighted to be working with them," added Donald J. Borut, Executive Director of the National League of Cities.

This fall, USP teamed up with the National League of Cities ("NLC") to create the NLC Service Line Warranty Program. The NLC Service Line Warranty Program provides affordable utility service line warranties to homeowners covering expensive repairs to external water and sewer lines on homeowners' property. The program offers 24 hour/7 day a week utility service line protection.

Cities interested in participating in the NLC Service Line Warranty Program should contact Brad Carmichael, Vice President of Business Development at Utility Service Partners, partnerships@utilitysp.net or (866) 974-4801. Further information is available at www.utilitysp.net/nlc and www.nlc.org/enterpriseprograms.

For more information on the interlocal agreement, please visit http://www.nctcog.org/sharedservices.asp.

About Utility Service Partners

Headquartered in Canonsburg, Pennsylvania, Utility Service Partners, Inc. is a leading independent provider of service line warranties and water heater rentals in the United States. USP is a portfolio company of Macquarie Capital, part of Macquarie Group Limited, one of the world's largest owners and managers of infrastructure assets and a manager of over \$36 billion in infrastructure equity around the world.

About the National League of Cities

The National League of Cities is the nation's oldest and largest organization devoted to strengthening and promoting cities as centers of opportunity, leadership and governance. NLC is a resource and advocate for 19,000 cities, towns and villages, representing more than 218 million Americans.

About the North Central Texas Council of Governments

The North Central Texas Council of Governments (NCTCOG) is a voluntary association of, by and for local governments, and was established to assist local governments in planning for common needs, cooperating for mutual benefit, and coordinating for sound regional development. NCTCOG's purpose is to strengthen both the individual and collective power of local governments and to help them recognize regional opportunities, eliminate unnecessary duplication, and make joint decisions.

NCTCOG serves a 16-county region of North Central Texas, which is centered around the two urban centers of Dallas and Fort Worth. NCTCOG has over 230 member governments including 16 counties, numerous cities, school districts, and special districts.

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For Immediate Release November 10, 2010

Contact:

Utility Service Partners Brad Carmichael 724-749-1003 bcarmichael@utilitysp.net

National League of Cities Gregory Minchak 202-626-3003 Minchak@nlc.org

National League of Cities Teams with Utility Service Partners Will Offer Utility Service Line Warranties to City Residents Across the Nation

Canonsburg, PA - Utility Service Partners, Inc. ("USP") and the National League of Cities ("NLC") announce the creation of the NLC Service Line Warranty Program to assist cities in providing their residents with protection against the high cost of broken or leaking utility lines.

The NLC Service Line Warranty Program will provide affordable utility service line warranties to homeowners covering expensive repairs to external water and sewer lines on homeowners' property. The program offers 24 hour/7 day a week utility service line protection.

"We believe that the NLC Service Line Warranty Program provides a unique service to cities and their residents, combining an efficient solution for homeowners while providing a source of additional income for cities. USP has a strong, proven track record of customer satisfaction and we are delighted to be working with them," added Donald J. Borut, Executive Director of the National League of Cities.

The NLC program, which will be offered to cities in the 48 contiguous states, will be rolled out over an 18-month period in six-month intervals.

"We are delighted to be working with the National League of Cities, which builds on the track record USP has developed of successfully managing warranty programs for cities and utilities. We look forward to partnering with cities across the United States" said Phil Riley, the President and CEO of USP.

Cities interested in participating in the NLC Service Line Warranty Program should contact Brad Carmichael, Vice President of Business Development at Utility Service Partners, partnerships@utilitysp.net or (866) 974-4801. Further information is available at www.utilitysp.net/nlc and www.nlc.org/enterpriseprograms.

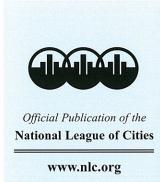
About Utility Service Partners

Headquartered in Canonsburg, Pennsylvania, Utility Service Partners, Inc. is a leading independent provider of service line warranties and water heater rentals in the United States. USP is a portfolio company of Macquarie Capital, part of Macquarie Group Limited, one of the world's largest owners and managers of infrastructure assets and a manager of over \$36 billion in infrastructure equity around the world.

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Newspaper Handling

VOLUME 33, NUMBER 41 | NOVEMBER 8, 2010

New NLC Program Reduces Service Line Repair Costs

by Denise Belser and Cathy Spain

Cities can now help their residents cope with the high cost of external water and sewer line repairs by participating in a new NLC Service Line Warranty Program.

Homeowners in participating cities are eligible to purchase these low-cost warranties, which provide repairs for broken or leaking utility lines up to \$4,000 for each occurrence. These repairs may range from \$1,200 to over \$3,500 and can create a significant financial hardship for the unprepared. Warranties provide peace of mind for homeowners by transferring the risk of costly repairs.

Many residents become frustrated when they are told that the city is not responsible for a service line repair. The homeowner must contract with a plumber and pay the repair costs if the damage occurs between the city's main pipe and the water meter or the connection to the home. Cities that participate in the warranty program can enhance the city's image by reducing the homeowner cost and making reputable plumbers readily available.

The service line repair work is performed by local, professional plumbers chosen by Utility Service Partners Inc., (USP), the company that administers the program. Once USP receives a call about a service line problem from a resident who has purchased a warranty, a plumber is assigned to the claim and is required to contact the customer

"This program has been available to Clarksburg's residents for 18 months, and it is a real winner. Resident satisfaction is high and it's a lot easier to tell citizens about this great new service rather than explain why they are on the hook for costly repairs."

- James C. Hunt, councilmember, Clarksburg, W.Va., and NLC immediate past president

within one hour of receiving the job assignment from USP. Typically, repairs are completed within 24 hours

The national program is modeled after existing programs in Oklahoma and West Virginia and sponsored by the state municipal leagues. Cities in these states may continue to contact their state league or NLC for information about the program.

"This program has been available to Clarksburg's residents for 18 months, and it is a real winner," said James C. Hunt, councilmember, Clarksburg, W.Va., and NLC immediate past president. "Resident satisfaction is high and it's a lot easier to tell citizens about this great new service rather than explain why they are on the hook for costly repairs."

Starting up the program is easy and there is no cost for the city. Once the decision is made to move forward, the city agrees to co-brand the program by signing a one-page marketing service agreement with USP. This permits USP to use the city's name and logo in mailings sent to residents and in advertising. Then the city approves a press release and a solicitation letter and sends the city logo artwork and

other information to USP for the letters that are mailed to residents promoting the program.

Several marketing campaigns are undertaken to promote the service in the city. The city has the right to prior review and approval of any materials prepared by USP. Participation increases with subsequent campaigns and word-of-mouth communications from trusted friends and neighbors.

NLC and USP will roll out the program over an 18-month period at six-month intervals as various state regulatory requirements are met and contractor networks are established and vetted by USP in the 48 contiguous states. (See the map to determine the program's availability in your state.)

The benefits of this program are shared throughout the community. It is extremely affordable — between \$4 and \$6 for each warranty a month. Citizen frustration is reduced, city officials have fewer complaints to handle from residents, there is no cost to the city for this value-added program and the city even receives a share of the revenues collected. All repairs are performed to code and the money stays in the community because

local plumbers are engaged.

Furthermore, USP monitors contractor performance to ensure quality work and a customer repair hotline is available 24/7. The program also contributes to a city's "green" initiatives. Leaking water pipes waste millions of gallons of treated water and leaking sewer lines pollute groundwater and land.

This NLC Service Line Warranty Program is a home protection solution for city residents arranged by NLC Enterprise Programs, an initiative bringing solutions and savings to cities. When cities participate in an NLC-endorsed program, they have the satisfaction of knowing that the NLC staff is working with the program administrator to offer superior service.

Details: For more information about this program, visit www.nlc. org/enterpriseprograms or contact Denise Belser, NLC program director, at belser@nlc.org or (202) 626-3028

If you are attending the Congress of Cities in Denver, stop by the USP/NLC Service Line Warranty booth in the NLC Pavilion to begin the process of bringing this program to your city residents.

Overview





Building Peace of Mind, One Community at a Time

NLC SERVICE LINE WARRANTY PROGRAM

Building Peace of Mind, One Community at a Time

EXPENSIVE LINE FAILURES SOLUTION

The NLC Service Line Warranty Program, administered by Utility Service Partners, helps city residents save thousands of dollars on the high cost of repairing broken or leaking water or sewer lines. This program is offered at *no cost* to the city.

REPAIR SAVINGS

Residents who have not set aside money to pay for an unexpected, expensive utility line repair, now have an opportunity to obtain a low cost warranty that will provide repairs for a low monthly fee, with no deductibles or service fees. The work is performed by licensed, *local* plumbers who will call the customer within one hour of filing a claim. The repair is performed professionally and quickly, typically within 24 hours. USP provides a personally staffed 24/7 repair hotline for residents, 365 days a year.

IMPLEMENTATION

Once your city has approved participation in the program, start up is simple. The program is designed for a quick launch, taking up little of your city employees' valuable time:

- 1. Execute the simple, one page contract provided by USP.
- Approve the recommended Press Release (this is designed as a general notice to reduce resident confusion and calls to the city with questions).
- 3. Approve the Campaign Letter provided by the USP Marketing team.
- 4. Access monthly reports via the web.

MORE INFORMATION

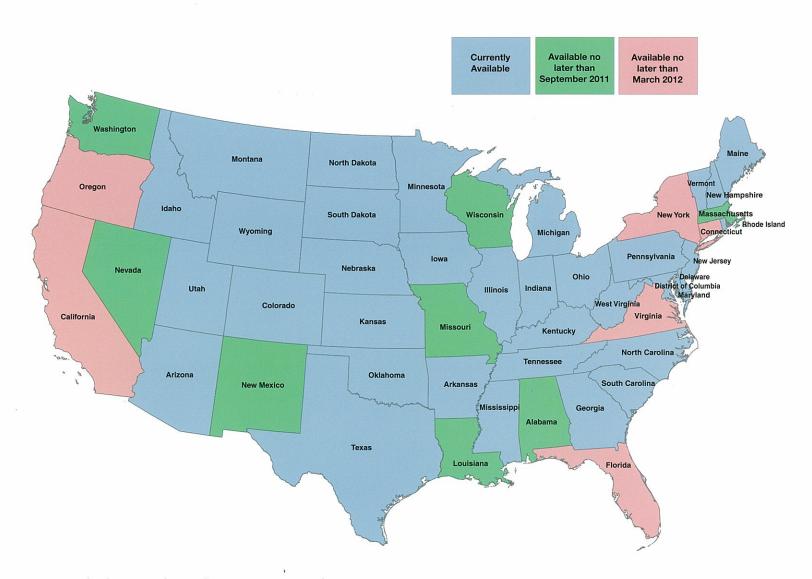
BENEFITS

- NO COST for the city to participate
- Generates revenue for your city
- Affordable rates for residents
- 24/7 customer service
- Service from trusted, local contractors
- Peace of mind for your residents
- Reduces local officials' frustration
- Easy implementation
- Fewer citizen complaints
- All repairs performed to local code

To learn more about this program, visit NLC's website at www.nlc.org/enterpriseprograms or contact Denise Belser, Program Director, at belser@nlc.org or (202) 626-3028.

Building Peace of Mind, One Community at a Time

This program is administered by Utility Service Partners (USP). USP is solely responsible for the implementation and operation of the program.



To view the latest update, please visit www.utilitysp.net

NLC SERVICE LINE WARRANTY PROGRAM $\mathsf{F}\Delta \mathsf{C}'\mathsf{c}$

UTILITY SERVICE PARTNERS

How long has the company been in business?

The company was originally formed in 1998 within Columbia Energy to provide service line warranties for its utility customers. USP was formed in September 2003 to purchase Columbia Service Partners from Columbia Energy. USP continues to expand the product offerings and grow the business through city and utility partnerships. USP is a proud member of the Better Business Bureau.

PROGRAM

Is this program available everywhere?

The NLC Service Line Warranty Program will be introduced throughout the contiguous United States in phases over the next 18 months. Please see our National Roll-Out Schedule map for details regarding your state.

How are our citizens notified of the program?

USP mails each resident a campaign letter which outlines the cities' endorsement, followed by a reminder letter two weeks later to ensure the highest response rate. USP only solicits through direct mail — no telemarketing is ever employed. All homeowners will have the option to enroll in the program, regardless of the age of their residence.

What cooperation will be needed from the cities?

USP desires to enter into a co-branded marketing services agreement with each city. The agreement provides for the use of the city name/logo, in conjunction with USP's logo, on marketing materials sent to citizens. The city is endorsing USP as the service provider for the warranty program.

When do you solicit residents?

Through the years, we have found the optimal times to invite citizens to participate are in the Spring and Fall of each year.

Does NLC or USP sell or rent the personal information of residents that enroll in the program?

No. Neither the NLC nor USP will sell or rent the names of prospective customers or participants.

How much does the resident pay for this service?

Each warranty is sold separately and the price range is generally between \$4\$ and \$5\$ a month per product.

BENEFITS

How much will residents save by using the warranty program?

While costs for water line and sewer line repairs can vary, the average cost of repairing a broken water line or sewer line may range from \$1,200 to over \$3,500.

Will this program cost the city any money?

Not a cent. USP pays for all marketing materials and program administration. Furthermore, USP will pay the city a royalty for every resident that participates in the program!

What benefit does the city receive from endorsing these programs?

By endorsing the USP programs, the city is able to reduce residents' frustration over utility line failures by bringing them low-cost service options. 96% of survey respondents say that their image of the city is enhanced because the warranty program is offered as a service by the city. These programs also generate extra revenue for the city through the royalty that is paid by USP to the city. Finally our programs help to stimulate the local economy. USP only uses local contractors to complete the repairs which helps to keep the dollars in the local community.

RESPONSIBILITIES

Who administers the program?

Utility Service Partners (USP) administers the program and is responsible for all aspects of the program including marketing, billing, customer service, and performing all repairs to local code.

What are the city's responsibilities?

We ask each city to work with USP to provide the following; 1) a copy of the city seal, if available, for the solicitation letterhead 2) the city's return address for outer envelope (this ensures a high "open-rate") 3) the name, title and signature sample of the designated solicitation signor and 4) the appropriate zip codes of the city to allow USP to purchase a mailing list of the residents.

Why does the city have to provide a city seal, address and signature?

We have found that while the letter is written in such a manner as to leave no doubt that it is a USP program (the USP logo is on the enrollment form), the city address drives a very high "open-rate" and the city seal and signature lend credibility to the offer, thus driving a much higher enrollment rate.

Will we get a lot of calls from citizens when they get the letter?

A press release provided by USP and issued prior to the first mailing will help alleviate citizen concerns, which should result in nominal calls to city hall.

PRODUCTS

How will citizens know what is covered?

All customers receive a set of terms and conditions upon enrollment in a utility warranty program. They have 30 days from the date of enrollment to cancel and receive a full refund.

What items are included as part of the water line warranty?

The external water warranty covers the underground service line from the point of connection to the city main line to the water meter. It also covers the underground service line between the water meter and the exterior foundation of the home. If any part of the line is broken and leaking, USP will repair or replace the line in order to restore the service. Coverage caps listed in the terms & conditions are per occurrence as follows: \$4,000 plus an additional \$500 for public sidewalk cutting, if necessary.

What items are included as part of the sewer line warranty?

The external sewer line warranty covers the underground service line from the point of connection to the city main line to the point of entry to the home. If any part of the line is broken and leaking, USP will repair or replace the line in order to restore the service. Coverage caps listed in the terms & conditions are per occurrence as follows: \$4,000 plus an additional \$4,000 for public street cutting, if necessary.

The Coverage Cap looks adequate but is there an annual or lifetime restriction on how much you will pay to repair?

No. Unlike some other warranties available, we provide you with the full coverage per incident. We will pay up to your coverage amount each and every time you need us. We do not deduct prior repair expense from your coverage cap or limit the amount we will pay annually.

Doesn't Homeowner's Insurance cover this type of repair?

Typically, no. Most homeowner policies will pay to repair the damage created by failed utility lines but they generally do not pay to repair the actual broken pipes or lines. We encourage you to call your insurance company to determine your actual coverage.

Who replaces landscaping if damaged?

USP will provide basic restoration to the site. This includes filling in the holes, mounding the trench (to allow for settling) and raking and seeding the affected area. Restoration does not include replacing trees or shrubs or repairing private paved/concrete surfaces. This is outlined in the terms & conditions sent to the customer.

What building codes will you adhere to?

If the line is broken and leaking, USP will repair or replace the leaking portion of the line according to the current code. However, USP is not responsible for bringing working lines up to code that are not in need of repair.

CUSTOMER SERVICE

Will a citizen have a long hold time when reporting a claim?

No. Repair calls receive the highest priority and are answered 24/7. Repair calls are connected to a live agent through a voice recognition unit (VRU).

Will the customer always get a live operator when they call?

Yes. Customers are directed to select to speak with either a service or claims agent and will then be directed to a live Agent.

What is the claims process?

Program participants call a toll-free USP number to file a claim.
USP selects the contractor, who is required to contact the customer within one hour of receiving the job to schedule a time to begin the repairs.
Typically, repairs are completed within 24 hours. Emergencies receive priority handling.

CONTRACTORS

Who performs the repair work?

USP retains *local*, professional plumbers to perform all the service line repair work.

How selective are you when choosing contractors to conduct repairs?

USP only selects contractors who share our commitment to excellence in customer service. Scorecards are maintained for each contractor, tracking the customer satisfaction rating for work performed. Customer feedback is shared with our contractors and any contractor with a low customer satisfaction rating is removed from the network.

NLC SERVICE LINE WARRANTY PROGRAM

Participating is Easy...



Implementation Process



1. Upon approval from city council (if applicable), execute onepage contract provided by USP (upon contract execution, USP will immediately begin to recruit and screen local contractors)



2. Approve Press Release provided by USP (general notice to eliminate resident confusion/city calls) and if desired, distribute to local media and/or post to the city website



- 3. Send the following to USP for the creation of the citizen solicitation letter:
 - City Seal artwork, if available
 - Name/Title of designated signor plus signature
 - City Address for outer envelope
 - Zip+4 list of city territory



4. Approve Campaign Letter provided by USP



5. Access Monthly Reporting via the web



6. Receive Annual Payment



NLC SERVICE LINE WARRANTY PROGRAM

Case Study

A PARTNERSHIP WITH BECKLEY, WEST VIRGINIA

Beckley is a city with a population of 20,000 residents located in southern West Virginia and is the central hub of Raleigh County. Like many cities in the country, Beckley is looking to create an environmentally conscious community while, at the same time, dealing with important budget issues.

In June 2009, Beckley hosted a workshop, sponsored by Utility Service Partners, Inc., discussing "Bottom Line Green." 'Green' has become a new buzzword today, and everyone is making a claim that their program or product is good for the environment. But can a utility line warranty program contribute to a cleaner planet?

Well, the answer is Yes.

Leaking water pipes waste millions of gallons of treated water each year. Wasted drinking water has to be recaptured and retreated by the local municipal water system. Leaking sewer lines pollute ground water and acres of land. The re-treating of water can waste energy and resources, contributing to increased carbon emissions and lost revenue for the city. And citizens become frustrated when they learn that they are responsible for repairing — and paying for — broken or leaking pipes.

USP's program offers cities a solution that ensures timely repairs to broken homeowner water and sewer lines, thereby conserving water resources and minimizing waste water pollution. For a small monthly fee paid by the homeowner, USP offers around the clock repair service, with access to a live representative and prompt service performed by local, certified technicians. A cleaner planet, a happier citizen.

Beckley Mayor Emmett Pugh was intrigued. "The mayor approached us right after the session and asked for more information. He wanted to know more about how this kind of a program could benefit the city," said Brad Carmichael, Vice President, Business Development.

Were there strings attached? How much would it cost the city to implement? Would the city have to find the manpower to help get the program off of the ground?

The answer is No.

No strings attached. No cost to the city to implement. USP covers all of the costs to promote the utility line warranty program to the local citizens. In terms of city involvement, USP simply needs a few pieces of information, including the city seal, return address and the official's signature for the communication. It's that simple. USP's solution is designed for fast turnaround with little impact to city government.

Mayor Pugh was pleased with the company's approach. "Working with USP is really easy. They take care of everything — marketing, billing, and customer service. All we had to do was review and approve the letter to customers."

By October 2009, Beckley had contracted with USP to offer the utility line warranty programs to its citizens, and the first marketing campaign, a sewer line warranty offer, was mailed to Beckley households the following spring.

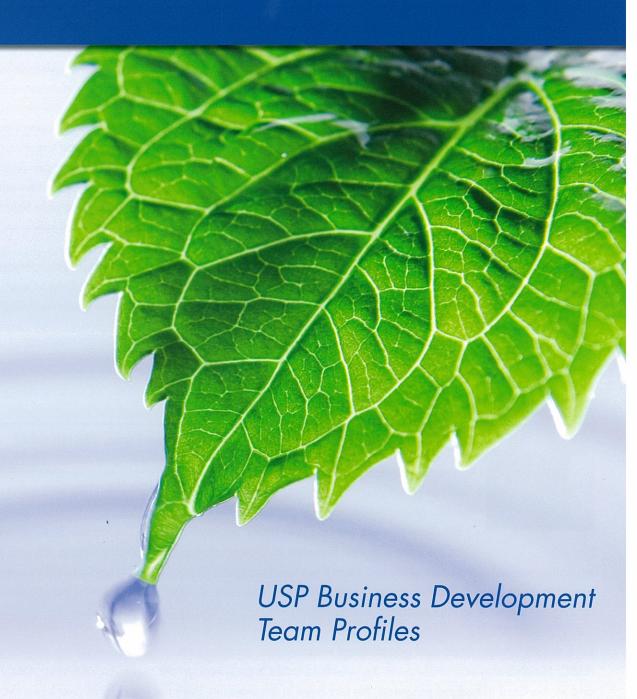
The program was a tremendous success. "We were delighted with the response from our citizens," Mayor Pugh commented on the results of the first campaign. "Providing a service to our residents which helps them avoid costly repairs, that's something they really appreciate."

The NLC Service Line Warranty program is a timely solution for cities like Beckley, West Virginia, and many others across the United States. By sharing in a portion of the revenues collected from this program, cities can relieve some of the strain caused by shrinking revenues and increasing costs. The program also offers cities the opportunity to enhance their image by providing an additional service that benefits their residents.



NATIONAL | LEAGUE | of CITIES |

NLC SERVICE LINE WARRANTY PROGRAM





An NLC Enterprise Programs Partner



MICHAEL CONDUFF • National Account Executive

Contact details: 940-382-3945 | Mobile: 940-453-3116 | mconduff@utilitysp.net

As President and CEO of the Elim Group, a leadership and governance consulting firm, Mike Conduff has more than thirty-five years experience in municipal leadership, management and governance. In recognition of his career long commitment to excellence, Mike was recently inducted as a Fellow into the prestigious National Academy of Public Administration. Mike served as the city manager of four university communities including Denton, Texas, Bryan, Texas and Manhattan, Kansas.

Mike's firsthand experience from dealing with real issues faced by every city in today's challenging economic environment has enabled him to create solution based training programs for cities striving to improve their organizational performance. He is a widely acclaimed leadership and motivational speaker, having presented hundreds of programs, both in the USA and Canada, to local, state and national organizations. Mike is also a noted author, having written and published many articles in national journals. He is the co-author of *The OnTarget Board Member – 8 Indisputable Behaviors* and *The Policy Governance Fieldbook*.

It was through his widely acclaimed leadership that Mike came to the attention of USP. His vast experience and hands-on experience garnered instant credibility with the USP management team and it did not take long to realize there was a partnership in the making. Mike graciously agreed to serve as USP's National Account Executive. When Mike is not on the road speaking or conducting training seminars, he and his wife Kathy enjoy taking their extended family to their ranch where they enjoy fishing and motorcycle riding.



BILL DIONES • Regional Account Manager, Northwest Contact details: 303-803-0440 | bdiones@utilitysp.net

Bill Diones began working with Utility Service Partners in September 2010 as a consultant. Previously, as the Executive Vice President of Operations for The Warranty Group, Bill was responsible for the marketing and administration of all consumer programs throughout the U.S. With a background in warranties, Bill is well versed to assist cities in the northwestern region of the U.S. looking to enhance their public/private relationships without adding any expense to their already taxed budgets.

Bill has sold, underwritten, and administered warranties for companies such as Aon Warranty, AIG/Chartis, and Metris/HSBC. He also played a vital role in the growth of credit card enhancement programs, including American Express, Visa, and MasterCard imbedded programs. He has been in the warranty business since 1993 and has a thorough grasp of enhancement service programs, business development, insurance and risk-management.

Bill is not only successful in the warranty business, but also as an athlete. He has completed three marathons and the 175-mile Colorado Relay two years in a row. Bill enjoys an active lifestyle and spending time outdoors with his wife and two children. Bill graduated from Drake University with a BA in Economics, Finance, and English.



USP business development team front row, left to right: Oscar Arras, Brad Carmichael, and Albert Saussol. Back row, left to right: Michael Madden, Brian Davis, Michael Conduff, Mike Chambers, and Bill Diones.



BRAD CARMICHAEL • Vice President, Business Development Contact details: 724-749-1003 | bcarmichael@utilitysp.net

As Vice President of Business Development, Brad Carmichael is a resourceful business leader who knows how to deliver innovative ideas, improve business processes, and manage organizational change to serve municipal clients. Leading a team of seven Regional Account Managers, Brad

enjoys reaching out to large and small cities alike to understand their unique challenges and provide flexible solutions that solve their specific needs. Throughout Brad's career, collaboration has been a consistent theme, bringing people and ideas together to create value for the organization. Away from work, Brad enjoys playing golf and being outdoors. He and his wife love to travel and spend time with their three grown children. As a native West Virginian, he appreciates the state's natural beauty and its simple way of life. Brad graduated from West Virginia University with a Bachelor of Science degree.



OSCAR ARRAS • Regional Account Manager, Mid-Continent Contact details: 214-632-6947 | oarras@utilitysp.net

As the Mid-Continent Regional Account Manager for USP, Oscar Arras loves people and in his words "has never met a stranger". With over twenty-five years of Solution Selling experience, Oscar has played a key role in the success and profitability of many Medical Diagnostic and Technology companies. Oscar's diverse background includes sales, R&D, market development, and sales

management amongst many other skills. Oscar's outstanding performance has not gone unnoticed as he was awarded with the Strategic Selling and Sales Performance award from Learning International as well as the Group Leader and Recognition Award from the Dale Carnegie training program. Oscar graduated from Southern Methodist University with a B.S. in Business and Economics. Aside from work, Oscar loves spending time with his family, playing softball on his local neighborhood team, and having an active role in his local church.



BRIAN DAVIS • Regional Account Manager, Southwest Contact details: 214-476-3430 | bdavis@utilitysp.net

With more than ten years experience in local government under his belt and having personally been inside over two thousand city halls across the nation, Brian has a keen understanding of the inner workings of local government and an appreciation for the challenges they face. This background has proven invaluable in his role as Southwestern Regional Account Manager for USP.

An established speaker for many state and regional conferences, Brian has been the keynote speaker at the City Manager Association of Oklahoma annual conferences and the Texas and West Virginia Municipal League's Conferences, among many others. He has also served as the director of the Texas and Midwest ICMA Alliance of Innovation. Another notable accomplishment is that Brian founded Accountability International, Inc., a web-based internet productivity tool that has saved the public and private sectors millions of dollars.

In his free time, Brian enjoys spending time with his lovely wife and two adoring children. He also enjoys the occasional game of golf in which he has the noteworthy distinction of being a scratch player. Brian completed his undergrad at Abilene University and post-graduate work in Sociology at St. Hughes College, Oxford, England as well as DePaul University in Chicago.



MICHAEL MADDEN • Regional Account Manager, Southeast Contact details: 407-616-2239 | mmadden@utilitysp.net

Mike Madden joined Utility Service Partners in May, 2011 as the Regional Account Manager for the southeastern region of the U.S. Prior to joining USP, Mike played an important leadership role within the Florida League of Cities (FLC) spearheading one of the largest and most successful specialty insurance programs in the U.S. During his tenure with the FLC, Mike orchestrated the turnaround of the Florida Municipal Insurance Trust and grew fund equity by six-hundred percent in just under 9 years.

Having spent many years in the insurance industry, Mike heard many complaints from people with utility line breaks, leaks, etc. Unfortunately, at the time, no service such as that offered by USP existed. Because Mike saw the necessity for service line warranties, and liked USP's management style and approach to warranties, he decided to embark on a new career with USP. Most of Mike's professional experience is in the insurance field, and he holds several insurance licenses and designations, including the Charted Property and Casualty Underwriter (CPCU) designation.

When Mike isn't busy obtaining new licenses, he enjoys golfing, running, and sailing in his free time. Mike is also a single parent and a devoted father. He is extremely proud of his son, Patrick, a Captain in the U.S. Marines, who was just recently awarded the bronze star for valor while serving in Afghanistan.



MIKE CHAMBERS • Regional Account Manager, Mid-West Contact details: 724-678-6075 | mchambers@utilitysp.net

As mid-West Regional Account Manager for Utility Service Partners since 2009, Mike is responsible for helping his cities implement the National League of Cities Service Line Warranty Program. Before joining USP, Mike worked as a Branch Manager at Enterprise Rent-A-Car for seven years. Even at an early age, Mike was dedicated to providing exceptional service. While at Enterprise, Mike participated in a two year training program. Due to his exceptional performance, Mike was promoted to Branch Manager after only one year. Mike's branch at Enterprise always ranked in the top ten for outstanding customer service. It is this level of consideration that immediately captured the attention of USP and continues to impress everyone he encounters.

Mike enjoys his work more than the average person. He loves the opportunity to travel, meet new people, and learn more about municipal governments. Outside of work, Mike enjoys spending time outdoors with his family and reading as much as he can about U.S. history. Having graduated from California University of Pennsylvania in 2002 with a B.A. in Communications, it is clear that his skills contribute to his ongoing success.



ALBERT SAUSSOL • Regional Account Manager, Mid-Atlantic Contact details: 724-344-9498 | asaussol@utilitysp.net

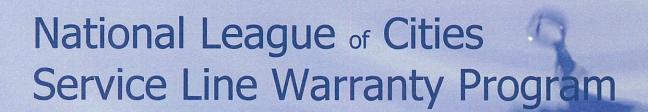
Albert Saussol has been with Utility Service Partners since the company's launch in 2003. Albert began his career in Information Technology (IT), but as the company grew and expanded, his rare qualities were recognized and he was transitioned to the Business Development Team. Albert is now the Regional Account Manager for the mid-Atlantic portion of the U.S. Starting with the company right out of college has given Albert the opportunity to observe the company through each of its stages of growth and has given him a thorough understanding of USP from its core. A dedicated worker, he has enjoyed working and growing with USP and has advanced rapidly within the company.

Albert has been involved with the municipal outreach program since its inception in West Virginia. Due to the overwhelming success that was realized, USP was able to partner with the NLC to introduce the NLC Service Line Warranty Program, which is now being offered nationally.

Albert has a bachelor's degree in Information Technology with a concentration in Marketing as well as an MBA from Waynesburg University. Outside of work, Albert enjoys spending time with his family, fishing, and hunting with his trained beagles.

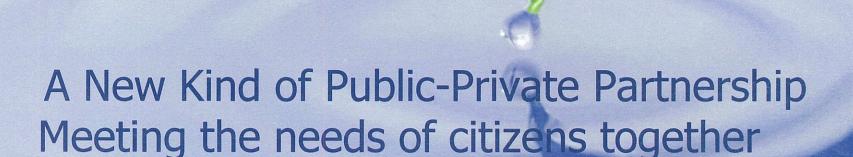






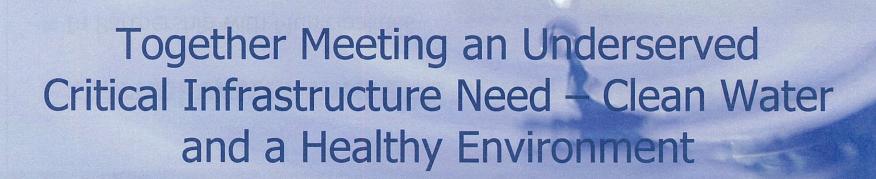












NLC Service Line Warranty Program Products



External water line and sewer line protection

- In Partnership with Municipalities
- Solutions available to residents where limited solutions exists today
- No Cost to the City
- Generates Revenue
- Drives Dollars back to the local Community



Giving the homeowner solutions to help restore <u>AGING INFRASTRUCTURE</u>

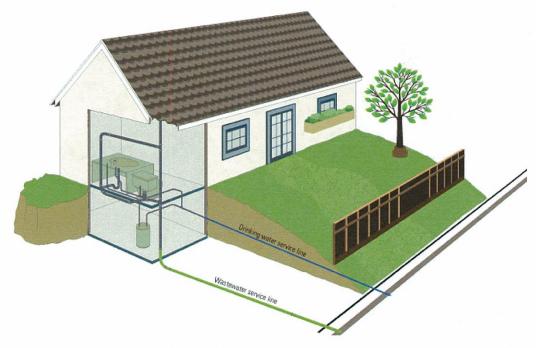






Product Illustration





The Private Side of Infrastructure

Help the Folks to Help Themselves

A Public Private Partnership for the Public GOOD.

Local Partners



An NLC Enterprise Programs Partner



Buckhannon, West Virginia



Princeton, West Virginia



Clarksburg, West Virginia



Lewisburg, West Virginia



Saline, Michigan



Hendersonville. North Carolina



Stonewood, West Virginia



Hinton, West Virginia



Moundsville, West Virginia



Beckley. West Virginia



CLAREMORE

Claremore,

Oklahoma

Wilkes-Barre, Pennsylvania



Orland Hills, Illinois



Prairie Village, Kansas



Oak Hill, West Virginia



Kyle, Texas



Waxahachie, Texas



Roanoke, Texas



North Charleroi, Pennsylvania

Wyoming

Cresco

Cresco,

lowa



Charleroi, Pennsylvania



York, Pennsylvania



Navasota,

Texas



Crandall,

Texas



Sanger,

Texas



Bryan,

Douglas,







Englewood, Kennedale, Colorado

CARROLLTON







Griswold,



Texas



Atlanta, Georgia



Toronto, Ohio

Carrollton, Texas

Mercedes, Texas

Edgewood, Kentucky

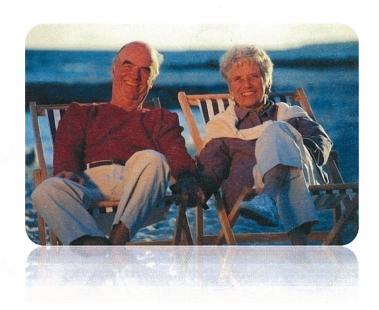


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Benefits to City



- NO COST for the city to participate
- Generates revenue for your city
- Peace of mind for your residents
- Affordable rates for residents
- Easy implementation
- Service from trusted local contractors
- All repairs performed to local code



Who is USP?



Headquartered in Canonsburg, PA, One of the leading independent providers of service line warranties in North America.



- financial capabilities as well as reputation throughout the utility and infrastructure industry. Through Macquarie Capital's ownership, USP has the commitment, capability, and the financing to grow and foster partnerships with cities throughout the United States.
- A National League of Cities Enterprise Programs
 Partner since November, 2010
- USP's management team has a deep rooted understanding of brand management, customer service, and relationship management having developed the utility service line warranty program for a major energy company in the mid-1990s



The Colorado Case Study







Englewood, Colorado

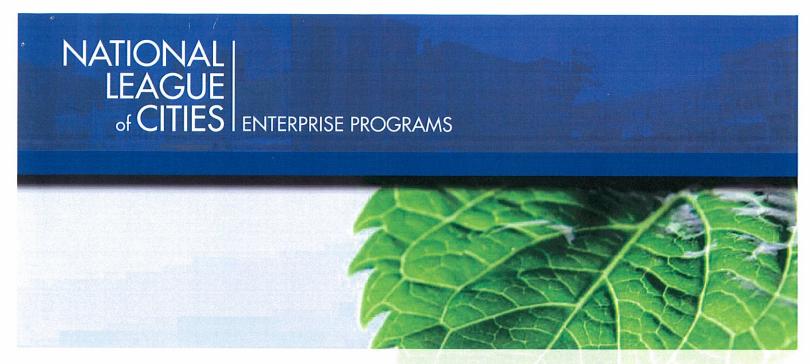
Parntership with Englewood, Colorado

On USP's turnkey solution:

Waterline Protection. Offered in Spring 2011

■ First campaign results:

MORE than 15% of all residents participate when to PROTECT their Water Line for as late \$3.75 per month. protection per occurrence



NLC SERVICE LINE WARRANTY PROGRAM

BUILDING PEACE OF MIND, ONE COMMUNITY AT A TIME





NLC Service Line Warranty Program

Building Peace of Mind, One Community at a Time

Want to help protect your residents from costly utility line repairs? The NLC Service Line Warranty Program, administered by Utility Service Partners, Inc. (USP), is an affordable home protection solution that helps your residents save thousands of dollars on the high cost of repairing broken or leaking water or sewer lines.

The NLC Service Line Warranty Program gives your residents who have not set aside money to pay for an unexpected, expensive utility line repair the opportunity to obtain a low cost warranty that will provide repairs for a low monthly fee, with no deductibles or service fees. The work is performed by licensed, local plumbers who will call the customer within one hour of filing a claim. The repair is performed professionally and quickly, typically within 24 hours. USP provides a personally staffed 24/7 repair hotline for residents, 365 days a year.

There is no cost to your city to participate in the program. PLUS, your city receives a share of the revenues collected! Implementation is easy and USP provides all of the required services. The program will be offered to all cities in the 48 contiguous states by March 2012, as various state regulatory requirements are met and contractor networks are established and vetted by USP. Check to see if the program is available in your state.

About Utility Service Partners, Inc.

USP, headquartered in Canonsburg, Pennsylvania, is a leading independent provider of service line warranties and water heater rentals in the United States. USP is a portfolio company of Macquarie Capital, part of Macquarie Group Limited, one of the world's largest owners and managers of infrastructure assets and a manager of over \$36 billion in infrastructure equity around the world.

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Privacy Policy Site Map

NLC SERVICE LINE WARRANTY PROGRAM

BUILDING PEACE OF MIND, ONE COMMUNITY AT A TIME

HOME PROTECTION SOLUTION

The NLC Service Line Warranty Program, administered by Utility Service Partners, Inc. (USP), is an affordable home protection solution for your residents offered at no cost to the city. It helps city residents save thousands of dollars on the high cost of repairing broken or leaking water or sewer lines. The city also receives a share of the revenues collected.



PEACE OF MIND

Residents, who have not set aside money to pay for an unexpected, expensive utility line repair, now have an opportunity to obtain a low-cost warranty that will provide repairs for a low monthly fee, with no deductibles or service fees. The work is performed by licensed, local plumbers who will call the customer within one hour of filing a claim. The repair is performed professionally and quickly, typically within 24 hours. USP provides a personally staffed 24/7 repair hotline for residents, 365 days a year.

BENEFITS

- NO COST to your city
- Generates revenue for your city
- Affordable rates for residents
- 24/7 customer service
- Trusted local contractors
- Simple implementation process
- Fewer citizen complaints
- Repairs performed to local code

IMPLEMENTATION PROCESS

Once your city agrees to participate in the program, start up is simple. The program is designed for a quick launch, taking up little of your city employees' valuable time. USP administers the program and is responsible for marketing, billing, customer service, and performing all repairs to local code.

MORE INFORMATION

To learn more about this program, visit NLC's website at www.nlc.org/enterpriseprograms or contact Denise Belser, Program Director, at belser@nlc.org or (202) 626-3028. Call your State League or NLC to sign up for the program.



HOME ABOUT UTILITY SERVICE PARTNERS

OVERVIEW Headquartered in Canonsburg, PA, Utility Service Partners, Inc. (USP) is one of the largest independent providers of service line warranties in North America with a portfolio of over

PARTICIPATING IS EASY 325,000 products in the U.S.

FAQS Since its formation in September 2003, USP has pioneered partnerships with city/municipal governments and utilities to provide utility line warranties to their customers. USP is proud to

have been selected as a National League of Cities (NLC) Enterprise Programs Partner and ROLL OUT MAP

awarded a North Central Texas Council of Governments (NCTCOG) master contract

awarded a North Central Texas Council of Governments (NCTCOG) master contract.

CASE STUDY

USP's management team has a deep rooted understanding of brand management, customer service, and relationship management having developed the utility service line warranty program at CNG in the mid-1990s. USP is a portfolio company of Macquarie Capital, part of Macquarie

at CNG in the mid-1990s. USP is a portfolio company of Macquarie Capital, part of Macquarie Group Limited, one of the world's largest owners and managers of utility and infrastructure

NEWS & NOTES assets with over \$300 billion in assets under management worldwide.

ABOUT US

To visit our consumer site, please click here.

Management

Business Development Team

CONTACT US



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For Immediate Release March 7, 2011

Contact:

Utility Service Partners Brad Carmichael 724-749-1003 bcarmichael@utilitysp.net

National League of Cities Gregory Minchak 202-626-3003 Minchak@nlc.org

Utility Service Partners (USP) awarded master agreement with the North Central Texas Council of Governments

Canonsburg, PA - Utility Service Partners (USP), the administrator of the National League of Cities (NLC) Service Line Warranty Program, was awarded a master agreement with the North Central Texas Council of Governments (NCTCOG) to assist cities in providing their residents with protection against the high cost of broken or leaking utility lines. Cities can access the NLC Service Line Warranty Program through an interlocal agreement.

Mike Eastland, NCTCOG's Executive Director added "In response to local entities' interest in this type of program, we are pleased to introduce a new Shared Services program that allows cities to provide their residents optional protection against utility line repair costs. NCTCOG's Shared Services programs are programs of choice; they are designed for flexibility so they can be made available to a wide variety of entities and meet each entity's specific needs. Participation by each city is strictly voluntary."

After a review of four leading utility line warranty providers, USP was unanimously selected by a NCTCOG review committee comprised of five NCTCOG member cities representing various populations within the North Central Texas region. "We were up against some pretty stiff competition so this was very rewarding for our company to have been unanimously selected by this independent panel," stated Phil Riley, USP's President and CEO.

"We believe that the NLC Service Line Warranty Program provides a unique service to cities and their residents, combining an efficient solution for homeowners while providing a source of additional income for cities. USP has a strong, proven track record of customer satisfaction and we are delighted to be working with them," added Donald J. Borut, Executive Director of the National League of Cities.

This fall, USP teamed up with the National League of Cities ("NLC") to create the NLC Service Line Warranty Program. The NLC Service Line Warranty Program provides affordable utility service line warranties to homeowners covering expensive repairs to external water and sewer lines on homeowners' property. The program offers 24 hour/7 day a week utility service line protection.

-over

Cities interested in participating in the NLC Service Line Warranty Program should contact Brad Carmichael, Vice President of Business Development at Utility Service Partners, partnerships@utilitysp.net or (866) 974-4801. Further information is available at www.utilitysp.net/nlc and www.nlc.org/enterpriseprograms.

For more information on the interlocal agreement, please visit http://www.nctcog.org/sharedservices.asp.

About Utility Service Partners

Headquartered in Canonsburg, Pennsylvania, Utility Service Partners, Inc. is a leading independent provider of service line warranties and water heater rentals in the United States. USP is a portfolio company of Macquarie Capital, part of Macquarie Group Limited, one of the world's largest owners and managers of infrastructure assets and a manager of over \$36 billion in infrastructure equity around the world.

About the National League of Cities

The National League of Cities is the nation's oldest and largest organization devoted to strengthening and promoting cities as centers of opportunity, leadership and governance. NLC is a resource and advocate for 19,000 cities, towns and villages, representing more than 218 million Americans.

About the North Central Texas Council of Governments

The North Central Texas Council of Governments (NCTCOG) is a voluntary association of, by and for local governments, and was established to assist local governments in planning for common needs, cooperating for mutual benefit, and coordinating for sound regional development. NCTCOG's purpose is to strengthen both the individual and collective power of local governments and to help them recognize regional opportunities, eliminate unnecessary duplication, and make joint decisions.

NCTCOG serves a 16-county region of North Central Texas, which is centered around the two urban centers of Dallas and Fort Worth. NCTCOG has over 230 member governments including 16 counties, numerous cities, school districts, and special districts.

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englewood warranty letters

Englewoodendorsed warranty for water-line breaks no scam

By Carlos Illescas The Denver Post

Posted: 06/01/2011 01:00:00 AM MDT

Updated: 06/01/2011 08:38:39 AM MDT

Englewood resident Mark McQuery was a little puzzled when he received a letter with the city's logo and the mayor's signature promoting waterline insurance from a private company.

At first, he thought it was a scam, so he called Mayor Jim Woodward.

Turns out, the city was endorsing Service Line Warranties of America, which is offering to insure up to \$4,000 in water- and sewer-line repairs.

"What bothers me is that elected officials and a government agency who are supposedly servicing us are recommending a private insurance," McQuery said.

Englewood isn't accepting compensation for the endorsement, and so the insurance company is offering reduced premiums to its customers in the city.

Sam Mamet, executive director of the Colorado Municipal League, said he couldn't recall any other city pitching a service on behalf of a private company, although he said some counties and the state do endorse such things as low-cost

prescriptions from private companies.

"There are gray areas here. I certainly don't dispute that," Mamet said. "I think from the standpoint of elected officials, they look at this and say, What's out there that can benefit their residents?"

Woodward said the Englewood City Council approved the agreement, thinking residents whose homes have old water and sewer lines could benefit from a low-cost warranty in case a line blows or a sewer backs up.

The city's backing, the mayor says, was intended to put potential customers more at ease.

But little information went out before the letters were mailed. A notice was placed in the city newsletter. A press release that was supposed to be issued was never sent.

So when resident Mary Marcus first saw it, she didn't know what to think.

"As a new homeowner in Englewood, I never expected the mayor to try to sell me a private insurance plan," Marcus wrote in an e-mail to The Denver Post. "The direct-mail pitch, ostensibly from the mayor's office with Englewood logo, employs mildly deceptive sales



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tactics."

Brad Carmichael, vice president of business development for Utility Service Partners Inc., which does business as Service Line Warranties of America, said this is common practice in the mid-Atlantic states, where the company's focus primarily has been.

Englewood is the first city in Colorado to participate. So far, more than 500 homeowners have purchased the warranties. The company is endorsed by the National League of Cities.

In most cities, homeowners are responsible for maintaining the water lines between their property and the connection to the city main.

Service Line's warranty premiums run \$4.75 a month for up to \$4,000 in coverage for such repairs. The insurance is not mandatory.

Carmichael said concerns from residents in new cities solicited by Service Line Warranties are not uncommon.

But it still leaves people such as McQuery a little uneasy.

"My concern is not whether the company is a scam," he said. "But what business do government officials have in recommending insurance policies for people who may or may not need them?"

Carlos Illescas: 303-954-1175 or cillescas@denverpost.com



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CHAT WITH AN AGENT

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HOME **PRODUCTS**

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ABOUT US

Service Line Warranties of America (SLWA) is headquartered in Canonsburg, Pennsylvania and operates under the umbrella of Utility Service Partners. Formed in 1996, we are one of the nation's largest and most trusted sources of utility line warranties and we are proud to be selected by the National League of Cities as an Enterprise Programs Partner. The National League of Cities, representing over 218 million Americans, is the nation's oldest and largest organization devoted to strengthening and promoting cities as centers of opportunity, leadership and governance.

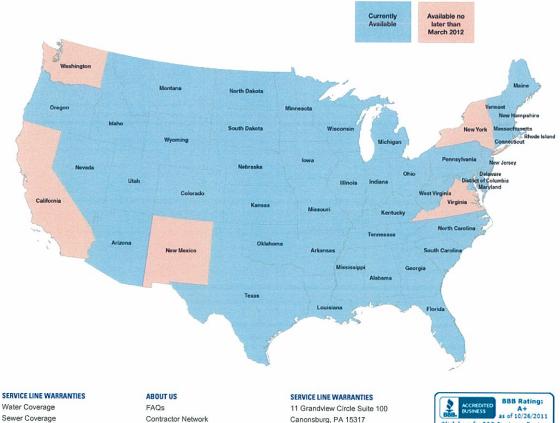
Service Line Warranties of America works with local municipalities and cities to bring our warranties to the local homeowners. The program is offered at no cost to the Cities and no public funds are used to promote or operate the program. SLWA is solely responsible for the administration and service of the warranty programs.

We strongly believe that customer service is the cornerstone of our continued success. We have worked hard to build a network of professional contractors that we trust to handle your utility repairs. We currently serve Ohio, Pennsylvania, Kentucky, West Virginia, Michigan, South Carolina, Oklahoma, Illinois, Texas, North Carolina, Wyoming and Georgia and are expanding into other areas soon. We are actively expanding our footprint so if you do not see your community covered, we urge you to contact your local representatives to let them know you are interested in our products.

Bottom line, we are dedicated to removing some of the complexity from owning a home - leaving you to enjoy more and worry

MANAGE ACCOUNT

ENROLL NOW CHECK COVERAGE AVAILABILITY



Sewer Coverage

Testimonials How It Works Tel: 866-922-9006

Email: service@utilitylineprotection.com

Click here for BBB Business Review

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UTILITY SERVICE PARTNERS

How long has the company been in business?

The company was originally formed in 1998 within Columbia Energy to provide service line warranties for its utility customers. USP was formed in September 2003 to purchase Columbia Service Partners from Columbia Energy. USP continues to expand the product offerings and grow the business through city and utility partnerships. USP is a proud member of the Better Business Bureau.

PROGRAM

Is this program available everywhere?

The NLC Service Line Warranty Program will be introduced throughout the contiguous United States in phases over the next 18 months. Please see our National Roll-Out Schedule map for details regarding your state.

How are our citizens notified of the program?

USP mails each resident a campaign letter which outlines the cities' endorsement, followed by a reminder letter two weeks later to ensure the highest response rate. USP only solicits through direct mail — no telemarketing is ever employed. All homeowners will have the option to enroll in the program, regardless of the age of their residence.

What cooperation will be needed from the cities?

USP desires to enter into a co-branded marketing services agreement with each city. The agreement provides for the use of the city name/logo, in conjunction with USP's logo, on marketing materials sent to citizens. The city is endorsing USP as the service provider for the warranty program.

When do you solicit residents?

Through the years, we have found the optimal times to invite citizens to participate are in the Spring and Fall of each year.

Does NLC or USP sell or rent the personal information of residents that enroll in the program?

No. Neither the NLC nor USP will sell or rent the names of prospective customers or participants.

How much does the resident pay for this service?

Each warranty is sold separately and the price range is generally between \$4 and \$5 a month per product.

BENEFITS

How much will residents save by using the warranty program?

While costs for water line and sewer line repairs can vary, the average cost of repairing a broken water line or sewer line may range from \$1,200 to over \$3,500.

Will this program cost the city any money?

Not a cent. USP pays for all marketing materials and program administration. Furthermore, USP will pay the city a royalty for every resident that participates in the program!

What benefit does the city receive from endorsing these programs?

By endorsing the USP programs, the city is able to reduce residents' frustration over utility line failures by bringing them low-cost service options. 96% of survey respondents say that their image of the city is enhanced because the warranty program is offered as a service by the city. These programs also generate extra revenue for the city through the royalty that is paid by USP to the city. Finally our programs help to stimulate the local economy. USP only uses local contractors to complete the repairs which helps to keep the dollars in the local community.

RESPONSIBILITIES

Who administers the program?

Utility Service Partners (USP) administers the program and is responsible for all aspects of the program including marketing, billing, customer service, and performing all repairs to local code.

What are the city's responsibilities?

We ask each city to work with USP to provide the following; 1) a copy of the city seal, if available, for the solicitation letterhead 2) the city's return address for outer envelope (this ensures a high "open-rate") 3) the name, title and signature sample of the designated solicitation signor and 4) the appropriate zip codes of the city to allow USP to purchase a mailing list of the residents.

Why does the city have to provide a city seal, address and signature?

We have found that while the letter is written in such a manner as to leave no doubt that it is a USP program (the USP logo is on the enrollment form), the city address drives a very high "open-rate" and the city seal and signature lend credibility to the offer, thus driving a much higher enrollment rate.

Will we get a lot of calls from citizens when they get the letter?

A press release provided by USP and issued prior to the first mailing will help alleviate citizen concerns, which should result in nominal calls to city hall.

PRODUCTS

How will citizens know what is covered?

All customers receive a set of terms and conditions upon enrollment in a utility warranty program. They have 30 days from the date of enrollment to cancel and receive a full refund.

What items are included as part of the water line warranty?

The external water warranty covers the underground service line from the point of connection to the city main line to the water meter. It also covers the underground service line between the water meter and the exterior foundation of the home. If any part of the line is broken and leaking, USP will repair or replace the line in order to restore the service. Coverage caps listed in the terms & conditions are per occurrence as follows:

\$4,000 plus an additional \$500 for public sidewalk cutting, if necessary

What items are included as part of the sewer line warranty?

The external sewer line warranty covers the underground service line from the point of connection to the city main line to the point of entry to the home. If any part of the line is broken and leaking, USP will repair or replace the line in order to restore the service. Coverage caps listed in the terms & conditions are per occurrence as follows:

\$4,000 plus an additional \$4,000 for public street cutting, if necessary

The Coverage Cap looks adequate but is there an annual or lifetime restriction on how much you will pay to repair?

No. Unlike some other warranties available, we provide you with the full coverage per incident. We will pay up to your coverage amount each and every time you need us. We do not deduct prior repair expense from your coverage cap or limit the amount we will pay annually.

Doesn't Homeowner's Insurance cover this type of repair?

Typically, no. Most homeowner policies will pay to repair the damage created by failed utility lines but they generally do not pay to repair the actual broken pipes or lines. We encourage you to call your insurance company to determine your actual coverage.

Who replaces landscaping if damaged?

USP will provide basic restoration to the site. This includes filling in the holes, mounding the trench (to allow for settling) and raking and seeding the affected area. Restoration does not include replacing trees or shrubs or repairing private paved/concrete surfaces. This is outlined in the terms & conditions sent to the customer.

What building codes will you adhere to?

If the line is broken and leaking, USP will repair or replace the leaking portion of the line according to the current code. However, USP is not responsible for bringing working lines up to code that are not in need of repair.

CUSTOMER SERVICE

Will a citizen have a long hold time when reporting a claim?

No. Repair calls receive the highest priority and are answered 24/7. Repair calls are connected to a live agent through a voice recognition unit (VRU).

Will the customer always get a live operator when they call?

Yes. Customers are directed to select to speak with either a service or claims agent and will then be directed to a live Agent.

What is the claims process?

Program participants call a toll-free USP number to file a claim. USP selects the contractor, who is required to contact the customer within one hour of receiving the job to schedule a time to begin the repairs. Typically, repairs are completed within 24 hours. Emergencies receive priority handling.

CONTRACTORS

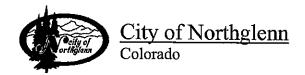
Who performs the repair work?

USP retains *local*, professional plumbers to perform all the service line repair work.

How selective are you when choosing contractors to conduct repairs?

USP only selects contractors who share our commitment to excellence in customer service. Scorecards are maintained for each contractor, tracking the customer satisfaction rating for work performed. Customer feedback is shared with our contractors and any contractor with a low customer satisfaction rating is removed from the network.





[Customer Name] [Customer Address] [Customer City, State, Zip Code] [Date]

Contact ID: [Contact ID]

Re: Coverage for Residents

Dear [Customer Name],

I am very pleased to tell you about a new program available to our residents, brought to us through a partnership with the National League of Cities (NLC) and Service Line Warranties of America (SLWA). This program is one that could potentially save you a lot of money in these difficult economic times. As you may know, as a homeowner in the City of Northglenn, you are responsible for the maintenance and repair of your buried, outside sewer service line that runs from your home to the utility connection.

SLWA offers a Sewer Line Warranty which will protect you from any repairs needed on your outside, buried sewer line for a small monthly fee. If you should need a repair, they have a 24-hour hotline and will dispatch a local plumber within 24 hours to perform the repair. There are no service fees or deductibles. Repair costs are covered up to \$4,000 per incident, plus an additional \$4,000 allowance for public street cutting, if needed.

SLWA is proud to have been selected by the NLC as an Enterprise Programs Partner. After a decade in business, SLWA has an A+ rating with the Better Business Bureau. The National League of Cities, representing over 218 million Americans, is the nation's oldest and largest organization devoted to strengthening and promoting cities as centers of opportunity, leadership and governance.

An unexpected and costly outside sewer line repair can devastate a family's budget and if you have not already set aside money for these types of expenses, I would encourage you to protect yourself today by enrolling in the outside sewer line warranty. Payment options include invoice, credit card or direct debit from your checking account.

If you enroll by November 30, SLWA will offer a discounted price of \$5.50 per month which represents a savings of over 7% on their standard monthly price. If you elect to pay annually, they will discount the cost further to \$59.00 which is over a 17% savings.

To enroll, or to learn more about this program, please call **1-855-218-8816**, Monday through Friday 9:00 am to 5:00 pm, to speak with SLWA directly. Or if you prefer, you may return the bottom portion of this letter to SLWA in the enclosed, self-addressed, postage-paid envelope or visit **www.utilitylineprotection.com**.

Sincerely,

Joyce Downing Mayor

Complete warranty terms and conditions will be provided following enrollment or you can view them online at www.utilitylineprotection.com. You may terminate your participation in a warranty program at any time. You have 30 days from the date you enroll to receive a full refund. After 30 days, you will be reimbursed the pro rata share of any amount you paid for any portion of the warranty period subject to cancellation.





[Customer Name] [Customer Address] [Customer City, State, Zip Code] Contact ID: [Contact ID] To enroll or to view the terms and conditions please visit www.utilitylineprotection.com.

Please mark your selection:

Ц	Yesl Please enroll me in the outside sewer line warranty for just \$5.50 per month	Ц	I want to save even more! I will pay just \$59.00 per year for the sewer line warranty
ianatura:			Data

NEWS RELEASE

Utility Line Protection Program Now Available To Residents

Contact:
Brad Carmichael
Service Line Warranties of America
724-749-1003
BCarmichael@UtilitySP.net





(DATE) The City of Northglenn is introducing a new program available to homeowners, provided through a partnership with the National League of Cities (NLC) and Service Line Warranties of America (SLWA). The Service Line Warranty program provides low cost, worry free warranty protection for sewer lines.

Many citizens are unaware that they are responsible for the sewer lines that go from their houses to the utility connection. If these lines break or leak, repairs can be very expensive. The Service Line Warranty program offers citizens an affordable way to avoid the unexpected and often large expense involved with a sewer line break. When a line breaks, the cost to repair it can often cause hardship on a family's budget. This new program will offer warranty protection to help cover the costs of a break.

City of Northglenn residents will see offers in their mail boxes soon. The cost for citizens who choose to purchase the warranty protection is \$5.95 per month, and will cover sewer line repairs up

to \$4,000 plus an additional allowance of \$4,000 for public street cutting, if needed. The program is offered at no cost to the City of Northglenn, and no public funds are used to promote the program.

"We are pleased to partner with the City of Northglenn in bringing peace of mind to homeowners in Northglenn through an affordable Service Line Warranty program," said Brad Carmichael, Vice President of Business Development for Service Line Warranties of America. "We think Northglenn residents will be pleased with our features and benefits, including 24/7 repair service using local, certified technicians. This keeps dollars in the local economy, an important benefit in these tough financial times."

SLWA is proud to have been selected by the NLC as an Enterprise Programs Partner. After a decade in business, SLWA has an A+ rating with the Better Business Bureau. The National League of Cities, representing over 218 million Americans, is the nation's oldest and largest organization devoted to strengthening and promoting cities as centers of opportunity, leadership and governance.

For questions regarding this news release, please contact SLWA at 866-922-9006. To learn more about SLWA please visit www.utilitylineprotection.com.

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PRSRT STD U.S. POSTAGE PAID S FL, FL PERMIT 750



Service Line Warranties of America 11 Grandview Circle, Suite 100 - Canonsburg, PA 15317-9840

William Simmons - {Disarmed} Revised Marketing Materials - Northglenn

From: william diones <w@diones.com>

To: William Simmons <wsimmons@northglenn.org>

Date: 9/27/2011 11:00 AM

Subject: {Disarmed} Revised Marketing Materials - Northglenn

CC: Jordan Joltes < JJoltes@utilitysp.net>, Blake Stogner < bstogner@utilitysp...

Hi Bill,

Thank you for your email. Jordan or Blake will send the finalized campaign materials shortly. The other item we will need is a hard copy signature (wet) for the Mayor to add to the offer letter. Usually that consists of the Mayor signing a blank piece of paper three times and then sending the original to our marketing department.

By copy of this email, I'm requesting Jordan and Blake coordinate same. We will need to make sure we publish the press release and web blurb to coincide with timing of the mail drops.

Thank you,

Bill Diones 303.803.0440

On Tue, Sep 27, 2011 at 9:00 AM, William Simmons < wsimmons@northglenn.org > wrote:

Hi Bill.

The partnership agreement - 2 copies - was signed by the Mayor yesterday and was sent overnight via Fed Ex to Brad Carmichael. Look forward to reviewing the revised marketing materials. Thanks for making the changes.

>>> william diones <<u>w@diones.com</u>> 9/27/2011 7:12 AM >>> Good morning Bill,

The changes you requested to the outer envelope have been approved. Please advise status on the partnership agreement which as you are aware is separate from the campaign materials. An executed agreement is required by Utility Service Partners in order for us to move forward.

Please let me know status at which point I will coordinate the remaining materials with the company,

Thank you,

Bill Diones

303.803.0440

From: William Simmons [mailto:wsimmons@northglenn.org]

Sent: Thursday, September 22, 2011 6:16 PM

To: Jordan Joltes Cc: Hoffmann Corey

Subject: RE: Revised Marketing Materials - Northglenn & Englewood Docs

Jordan,

I think the logo on the envelope as proposed is confusing. SWLA is not located at 11701 Community Center Drive. Also, we do not wish to receive return mail for an incorrect address or addressee. Those should be returned to SWLA. The City's logo should not be the sole logo on the front of the envelope. Design the envelope accordingly. I look forward to a revised envelope. Thanks.

>>> "Jordan Joltes" <JJoltes@UtilitySP.net> 9/22/2011 11:52 AM >>>

Hi Bill,

Thank you for your feedback. I am happy to provide a little clarification relative to your comments below. Regarding the outer envelope that was previously sent (and also attached again), please note the SLWA logo is included on the back flap of the envelope in addition to the City's logo on the front, as was done for Englewood. Also, the name "Service Line Warranties of America" is listed within the address line as well, to avoid any confusion. We will be sure to use both logos on all of the marketing materials for this campaign. As for the toll free number, this will be assigned and activated a few days prior to the mail drop in order to ensure

our customer service reps are able to respond quickly and efficiently.

I hope this helps to clarify your concerns below. Should you have any additional questions, please feel free to reach out to me. Once we have your consent that these are the last outstanding items, I can advise our marketing department that we are Ok to proceed (I will wait for your confirmation of approval).

Your feedback is greatly appreciated.

Many Thanks!

Jordan

From: William Simmons [mailto:wsimmons@northglenn.org]

Sent: Thursday, September 22, 2011 12:38 PM

To: Jordan Joltes Cc: hoffmann Corey

Subject: RE: Revised Marketing Materials - Northglenn & Englewood Docs

Hi Jordan,

Thanks for forwarding the revised marketing materials. The City's request is that whenever the City's logo is used on any marketing materials the logo for Service Line Warranties accompanies it. The letter has both logos, the outer envelope does not. Please add the Service Line warranty logo to the envelope. I also note the letter still does not have the telephone number for the SWLA call center. When will that be added? Thanks.

>>> "Jordan Joltes" <JJoltes@UtilitySP.net> 9/21/2011 3:54 PM >>>

Bill,

Per Bill's request, I have attached the City of Englewood's letter and outer envelope as well as the City of Northglenn's newly designed letter and outer envelope which has been designed to mirror Englewood. After review, please provide Blake or Bill with your final approval. If you have any questions on the attached, please don't hesitate to let me know.

Best,

Jordan



Jordan Joltes

Business Development Specialist

11 Grandview Circle, Suite 100

Canonsburg, PA 15317

(724) 749-1044 Office

(412) 432-8930 Mobile

(724) 229-4520 Fax

Email: MailScanner has detected a possible fraud attempt from "jioltes@utilitysp.net" claiming to be MailScanner has detected a possible fraud attempt from "jjoltes@utilitysp.net" claiming to be MailScanner has detected a possible fraud attempt from "jjoltes@utilitysp.net" claiming to be jjoltes@utilitysp.net" claiming to

URL: www.utilitysp.net

From: billdiones@qmail.com [mailto:billdiones@qmail.com] On Behalf Of william diones Sent: Tuesday, September

20, 2011 7:27 PM

To: William Simmons

Cc: Brad Carmichael; Jordan

Joltes; Blake Stogner

Subject: Re: Revised

Marketing Materials

Hi Bill,

Yesterday the USP folks got underway modifying the package to mirror Englewood's. In addition I

sought Englewood's approval to provide their materials to you as requested. This morning, mayor Jim Woodward gave his approval.

I am traveling over the next several days, and by copy of this email, I'm requesting Blake Stogner and Jordan Joltes of USP to provide same to you as soon as possible.

Thank you for your outreach.

Sincerely,

Bill Diones

Regional Account Manager

NLC Service Line Warranty Program

Utility Service Partners

303.803.0440

On Tue, Sep 20, 2011 at 1:00 PM, William Simmons < wsimmons@northglenn.org > wrote:

Hi Bill,

Looking forward to receiving Englewood's marketing materials. If you wish, you can prepare Northglenn's in the Englewood format. Thanks.

The Diones Agency LLC

w@diones.com | www.diones.com http://www.linkedin.com/in/williamdiones

303.803.0440 voice

This Email has been scanned for all viruses by PAETEC Email Scanning Services, utilizing MessageLabs proprietary SkyScan infrastructure.

The Diones Agency LLC w@diones.com | www.diones.com http://www.linkedin.com/in/williamdiones 303.803.0440 voice

The Diones Agency LLC w@diones.com | www.diones.com http://www.linkedin.com/in/williamdiones 303.803.0440 voice

William Simmons - Fwd: Marketing Partnership Letter Agreement Revisions

From: william diones <w@diones.com>
To: <wsimmons@northglenn.org>

Date: 9/9/2011 10:06 AM

Subject: Fwd: Marketing Partnership Letter Agreement Revisions

Dear Mr. Simmons,

Please see attached forwarded message as I wanted to assure that you have received it. It was originally sent to the 'manager@northglenn.org' address.

I realize there were several items including the rates showing Royalty and No Royalty pricing that you did not receive. I apologize for that oversight and will include you in all future communications.

Is there anything else that I can provide to you at this time?

Respectfully,

Bill Diones Regional Account Manager NLC Service Line Warranty Program Utility Service Partners 303.803.0440

----- Forwarded message -----

From: william diones < w@diones.com > Date: Thu, Sep 8, 2011 at 10:04 PM

Subject: Marketing Partnership Letter Agreement Revisions

To: Brad Carmichael < <u>BCarmichael@utilitysp.net</u>>, Corey Hoffmann < <u>CYH@hphclaw.com</u>> Cc: Gene < <u>gwieneke@comcast.net</u>>, "David H. Willett, MBA, PE" < <u>dwillett@northglenn.org</u>>,

manager@northglenn.org, Jordan Joltes <JJoltes@utilitysp.net>

Messrs Hoffman and Carmichael:

Pursuant to the Northglenn City Council Approved Resolution CR-86 at the September 8, 2011, City Council meeting, the Marketing Partnership Letter Agreement between the City of Northglenn and Utility Service Partners needs to be modified to eliminate the royalty payment to the city and reflect the discounted rates that will be offered to Northglenn residents.

City Attorney Corey Hoffman will provide requested changes to the agreement and forward to the distribution group of this email. Brad Carmichael, Senior Executive with Utility Service Partners will review the requested changes and provide approval as appropriate and as soon as possible.

Thank you for your attention to this matter.

Sincerely,

Bill Diones NW Regional Account Manager NLC Service Line Warranty Program Utility Service Partners

William Simmons - Fwd: Marketing Partnership Letter Agreement Revisions

From:

william diones <w@diones.com>

To:

William Simmons wsimmons@northglenn.org, Gene Wieneke gwieneke@northglenn.org,

Date:

9/12/2011 4:12 PM

Subject:

Fwd: Marketing Partnership Letter Agreement Revisions

CC:

Corey Hoffmann < CYH@hphclaw.com>, Brad Carmichael < BCarmichael@utilitysp...

Attachments: USP-Northglenn, CO-Marketing Agreement.doc

Gentlemen.

Please see below and attached email from Brad Carmichael with his acceptance of City Attorney requested changes along with one insertion regarding rate changes. Wanted to make sure you are included in the communication chain.

Feel free to call if you have any questions.

Sincerely,

Bill

303.803.0440

----- Forwarded message -----

From: **Brad Carmichael** <BCarmichael@utilitysp.net>

Date: Mon, Sep 12, 2011 at 3:34 PM

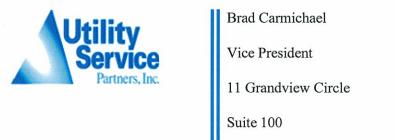
Subject: RE: Marketing Partnership Letter Agreement Revisions

To: Corey Hoffmann < CYH@hphclaw.com>, william diones < w@diones.com>

Mr. Hoffman,

Attached is an updated redline version of the contract. I have accepted your suggested revisions. I have added language with respect to price increases. It is problematic to fix prices indefinitely, so I would like to have the flexibility to modify prices based on the cost structure. In the event of an increase, Northglenn residents will continue to receive the 10% savings from the royalty, and a new pricing matrix would be provided to the City. Please review and let me know if this acceptable. If so, I will send an execution version to you.

Thank you,



Cell: <u>(724) 344-1441</u>

Fax: <u>(724) 229-4520</u>

Email: <u>bcarmichael@utilitysp.net</u>

From: Corey Hoffmann [mailto:CYH@hphclaw.com]

Sent: Monday, September 12, 2011 1:59 PM

To: 'william diones'; Brad Carmichael

Cc: 'William Simmons'; Jordan Joltes; 'Gene Wieneke'; David H. Willett, MBA, PE

Subject: RE: Marketing Partnership Letter Agreement Revisions

All:

Please see attached redline of the Marketing Agreement based on Council's discussion and approval on Thursday night. Please note the Pricing Matrix would then be attached as an Exhibit. Please let me know if it is acceptable. Thank you in advance.

Corey Y. Hoffmann

Hayes, Phillips, Hoffmann & Carberry, P.C.

Direct: (303) 951-2094

Main: (303) 825-6444

From: billdiones@gmail.com [mailto:billdiones@gmail.com] On Behalf Of william diones

Sent: Thursday, September 08, 2011 10:04 PM

To: Brad Carmichael; Corey Hoffmann

Cc: Gene; David H. Willett, MBA, PE; manager@northglenn.org; Jordan Joltes

Subject: Marketing Partnership Letter Agreement Revisions

Messrs Hoffman and Carmichael:

Pursuant to the Northglenn City Council Approved Resolution CR-86 at the September 8, 2011, City Council meeting, the Marketing Partnership Letter Agreement between the City of Northglenn and Utility Service Partners needs to be modified to eliminate the royalty payment to the city and reflect the discounted rates that will be offered to Northglenn residents.

City Attorney Corey Hoffman will provide requested changes to the agreement and forward to the distribution group of this email. Brad Carmichael, Senior Executive with Utility Service Partners will review the requested changes and provide approval as appropriate and as soon as possible.

Thank you for your attention to this matter.

Sincerely,

Bill Diones

NW Regional Account Manager

NLC Service Line Warranty Program

Utility Service Partners

The Diones Agency LLC

w@diones.com | www.diones.com http://www.linkedin.com/in/williamdiones

303.803.0440 voice

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The Diones Agency LLC w@diones.com | www.diones.com http://www.linkedin.com/in/williamdiones 303.803.0440 voice

William Simmons - RE: Marketing Partnership Agreement

From: "Brad Carmichael" <BCarmichael@UtilitySP.net>

To: "William Simmons" <wsimmons@northglenn.org>, <w@diones.com>

Date: 9/16/2011 2:52 PM

Subject: RE: Marketing Partnership Agreement CC: Hoffmann Corey < CYH@hphclaw.com>

Mr. Simmons,

Any price increase, if necessary, would apply to all residents. They would received a written notice with a minimum of 30 days notice. Again, I would like to emphasize that USP does not anticipate the need for periodic price increases. One of the reasons that our program is successful is that we have always managed the business in a way that keeps the price for consumers as low as possible.

Brad H. Carmichael



Brad Carmichael Vice President 11 Grandview Circle Suite 100 Canonsburg, PA 15317 Office: (724) 749-1003 Cell: (724) 344-1441 Fax: (724) 229-4520

Email: bcarmichael@utilitysp.net

URL: www.utilitysp.net

From: William Simmons [mailto:wsimmons@northglenn.org]

Sent: Friday, September 16, 2011 4:34 PM

To: w@diones.com

Cc: Hoffmann Corey < CYH@hphclaw.com; Brad Carmichael

Subject: Marketing Partnership Agreement

Hi Bill,

I am in receipt of the marketing materials that you emailed to Corey Hoffmann and me earlier today. We are reviewing them and will respond back probably on Monday.

On the marketing partnership agreement I am seeking clarification of the language added by SWLA to paragraph 2 of the marketing agreement. Specifically does the language "if repair costs increase over any six month period" refer to only residents with a claim history or a potential increase to all Northglenn residents subscribing to the program?

I look forward to your response. Thanks.

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William Simmons - SWLA Marketing Agreement

From:

William Simmons

To:

Hoffmann Corey <CYH@hphclaw.com>

Date:

9/15/2011 12:20 PM

Subject: SWLA Marketing Agreement

Hi Corey,

The Mayor was in to sign the marketing agreement. I gave her a copy of your email (thank you) of 9:43 PM last night (!) and went over the changes that have been made including SWLA's additional language. Without prompting, she had a question about the SWLA language "if repair costs increases over any six month period". Before signing she wanted to if that language referred to just residents with a claim history or a potential increase to all residents. She said this was not something that was discussed at the meeting - true - but I did point out that exhibit A was a snapshot and that prices are assumed to increase over a period of time. Anyway, thought I would give you a heads up and a chance to comment if necessary before I sent off an email to Bill Diones seeking a clarification. Let me know. Thanks.

William Simmons - RE: Revised Marketing Materials - Northglenn & Englewood Docs

From:

"Jordan Joltes" <JJoltes@UtilitySP.net>

To:

"william diones" <w@diones.com>, "William Simmons" <wsimmons@northglenn....

Date:

9/21/2011 3:56 PM

Subject:

RE: Revised Marketing Materials - Northglenn & Englewood Docs

CC:

"Brad Carmichael" <BCarmichael@UtilitySP.net>, "Blake Stogner" <BStogner... Attachments: Northglenn CO Sewer Line - Draft 2.pdf; No10 Envelope Northglenn CO 2.pdf;

Englewood CO SEWER Line - Draft 3.pdf; No10 Envelope Englewood CO.PDF

Bill,

Per Bill's request, I have attached the City of Englewood's letter and outer envelope as well as the City of Northglenn's newly designed letter and outer envelope which has been designed to mirror Englewood. After review, please provide Blake or Bill with your final approval. If you have any questions on the attached, please don't hesitate to let me know.

Best, **Jordan**



Jordan Joltes Business Development Specialist

11 Grandview Circle, Suite 100 Canonsburg, PA 15317

(724) 749-1044 Office (412) 432-8930 Mobile (724) 229-4520 Fax

Email: jjoltes@utilitysp.net URL: www.utilitysp.net

From: billdiones@gmail.com [mailto:billdiones@gmail.com] On Behalf Of william diones

Sent: Tuesday, September 20, 2011 7:27 PM

To: William Simmons

Cc: Brad Carmichael; Jordan Joltes; Blake Stogner

Subject: Re: Revised Marketing Materials

Hi Bill,

Yesterday the USP folks got underway modifying the package to mirror Englewood's. In addition I sought Englewood's approval to provide their materials to you as requested. This morning, mayor Jim Woodward gave his approval.

I am traveling over the next several days, and by copy of this email, I'm requesting Blake Stogner and Jordan Joltes of USP to provide same to you as soon as possible.

Thank you for your outreach.

Sincerely,

Bill Diones Regional Account Manager NLC Service Line Warranty Program **Utility Service Partners** 303.803.0440

On Tue, Sep 20, 2011 at 1:00 PM, William Simmons < wsimmons@northglenn.org > wrote: Hi Bill,

Looking forward to receiving Englewood's marketing materials. If you wish, you can prepare Northglenn's in the Englewood format. Thanks.

The Diones Agency LLC w@diones.com | www.diones.com http://www.linkedin.com/in/williamdiones 303.803.0440 voice

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[Customer Name] [Customer Address] [Customer City, State, Zip Code] [Date]

Contact ID: [Contact ID]

Re: Coverage for Residents

Dear [Customer Name],

I am very pleased to tell you about a new program available to our residents, brought to us through a partnership with the National League of Cities (NLC) and Service Line Warranties of America (SLWA). This program is one that could potentially save you a lot of money in these difficult economic times. As you may know, as a homeowner in the City of Northglenn, you are responsible for the maintenance and repair of your buried, outside sewer service line that runs from your home to the utility connection.

SLWA offers a Sewer Line Warranty which will protect you from any repairs needed on your outside, buried sewer line for a small monthly fee. If you should need a repair, they have a 24-hour hotline and will dispatch a local plumber within 24 hours to perform the repair. There are no service fees or deductibles. Repair costs are covered up to \$4,000 per incident, plus an additional \$4,000 allowance for public street cutting, if needed.

SLWA is proud to have been selected by the NLC as an Enterprise Programs Partner. After a decade in business, SLWA has an A+ rating with the Better Business Bureau. The National League of Cities, representing over 218 million Americans, is the nation's oldest and largest organization devoted to strengthening and promoting cities as centers of opportunity, leadership and governance.

An unexpected and costly outside sewer line repair can devastate a family's budget and if you have not already set aside money for these types of expenses, I would encourage you to protect yourself today by enrolling in the outside sewer line warranty. Payment options include invoice, credit card or direct debit from your checking account.

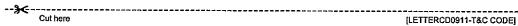
If you enroll by November 30, SLWA will offer a discounted price of \$5.50 per month which represents a savings of over 7% on their standard monthly price. If you elect to pay annually, they will discount the cost further to \$59.00 which is over a 17% savings.

To enroll, or to learn more about this program, please call **1-800-000-0000**, Monday through Friday 9:00 am to 5:00 pm, to speak with SLWA directly. Or if you prefer, you may return the bottom portion of this letter to SLWA in the enclosed, self-addressed, postage-paid envelope or visit **www.utilitylineprotection.com**.

Sincerely,

Joyce Downing Mayor

Complete warranty terms and conditions will be provided following enrollment or you can view them online at www.utilitylineprotection.com. You may terminate your participation in a warranty program at any time. You have 30 days from the date you enroll to receive a full refund. After 30 days, you will be reimbursed the pro rata share of any amount you paid for any portion of the warranty period subject to cancellation.





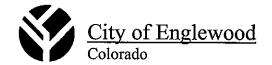
[Customer Name] [Customer Address] [Customer City, State, Zip Code] Contact ID: [Contact ID]

To enroll or to view the terms and conditions please visit www.utilitylineprotection.com.

Please mark your selection:

	Yes! Please enroll me in the outside sewer line warranty for just \$5.50 per month	I want to save even more! I will pay just \$59.00 per year for the sewer line warranty
Signature:	<u> </u>	Date:





[Customer Name] [Date] [Customer Address] [Customer City, State, Zip Code] Contact ID: [Contact ID] Re: Coverage for Residents Dear [Customer Name], Last spring I sent you a letter announcing a Water Line Warranty program offered by Service Line Warranties of America (SLWA). Given the positive response, I am very pleased to tell you about a new program brought to us through a partnership with the National League of Cities (NLC) and Service Line Warranties of America. This program is one that could potentially save you a lot of money in these difficult economic times. As you may know, as a homeowner in the City of Englewood, you are responsible for the maintenance and repair of your buried, outside sewer service line that runs from your home to the utility connection. SLWA offers a Sewer Line Warranty which will protect you from any repairs needed on your outside, buried sewer line for a small monthly fee. If you should need a repair, they have a 24-hour hotline and will dispatch a local Englewood plumber within 24 hours to perform the repair. There are no service fees or deductibles. Repair costs are covered up to \$4,000 per incident, plus an additional \$4,000 allowance for public street cutting, if needed. SLWA is proud to have been selected by the NLC as an Enterprise Programs Partner. After a decade in business. SLWA has an A+ rating with the Better Business Bureau. The National League of Cities which Englewood has been a member of for 44 years, representing over 218 million Americans, is the nation's oldest and largest organization devoted to strengthening and promoting cities as centers of opportunity, leadership and governance. An unexpected and costly outside sewer line repair can devastate a family's budget and if you have not already set aside money for these types of expenses, I would encourage you to protect yourself today by enrolling in the outside sewer line warranty. Payment options include invoice, credit card or direct debit from your checking account. If you enroll by October 31, SLWA will offer a discounted price of \$4.95 per month which represents a savings of 10% on their standard monthly price. If you elect to pay annually, they will discount the cost further to \$49.00 which is over a 25% savings. To enroll, or to learn more about this program, please call 1-855-270-1191, Monday through Friday 9:00 am to 5:00 pm, to speak with SLWA directly. Or if you prefer, you may return the bottom portion of this letter to SLWA in the enclosed, self-addressed, postage-paid envelope or visit www.utilitylineprotection.com. Sincerely, Jim Woodward Mayor Complete warranty terms and conditions will be provided following enrollment or you can view them online at www.utilitylineprotection.com, You may terminate your participation in a warranty program at any time. You have 30 days from the date you enroll to receive a full refund. After 30 days, you will be reimbursed the pro rata share of any amount you paid for any portion of the warranty period subject to cancellation. Cut here [LETTERCD0911-T&C CODE] Service Line Warranties [Customer Name] [Customer Address] To enroll or to view the terms and conditions [Customer City, State, Zip Code] please visit www.utilitylineprotection.com. Contact ID: [Contact ID] Please mark your selection: Yes! Please enroll me in the outside sewer ☐ I want to save even more! I will pay just line warranty for just \$4.95 per month \$49.00 per year for the sewer line warranty

Date:_



City of Englewood Service Line Warranties of America 1000 Englewood Parkway Englewood, CO 80110-2373

PRSRT STD U.S. POSTAGE PAID S FL, FL PERMIT 750







City of Northglenn Service Line Warranties of America 11701 Community Center Drive Northglenn, CO 80233

PRSRT STD U.S. POSTAGE PAID S FL, FL PERMIT 750





William Simmons - RE: Revised Marketing Materials - Northglenn & Englewood Docs

From:

"Jordan Joltes" <JJoltes@UtilitySP.net>

To:

"William Simmons" <wsimmons@northglenn.org>

Date:

9/22/2011 11:52 AM

Subject:

RE: Revised Marketing Materials - Northglenn & Englewood Docs

CC:

"hoffmann Corey" < CYH@hphclaw.com>, "Bill Diones (External)" < billdiones... Attachments: No10 Envelope Northglenn CO 2.pdf; Northglenn CO Sewer Line - Draft 2.pdf

Hi Bill,

Thank you for your feedback. I am happy to provide a little clarification relative to your comments below. Regarding the outer envelope that was previously sent (and also attached again), please note the SLWA logo is included on the back flap of the envelope in addition to the City's logo on the front, as was done for Englewood. Also, the name "Service Line Warranties of America" is listed within the address line as well, to avoid any confusion. We will be sure to use both logos on all of the marketing materials for this campaign. As for the toll free number, this will be assigned and activated a few days prior to the mail drop in order to ensure our customer service reps are able to respond quickly and efficiently.

I hope this helps to clarify your concerns below. Should you have any additional questions, please feel free to reach out to me. Once we have your consent that these are the last outstanding items, I can advise our marketing department that we are Ok to proceed (I will wait for your confirmation of approval).

Your feedback is greatly appreciated.

Many Thanks! **Jordan**

From: William Simmons [mailto:wsimmons@northglenn.org]

Sent: Thursday, September 22, 2011 12:38 PM

To: Jordan Joltes Cc: hoffmann Corey

Subject: RE: Revised Marketing Materials - Northglenn & Englewood Docs

Hi Jordan,

Thanks for forwarding the revised marketing materials. The City's request is that whenever the City's logo is used on any marketing materials the logo for Service Line Warranties accompanies it. The letter has both logos, the outer envelope does not. Please add the Service Line warranty logo to the envelope. I also note the letter still does not have the telephone number for the SWLA call center. When will that be added? Thanks,

>>> "Jordan Joltes" <JJoltes@UtilitySP.net> 9/21/2011 3:54 PM >>> Bill.

Per Bill's request, I have attached the City of Englewood's letter and outer envelope as well as the City of Northglenn's newly designed letter and outer envelope which has been designed to mirror Englewood. After review, please provide Blake or Bill with your final approval. If you have any questions on the

attached, please don't hesitate to let me know.

Best, Jordan



Jordan Joltes **Business Development Specialist**

11 Grandview Circle, Suite 100 Canonsburg, PA 15317

(724) 749-1044 Office (412) 432-8930 Mobile (724) 229-4520 Fax Email: jjoltes@utilitysp.net URL: www.utilitysp.net

From: billdiones@gmail.com [mailto:billdiones@gmail.com] On Behalf Of william diones

Sent: Tuesday, September 20, 2011 7:27 PM

To: William Simmons

Cc: Brad Carmichael; Jordan Joltes; Blake Stogner

Subject: Re: Revised Marketing Materials

Hi Bill,

Yesterday the USP folks got underway modifying the package to mirror Englewood's. In addition I sought Englewood's approval to provide their materials to you as requested. This morning, mayor Jim Woodward gave his approval.

I am traveling over the next several days, and by copy of this email, I'm requesting Blake Stogner and Jordan Joltes of USP to provide same to you as soon as possible.

Thank you for your outreach.

Sincerely,

Bill Diones Regional Account Manager NLC Service Line Warranty Program **Utility Service Partners** 303.803.0440

On Tue, Sep 20, 2011 at 1:00 PM, William Simmons < wsimmons@northglenn.org > wrote: Hi Bill,

Looking forward to receiving Englewood's marketing materials. If you wish, you can prepare Northglenn's in the Englewood format. Thanks.

 $\begin{array}{l} \text{The Diones Agency LLC} \\ \underline{w@.diones.com} \mid \underline{www.diones.com} \\ \underline{\text{http://www.linkedin.com/in/williamdiones}} \end{array}$ 303.803.0440 voice

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City of Northglenn Service Line Warranties of America 11701 Community Center Drive Northglenn, CO 80233

PRSRT STD U.S. POSTAGE PAID S FL, FL PERMIT 750









[Customer Name] [Customer Address] [Customer City, State, Zip Code] [Date]

Contact ID: [Contact ID]

Re: Coverage for Residents

Dear [Customer Name],

I am very pleased to tell you about a new program available to our residents, brought to us through a partnership with the National League of Cities (NLC) and Service Line Warranties of America (SLWA). This program is one that could potentially save you a lot of money in these difficult economic times. As you may know, as a homeowner in the City of Northglenn, you are responsible for the maintenance and repair of your buried, outside sewer service line that runs from your home to the utility connection.

SLWA offers a Sewer Line Warranty which will protect you from any repairs needed on your outside, buried sewer line for a small monthly fee. If you should need a repair, they have a 24-hour hotline and will dispatch a local plumber within 24 hours to perform the repair. There are no service fees or deductibles. Repair costs are covered up to \$4,000 per incident, plus an additional \$4,000 allowance for public street cutting, if needed.

SLWA is proud to have been selected by the NLC as an Enterprise Programs Partner. After a decade in business, SLWA has an A+ rating with the Better Business Bureau. The National League of Cities, representing over 218 million Americans, is the nation's oldest and largest organization devoted to strengthening and promoting cities as centers of opportunity, leadership and governance.

An unexpected and costly outside sewer line repair can devastate a family's budget and if you have not already set aside money for these types of expenses, I would encourage you to protect yourself today by enrolling in the outside sewer line warranty. Payment options include invoice, credit card or direct debit from your checking account.

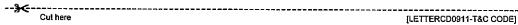
If you enroll by November 30, SLWA will offer a discounted price of \$5.50 per month which represents a savings of over 7% on their standard monthly price. If you elect to pay annually, they will discount the cost further to \$59.00 which is over a 17% savings.

To enroll, or to learn more about this program, please call **1-800-000-0000**, Monday through Friday 9:00 am to 5:00 pm, to speak with SLWA directly. Or if you prefer, you may return the bottom portion of this letter to SLWA in the enclosed, self-addressed, postage-paid envelope or visit **www.utilitylineprotection.com**.

Sincerely,

Joyce Downing Mayor

Complete warranty terms and conditions will be provided following enrollment or you can view them online at www.utilitylineprotection.com. You may terminate your participation in a warranty program at any time. You have 30 days from the date you enroll to receive a full refund. After 30 days, you will be reimbursed the pro rata share of any amount you paid for any portion of the warranty period subject to cancellation.





[Customer Name] [Customer Address] [Customer City, State, Zip Code] Contact ID: [Contact ID]

To enroll or to view the terms and conditions please visit www.utilitylineprotection.com.

Please mark your selection:

	Yes! Please enrol! me in the outside sewer line warranty for just \$5.50 per month	I want to save even more! I will pay just \$59.00 per year for the sewer line warranty
Signature:_		Date:

William Simmons - Service Line Warranties

From:

Corey Hoffmann < CYH@hphclaw.com>

To:

Joyce Downing < jdowning@northglenn.org>

Date:

9/24/2011 4:11 PM Subject: Service Line Warranties

CC:

William Simmons < wsimmons@northglenn.org>

Joyce,

Based on Council's approval at the September 8, 2011 meeting, please execute the Marketing Agreement ASAP so it can be sent on to Service Line. Please call me this weekend or Monday if you have any questions or concerns.

Corey

Corey Y. Hoffmann

Hayes, Phillips, Hoffmann & Carberry, P.C.

Direct: (303) 951-2094 Main: (303) 825-6444

NEWS RELEASE

Utility Line Protection Program Now Available To Residents

Contact:
David Willett, Director of Public Works
303-450-8783
dwillett@northglenn.org

Brad Carmichael Service Line Warranties of America 724-749-1003 BCarmichael@UtilitySP.net



(DATE) The City of Northglenn is introducing a new program available to homeowners, provided through a partnership with the National League of Cities (NLC) and Service Line Warranties of America (SLWA). The Service Line Warranty program provides low cost, worry free warranty protection for sewer lines.

"Many citizens are unaware that they are responsible for the sewer lines that go from their houses to the utility connection. If these lines break or leak, repairs can be very expensive," said David Willett, Director of Public Works. The Service Line Warranty program offers citizens an affordable way to avoid the unexpected and often large expense involved with a sewer line break. When a line breaks, the cost to repair it can often cause hardship on a family's budget. This new program will offer warranty protection to help cover the costs of a break.

City of Northglenn residents will see offers in their mail boxes soon. The cost for citizens who choose to purchase the warranty protection is \$5.95 per month, and will cover sewer line repairs up to \$4,000 plus an additional allowance of \$4,000 for public street cutting, if needed. The program is offered at no cost to the City of Northglenn, and no public funds are used to promote the program.

"We are pleased to partner with the City of Northglenn in bringing peace of mind to homeowners in Northglenn through an affordable Service Line Warranty program," said Brad Carmichael, Vice President of Business Development for Service Line Warranties of America. "We think Northglenn residents will be pleased with our features and benefits, including 24/7 repair service using local, certified technicians. This keeps dollars in the local economy, an important benefit in these tough financial times."

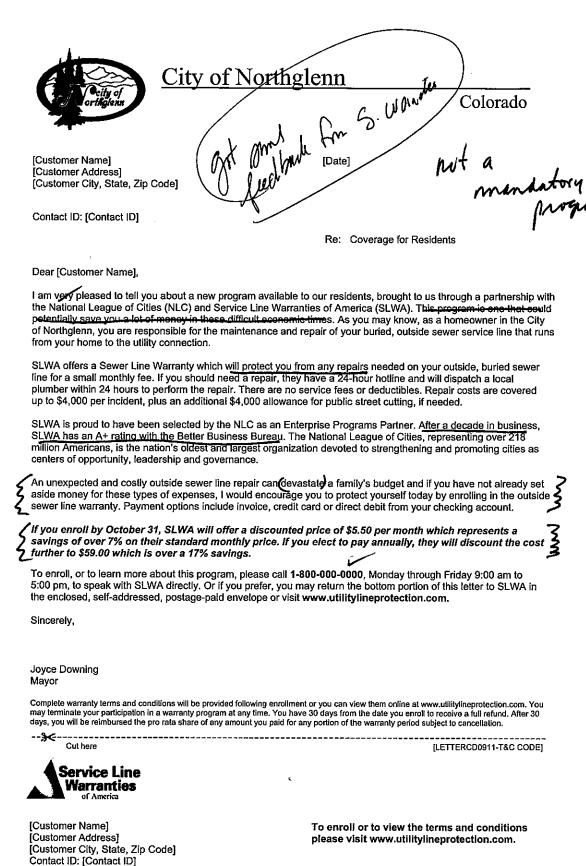
SLWA is proud to have been selected by the NLC as an Enterprise Programs Partner. After a decade in business, SLWA has an A+ rating with the Better Business Bureau. The National League of Cities, representing over 218 million Americans, is the nation's oldest and largest organization devoted to strengthening and promoting cities as centers of opportunity, leadership and governance.

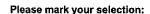
For questions regarding this news release, please contact David Willett, Director of Public Works at 303-450-8783. To learn more about SLWA please visit www.utilitylineprotection.com.

###

Blurb for City Web Site

The City of Northglenn is notifying residents of a program provided through a partnership between the National League of Cities (NLC) and Service Line Warranties of America (SLWA). This program offers a warranty available to homeowners for repairs on the outside sewer line that runs from the home to the utility connection. SLWA was selected by the NLC as an Enterprise Programs Partner. After a decade in business, SLWA has an A+ rating with the Better Business Bureau. The National League of Cities, representing over 218 million Americans, is the nation's oldest and largest organization devoted to strengthening and promoting cities as centers of opportunity, leadership and governance. For more information on this program or to enroll, please visit SLWA's web site at www.utilitylineprotection.com.





	Yes! Please enroll me in the outside sewer line warranty for just \$5.50 per month		I want to save even more! I will pay just \$59.00 per year for the sewer line warranty
Signature:		•	Date:



Offering utilities and their customers ongoing protection from the high costs of customer water leaks



Overview

Aging infrastructure is causing more and more water leaks each year. Customer water leaks can negatively impact utility budgets, efficiency and customer perception. When a customer receives an abnormally high water bill resulting from a leaking pipe or fixture, the utility is not responsible but, in many cases, will partially adjust the bill. However, the portion the resident must cover can still be beyond their means, leaving them with a long payment plan and a feeling of dissatisfaction with the water utility.

The ServLine Leak Protection Program is a win-win for water utilities and their customers. Designed to protect all qualifying customers from this potentially costly expense, ServLine also helps water utilities recapture lost revenue and bad debt associated with customer water leaks. Additionally, the program unburdens the utility from the stress, effort and time involved in the administration of the leak adjustment process.

An affiliate partner of the National Rural Water Association and numerous State Rural Water Associations, ServLine helps utilities lower costs while enhancing customer peace of mind and satisfaction.

Serving your local community



HomeServe has:



900+ Partners



4 Million+
Customers



7 Million+ Service Contracts



1.3 MillionRepairs performed in the past three years



\$454 Million in repair costs saved by customers in the past three years

www.servline.com



Frequently Asked Questions

Who else offers this type of program?

Currently ServLine is the only company in the country offering this as an insurance-backed program that is vetted and partnered with the National Rural Water Association and multiple state associations. The program has paid 100% of claims that have met the utility's leak guidelines.

Why is this an opt-out program?

There was concern that a portion of the customer base would miss the notice information, so an opt-out approach prevents those customers from "falling through the cracks" and facing an unexpected and expensive charge.

Will this cause more work for utility staff?

Once implemented, the program will simplify the utility staff's workload and should decrease the amount of time and effort spent on leak adjustments. There is setup and training that takes place during the launch process. However, a ServLine team personally guides the staff through this process and will continue to be a resource to the utility staff after launch.

How do customers respond to the program?

Across the nation, we have over a 96% participation rate because most customers appreciate the robust benefit and peace of mind it provides for a small charge.

I was, at first, skeptical about the monthly cost and wisdom of purchasing ServLine. Then I had one of those unfortunate incidents of corrosion eating through a fitting just downline of my meter. As soon as I received the first high water bill, I located the leak and repaired it. The claim process was as expected as to required information, and payment was fast. I have had several of these water line breaks over the years in various places. I believe ServLine is a great answer to cost containment for water loss beyond my control.



Make a Difference in Your Community

To learn more about the ServLine Leak Protection Program, visit www.servline.com or call 866-974-4801.

Quick Facts

The ServLine Leak Protection Program provides numerous benefits to utilities and their customers.

Benefits to customers:

Financial Protection

- Up to \$2,500 in protection from excess water bill
- No deductible

Better Experience

- · Seamless processing of claims
- Staff to ensure customer satisfaction

Increased Awareness

- · Materials sent to residents about responsibility
- Questions answered by ServLine
- Peace of mind that unexpected expenses will be fully covered

Benefits to utilities:

Costs

- Customers' excess bills get paid up to \$2,500 by ServLine
- Utility recaptures lost revenue from adjustments and bad debts

Administration

• Staff workload is reduced and becomes simplified and consistent

Customer Satisfaction

- · Public relations improved
- Greater satisfaction with utility

About

HomeServe is a leading provider of repair service programs with over 4 million customers in North America and over 900 municipal and utility partners. HomeServe, an A+ Better Business Bureau-rated company, is dedicated to providing best-inclass services and an exceptional customer experience.





Insurance for the ServLine program is issued to utilities and placed through HomeServe USA Repair Management Corp. (HSRM), a licensed insurance agency. In California, HSRM does business as HomeServe NA Insurance Services (California License # 0F79326). ServLine® is a registered trademark of HomeServe.

ATTACHMENT 4

Interior Plumbing and Drainage Terms and Conditions

YOUR ENCLOSED DECLARATION PAGE IS AN INTEGRAL PART OF YOUR SERVICE AGREEMENT AND ALONG WITH THESE TERMS AND CONDITIONS CONSTITUTE YOUR ENTIRE AGREEMENT

Utility Service Partners Private Label, Inc., known as Service Line Warranties of America ("SLWA"), a subsidiary of HomeServe USA Corp. ("HomeServe"), is the entity that will administer the service under this Service Agreement. You may contact SLWA by mail at 1232 Premier Drive, Chattanooga, TN 37421 or by calling toll-free 1-866-922-9006. North American Warranty, Inc. ("NAW", "Provider", "We", "Us" or "Our") is the entity obligated to provide service under this Service Agreement. You may contact NAW by mail at 175 West Jackson Blvd., Chicago, IL 60604, or by calling toll-free 1-866-918-4680.

What's Covered: We will arrange and pay for the repair or replacement due to normal wear and tear of a broken, leaking, low pressure, or permanently blocked Interior Plumbing and Drainage system for which You have sole responsibility, that supports Your Residence. Your Interior Plumbing and Drainage includes all of the water supply pipes, and all of the drainage pipes connected to the main sewer stack, within the interior limits of Your Residence. We will also unclog a toilet pipe that has been clogged by a material that is intended to be handled by a toilet. Coverage extends to Interior Plumbing and Drainage that may be embedded under a slab or basement floor. Any part of Your Interior Plumbing and Drainage beyond these limits will not be covered. Low pressure means less than 30 pounds per square inch with 2 or fewer fixtures open.

You must call SLWA to arrange for service in order for repairs to be covered. See "How to Call for Repairs" below.

Restoration: Restoration to any floor inside Your Residence disturbed by the repair is limited to leaving You with a floor that it is sufficiently safe to walk on. We will not be responsible for reinstating floor coverings, fixtures, fittings, walls or wall coverings to their original state. Debris will be removed from the restoration area.

Benefit Limit: The maximum benefit limit is up to \$3,000 for each Service Call. Any repair or replacement charges beyond Your Service Call benefit limit are Your responsibility.

What's Not Covered: We will not be responsible for any of the following:

- 1. Damages, losses and expenses, whether from negligence or otherwise, caused by: (a) You or any person or entity other than Us or SLWA or (b) unusual circumstances, including a natural disaster, or an act of God;
- 2. Consequential, incidental, or punitive damages arising from conducting repair work or as a result of the covered repair, for example damages necessary to reasonably access the repair area. Your rights and remedies may vary depending on the state where Your Residence is located;
- 3. Any correction, upgrade, or move of Your existing Interior Plumbing and Drainage not directly related to the necessary covered repair, in order to meet any code, law, regulation, or ordinance;
- 4. Repairs to any section of Your Interior Plumbing and Drainage that You share with any third party or is covered by a homeowners', condominium or like association;
- 5. Repairing or replacing any non-conforming drain line, such as a basement or storm drain;
- 6. Appliances; Any fittings or fixtures, for example water tanks, water heaters, radiators, bathroom fittings, faucets, toilets, baths, shower pans, shower/bath diverters and sinks, pressure reducing valves and backflow prevention devices, sprinkler systems, spigots, garbage disposals, pumps or grinders;
- 7. Thawing of frozen pipes;
- 8. Repair or replacement of any part of Your Interior Plumbing and Drainage that is not expressly stated to be covered in "What's Covered" above.

Eligibility: A single structure or a single Unit within a structure owned by You, used and zoned only for residential occupancy and not intended to be moved ("Residence") is eligible. Residences include single family homes (inclusive of manufactured housing), townhomes, and apartments. A single structure that is owned by You and used and zoned only for residential occupancy that includes multiple Units ("Multifamily Residence") is also eligible. If You own a Multifamily Residence, You must provide the specific Unit mailing address for each Service Agreement You purchase. Any recreational vehicle or property used for commercial purposes is not eligible. If You are aware of any pre-existing conditions, defects or deficiencies with Your Interior Plumbing and Drainage, prior to the Start Date of Your first Term, then Your Residence is not eligible for this coverage.

Length of Service Agreement: Your Service Agreement begins on the Start Date listed on Your Declaration Page and will continue for twelve (12) months ("Term") provided neither You nor We cancel. See "Cancellation/Refund" below. There is an initial waiting period of thirty (30) days, within which You will not be able to request a Service Call. This means You will

receive less than twelve (12) full months of coverage during the first year. Upon renewal (if applicable), You will not be subject to a waiting period.

How to call for repairs: You must call SLWA and a service representative will assist in the diagnosis of Your repair and the scheduling of a visit from one of SLWA's approved local technicians. You will not be reimbursed for work done by technicians who are not authorized by SLWA. Technicians must have safe and clear access to, and safe working conditions at and around the work area. There is no Service Call fee.

Covered repairs: Whether Your Interior Plumbing and Drainage is to be repaired or replaced is entirely within the discretion of SLWA. Covered repairs are guaranteed against defects in materials and workmanship for one year. Under the guarantee we will arrange at Our expense and discretion for repair or replacement. We disclaim any and all statutory or common law warranties (whether express or implied) other than Our covered repair guarantee and any implied warranties that cannot be excluded under applicable law.

Receiving Documents Electronically: You can receive Your Service Agreement and all related documents electronically. If You consented to electronic delivery, these documents will be sent to the email address listed on Your Declaration Page ("Email Address"). Documents sent to the Email Address will be deemed to have been received by You. You may stop receiving documents electronically by calling SLWA or by updating Your preferences in Your profile on HomeServe's website. You may also call SLWA to update Your Email Address or to receive a paper copy of Your Service Agreement.

Renewal: If You pay through Your utility bill, by credit/debit card or by direct debit this Service Agreement will automatically renew for a further term of 12 months. If You paid by check, or if You pay by credit/debit card and requested that We not automatically renew this Service Agreement, You must renew this Service Agreement prior to the end of the Term to ensure continuous coverage. We reserve the right to not offer this Service Agreement upon renewal.

Cancellation/Refund: You may cancel this Service Agreement at any time by calling SLWA. If You cancel within thirty (30) days of the Start Date, You will receive a full refund less any claims paid by Us. If You cancel more than thirty (30) days after the Start Date, Your cancellation will be effective at the end of the then current billing month. If applicable, You will be entitled to a pro-rata refund less any claims paid by Us.

If Your local utility company or municipality provides similar coverage to You at no charge, You can contact SLWA to cancel and You will receive a refund of the payments You have made less any claims paid by Us. You may be required to provide evidence of the similar coverage. If We find that You have such coverage or are otherwise ineligible for the coverage provided by this Service Agreement, We may cancel on no less than fifteen 15 days' written notice to You and will refund the payments You have made less any claims paid by Us.

We may cancel for any reason on sixty (60) days' written notice to You. We can also cancel, on no less than fifteen (15) days' written notice to You for: (a) non-payment of the Price; or (b) Your fraud or misrepresentation of facts that are material to this Service Agreement or benefits provided under it. If We cancel under (b) above, You will be entitled to a pro-rata refund less any claims paid by Us.

Written notices from Us under this section will tell You exactly when Your Service Agreement will be cancelled and why it has been cancelled. The notice periods referred to in this section begin when We send the notice to You.

Key Terms:

"**Declaration Page**" - The enclosed document that forms a part of this Service Agreement, listing important information regarding You, Your Residence and other vital information.

"Price" – The amount You agree to pay for this Service Agreement, as listed on Your Declaration Page.

"Service Agreement" - The documents that constitute all of Your rights and responsibilities as a Service Agreement holder; which consist of these terms and conditions and Your Declaration Page.

"Service Call" – A visit to Your Residence by one of SLWA's approved local technicians, where work is performed to diagnose and complete a single covered repair, or where it is determined the repair is not covered.

"Unit" – A self-contained space that includes, at minimum, a living area, kitchen and bathroom within Your Residence.

"You" or "Your" - The purchaser of this Service Agreement who is the Service Agreement holder listed on the Declaration Page.

Privacy Policy: Any information You provide SLWA will be accessed, collected, used, transmitted, disclosed, stored, maintained and otherwise handled to administer Your Service Agreement by SLWA or its group of companies, including, but not limited to, disclosing Your address, telephone number, and other contact information to third parties who conduct services on SLWA's behalf. SLWA or its group of companies and their selected partners may also use Your data to keep

You informed by mail, telephone or email of any products or services which they consider may be of interest to You and related to this Service Agreement. For further details on how SLWA uses Your information, please see their Privacy Policy at www.homeserveusa.com/Customer Data Privacy Policy.html. Should You have any questions or concerns about SLWA's Privacy Policy or how they are using Your information or to update Your privacy preferences, please contact SLWA.

Assignment/Amendment: We reserve the right to change this Service Agreement (including the price or to charge an additional fee) and to delegate any of Our obligations at Our sole discretion provided We give You thirty (30) days' prior written notice of the changes. The changes will become effective thirty (30) days after We send You the notice. If You do not like the changes, You may cancel this Service Agreement. You may not change this Service Agreement or delegate any of Your obligations. Should certain terms or conditions in this Service Agreement be held to be invalid or unenforceable, the remainder of the terms and conditions in this Service Agreement shall remain valid.

Transfer: This Service Agreement is not transferable by You.

Responsibility for benefits owed to You: This is not an insurance policy; it is a Service Agreement. SLWA will serve as Your point-of-contact for all questions or concerns. Our obligations under this Service Agreement are insured under a service contract reimbursement insurance policy. If We fail to pay or to deliver service on a claim within sixty (60) days after proof of loss has been filed, or in the event You cancel this Service Agreement and We fail to issue any applicable refund within sixty (60) days after cancellation, You are entitled to make a claim against the insurer, Virginia Surety Company, Inc., 175 West Jackson Blvd., 11th Floor, Chicago, IL 60604, 1-800-209-6206.

Our Liability: To the extent permitted by applicable law, (1) You agree that We, SLWA and HomeServe, and all of their parents, successors, affiliates, approved technicians and our and their officers, directors, employees, affiliates, agents and contractors shall not be liable to You or anyone else for: (a) any actual losses or direct damages that exceed the lowest applicable per covered repair benefit limit set out above; or (b) any amount of any form of indirect, special, punitive, incidental or consequential losses or damages, including those caused by any fault, failure, delay or defect in providing services under this Service Agreement, and (2) these limitations and waivers shall apply to all claims and all liabilities and shall survive the cancellation or expiration of this Service Agreement. You may have other rights that vary from state to state.

Arbitration: YOU, NAW, SLWA AND HOMESERVE ALL AGREE TO RESOLVE DISPUTES ONLY BY FINAL AND **BINDING ARBITRATION OR IN SMALL CLAIMS COURT** as follows:

- A. EXCEPT FOR SMALL CLAIMS COURT CASES THAT QUALIFY, ANY DISPUTE THAT IN ANY WAY RELATES TO OR ARISES OUT OF THIS SERVICE AGREEMENT OR FROM ANY OTHER AGREEMENT BETWEEN US, OR SERVICES OR BENEFITS YOU RECEIVE OR CLAIM TO BE OWED FROM NAW, SLWA, OR HOMESERVE, WILL BE RESOLVED BY FINAL AND BINDING ARBITRATION BY ONE OR MORE ARBITRATORS BEFORE THE AMERICAN ARBITRATION ASSOCIATION ("AAA"), OR ANOTHER ARBITRATION ADMINISTRATOR THAT WE MUTUALLY AGREE UPON. Arbitration will apply not only to claims against NAW, SLWA, or HomeServe, but also claims against the officers, directors, managers, employees, agents, affiliates, insurers, technicians, successors or assigns of NAW, SLWA or HomeServe. Arbitration and this paragraph shall apply to claims that arose at any time, including claims arising before this paragraph became binding on the parties. The federal arbitration act (9 U.S.C. §§ 1 et seq.) and not any state law applies to this agreement.
- B. For claims of \$10,000 or less, the party bringing the claim can choose to proceed by way of binding arbitration pursuant to the AAA's rules or, alternatively, can bring an individual action in small claims court.
- C. YOU GIVE UP YOUR RIGHT TO PARTICIPATE IN A CLASS ACTION. This means that You may not be a representative or member of any class of claimants or act as a private attorney general in court or in arbitration with respect to any claim. Notwithstanding any other provision of this Service Agreement, the arbitrator shall not have the power to determine that class arbitration is permissible. The arbitrator also shall not have the power to preside over class or collective arbitration, or to award any form of class-wide or collective remedy. Instead, the arbitrator shall have power to award money or injunctive relief only in favor of the individual party seeking relief and only to the extent necessary to provide relief warranted by that party's individual claim. No class or representative or private attorney general theories of liability or prayers for relief may be maintained in any arbitration held under this Service Agreement.
- D. SLWA will pay any filing fee, administration, service or case management fee, and arbitrator fee that the AAA charges You for arbitration of the dispute, up to a maximum of \$1,500; provided, however, that the arbitrator may award costs and expenses to any party, if allowed by law. If You provide us with signed written notice that You cannot pay the filing fee, SLWA will pay the fee directly to the AAA.
- E. If for some reason the prohibition on class arbitrations set forth in Subsection C cannot be enforced, then the agreement to arbitrate will not apply.
- F. IF FOR ANY REASON A CLAIM PROCEEDS IN COURT RATHER THAN THROUGH ARBITRATION, YOU, NAW, SLWA AND HOMESERVE AGREE THAT THERE WILL NOT BE A JURY TRIAL. You, NAW, SLWA and HomeServe unconditionally

waive any right to trial by jury in any action, proceeding or counterclaim arising out of or relating in any way to this Service Agreement or from any other agreement between us, or the services or benefits You receive or claim to be owed from NAW, SLWA or HomeServe, including as to claims asserted against any of the officers, directors, managers, employees, agents, affiliates, insurers, technicians, approved technicians, successors or assigns of NAW, SLWA or HomeServe.

State variations: The following shall apply if inconsistent with any other terms and conditions of this Service Agreement:

[Please click here to see if any state specific variations apply to You.]

Water Heater Repair And Replacement Terms and Conditions

YOUR ENCLOSED DECLARATION PAGE IS AN INTEGRAL PART OF YOUR SERVICE AGREEMENT AND ALONG WITH THESE TERMS AND CONDITIONS CONSTITUTE YOUR ENTIRE AGREEMENT

Utility Service Partners Private Label, Inc., known as Service Line Warranties of America ("SLWA"), a subsidiary of HomeServe USA Corp. ("HomeServe") is the entity that will administer the service under this Service Agreement. You may contact SLWA by mail at 1232 Premier Drive, Chattanooga, TN 37421 or by calling toll-free 1-866-922-9006. North American Warranty, Inc. ("NAW", "Provider", "We", "Us" or "Our") is the entity obligated to provide service under this Service Agreement. You may contact NAW by mail at 175 West Jackson Blvd., Chicago, IL 60604, or by calling toll-free 1-866-918-4680.

What's Covered: We will arrange and pay for the repair or replacement due to normal wear and tear of Your electric, natural gas, or propane water heater ("Water Heater") for which You have sole responsibility, that supports Your Residence. You must call SLWA to arrange for service in order for repairs to be covered. See "How to Call for Repairs" below.

If You have a covered repair and We are unable to repair Your Water Heater to its operational use, We will make available the remainder of Your benefit amount to be used toward the purchase and installation by Us of a Water Heater replacement, most similar in capacity and/or functionality.

Benefit Limit: The maximum benefit limit is up to \$1,000 per Term. Any repair or replacement charges beyond Your benefit limit are Your responsibility.

What's Not Covered:

We will not be responsible for any of the following:

- 1. Damages, losses and expenses, whether from negligence or otherwise, caused by: (a) You or any person or entity other than Us or SLWA or (b) unusual circumstances, meaning a natural disaster, act of God (such as fires, explosions, earthquakes, drought, tidal waves and floods), war, riots, hostilities, strikes or work slowdowns or acts or threats of terrorism;
- 2. Excluded Damages (see "Our Liability" below) which include, for example, damages necessary to reasonably access the repair area. Your rights and remedies may vary depending on the state where Your Residence is located:
- 3. Any correction or upgrade of Your existing Water Heater, not directly related to the necessary repair, in order to meet any code, law, regulation or ordinance;
- 4. Jacket and interior doors, exhaust venting, expansion tanks, supply and delivery water piping other than flexible, and electrical service wiring;
- 5. Damage from restricted lines or as a result of water pressure in excess of 80 P.S.I.;
- 6. Costs associated with making space suitable for installation when the replacement unit does not fit in the existing space;
- 7. Repair or replacement of any part of Your Water Heater that is not expressly stated to be covered in "What's Covered" above.

Eligibility: A single structure or a single Unit within a structure, owned by You, used and zoned only for residential occupancy that is not intended to be moved ("Residence") is eligible. Residences include single family homes (inclusive of manufactured housing), townhomes, and apartments. A single structure that is owned by You and used and zoned only for residential occupancy that includes multiple Units ("Multifamily Residence") is also eligible. If You own a Multifamily Residence or multiple Units, You must provide the specific Unit mailing address for each Service Agreement You purchase. Any recreational vehicle or property used for commercial purposes is not eligible. If You are aware of any pre-existing conditions, defects or deficiencies with Your Water Heater prior to the Start Date of Your first Term, then You are not eligible for this coverage. If Your Residence or Unit within a Multifamily Residence has multiple Water Heater(s), You must purchase a Service Agreement for every individual Water Heater. If Your entire Water Heater is shared with any third party, covered by a homeowners', condominium or like association, or is not installed according to manufacturer specifications, then You are not eligible for this coverage. In addition, if You have a commercial grade, larger than 100 gallon, tankless, solar, geothermal, oil, hanging or combination home heating/domestic hot water, then You are not eligible for this coverage.

Length of Service Agreement: Your Service Agreement begins on the Start Date listed on Your Declaration Page and will continue for twelve (12) months ("Term") provided neither You nor We cancel. See "Cancellation/Refund" below. There is an initial waiting period of thirty (30) days, within which You will not be able to request a Service Call. This means

You will receive less than twelve (12) full months of coverage during the first year. For a Service Call requiring a replacement of Your Water Heater there is an initial ninety (90) day waiting period. Upon renewal (if applicable), You will not be subject to a waiting period.

How to call for repairs: You must call SLWA and a service representative will assist in the diagnosis of Your repair and the scheduling of a visit from one of SLWA's approved local technicians. You will not be reimbursed for work done by technicians who are not authorized by SLWA. Technicians must have safe and clear access to, and safe working conditions at and around the work area. There is no Service Call fee.

Covered repairs: Covered repairs are guaranteed against defects in materials and workmanship for one year. Under the guarantee We will arrange at Our expense and discretion for repair or replacement. We disclaim any and all statutory or common law warranties (whether express or implied) other than Our covered repair guarantee and any implied warranties that cannot be excluded under applicable law.

Receiving Documents Electronically: You can receive Your Service Agreement and all related documents electronically. If You consented to electronic delivery, these documents will be sent to the email address listed on Your Declaration Page ("Email Address"). Documents sent to the Email Address will be deemed to have been received by You. You may stop receiving documents electronically by calling SLWA or by updating Your preferences in Your profile on HomeServe's website. You may also call SLWA to update Your Email Address or to receive a paper copy of Your Service Agreement.

Renewal: If You pay through Your utility bill, by credit/debit card or by direct debit this Service Agreement will automatically renew for a further term of 12 months. If You paid by check, or if You pay by credit/debit card and requested that We not automatically renew this Service Agreement, You must renew this Service Agreement prior to the end of the Term to ensure continuous coverage. We reserve the right to not offer this Service Agreement upon renewal.

Cancellation/Refund: You may cancel this Service Agreement at any time by calling SLWA. If You cancel within thirty (30) days of the Start Date, You will receive a full refund less any claims paid by Us. If You cancel more than thirty (30) days after the Start Date, Your cancellation will be effective at the end of the then current billing month. If applicable, You will be entitled to a pro-rata refund less any claims paid by Us.

If Your local utility company or municipality provides similar coverage to You at no charge, You can contact SLWA to cancel and You will receive a refund of the payments You have made less any claims paid by Us. You may be required to provide evidence of the similar coverage. If We find that You have such coverage or are otherwise ineligible for the coverage provided by this Service Agreement, We may cancel on no less than fifteen (15) days' written notice to You and will refund the payments You have made less any claims paid by Us.

We may cancel for any reason on sixty (60) days' written notice to You. We can also cancel, on no less than fifteen (15) days' written notice to You for: (a) non-payment of the Price; or (b) Your fraud or misrepresentation of facts that are material to this Service Agreement or benefits provided under it. If We cancel under (b) above, You will be entitled to a pro-rata refund less any claims paid by Us.

Written notices from Us under this section will tell You exactly when Your Service Agreement will be cancelled and why it has been cancelled. The notice periods referred to in this section begin when We send the notice to You.

Key Terms:

"**Declaration Page**" – The enclosed document that forms a part of this Service Agreement, listing important information regarding You, Your Residence and other vital information.

"Price" – The amount You agree to pay for this Service Agreement, as listed on Your Declaration Page.

"Service Agreement" – The documents that constitute all of Your rights and responsibilities as a Service Agreement holder; which consist of these terms and conditions and Your Declaration Page.

"Service Call" – A visit to Your Residence by one of SLWA's approved local technicians, where work is performed to diagnose and complete a single repair, or where it is determined the repair is not covered.

"Unit" – A self-contained space that includes, at minimum, a living area, kitchen and bathroom within Your Residence.

"You" or "Your" – The purchaser of this Service Agreement who is the Service Agreement holder listed on the Declaration Page.

Privacy Policy: Any information You provide SLWA will be accessed, collected, used, transmitted, disclosed, stored, maintained and otherwise handled to administer Your Service Agreement by SLWA or its group of companies, including, but

not limited to, disclosing Your address, telephone number, and other contact information to third parties who conduct services on SLWA's behalf. SLWA or its group of companies and their selected partners may also use Your data to keep You informed by mail, telephone or email of any products or services which they consider may be of interest to You. For further details on how SLWA uses Your information, please see their Privacy Policy at www.homeserveusa.com/Customer_Data_Privacy_Policy.html. Should You have any questions or concerns about SLWA's Privacy Policy or how they are using Your information or to update Your privacy preferences, please contact SLWA.

Assignment/Amendment: We reserve the right to change this Service Agreement (including the price or to charge an additional fee) and to delegate any of Our obligations at Our sole discretion provided We give You thirty (30) days' prior written notice of the changes. The changes will become effective thirty (30) days after We send You the notice. If You do not like the changes, You may cancel this Service Agreement. You may not change this Service Agreement or delegate any of Your obligations. Should certain terms or conditions in this Service Agreement be held to be invalid or unenforceable, the remainder of the terms and conditions in this Service Agreement shall remain valid.

Transfer: This Service Agreement is not transferable by You.

Responsibility for benefits owed to You: This is not an insurance policy; it is a Service Agreement. SLWA will serve as Your point-of-contact for all questions or concerns. Our obligations under this Service Agreement are insured under a service contract reimbursement insurance policy. If We fail to pay or to deliver service on a claim within sixty (60) days after proof of loss has been filed, or in the event You cancel this Service Agreement and We fail to issue any applicable refund within sixty (60) days after cancellation, You are entitled to make a claim against the insurer, Virginia Surety Company, Inc., 175 West Jackson Blvd., 11th Floor, Chicago, IL 60604, 1-800-209-6206.

Our Liability: To the fullest extent permitted by applicable law, (1) You agree that We, SLWA and HomeServe, and all of their parents, successors, affiliates, approved technicians and our and their officers, directors, employees, affiliates, agents and contractors or similar parties acting on behalf of Us, SLWA or HomeServe shall not be liable to You or anyone else for: (a) any actual losses or direct damages that exceed the lowest applicable per repair benefit limit set out above relating to any repairs performed by Us, SLWA or HomeServe or on behalf of either Us, SLWA or HomeServe or services provided hereunder giving rise to such loss or damage; or (b) any amount of any form of indirect, special, punitive, incidental or consequential losses or damages, damages based on anticipated or lost profits, wages, or revenue, or damages based on diminution in value or a multiple of earnings, including those caused by any fault, failure, delay or defect in providing any repairs performed by Us, SLWA or HomeServe or on behalf of either Us, SLWA or HomeServe or services provided under this Service Agreement, regardless of whether such damages were foreseeable and whether or not We, SLWA or HomeServe or anyone acting on behalf of either Us, SLWA or HomeServe have been advised of the possibility of such damages (the damages listed in clauses (a) and (b), collectively the "Excluded Damages"); and (2) these limitations and waivers shall apply to all claims and all liabilities and shall survive the cancellation or expiration of this Service Agreement. You may have other rights that vary from state to state.

Arbitration: YOU, NAW, SLWA AND HOMESERVE ALL AGREE TO RESOLVE DISPUTES ONLY BY FINAL AND BINDING ARBITRATION OR IN SMALL CLAIMS COURT as follows:

- A. EXCEPT FOR SMALL CLAIMS COURT CASES THAT QUALIFY, ANY DISPUTE THAT IN ANY WAY RELATES TO OR ARISES OUT OF THIS SERVICE AGREEMENT OR FROM ANY OTHER AGREEMENT BETWEEN US, OR SERVICES OR BENEFITS YOU RECEIVE OR CLAIM TO BE OWED FROM NAW, SLWA OR HOMESERVE, WILL BE RESOLVED BY FINAL AND BINDING ARBITRATION BY ONE OR MORE ARBITRATORS BEFORE THE AMERICAN ARBITRATION ASSOCIATION ("AAA"), OR ANOTHER ARBITRATION ADMINISTRATOR THAT WE MUTUALLY AGREE UPON.
 - Arbitration will apply not only to claims against NAW, SLWA or HomeServe, but also claims against the officers, directors, managers, employees, agents, affiliates, insurers, technicians, successors or assigns of NAW, SLWA or HomeServe. Arbitration and this paragraph shall apply to claims that arose at any time, including claims arising before this paragraph became binding on the parties. The federal arbitration act (9 U.S.C. §§ 1 et seq.) and not any state law applies to this agreement.
- B. For claims of \$10,000 or less, the party bringing the claim can choose to proceed by way of binding arbitration pursuant to the AAA's rules or, alternatively, can bring an individual action in small claims court.
- C. YOU GIVE UP YOUR RIGHT TO PARTICIPATE IN A CLASS ACTION. This means that You may not be a representative or member of any class of claimants or act as a private attorney general in court or in arbitration with respect to any claim. Notwithstanding any other provision of this Service Agreement, the arbitrator shall not have the power to determine that class arbitration is permissible. The arbitrator also shall not have the power to preside over class or collective arbitration, or to award any form of class-wide or collective remedy. Instead, the arbitrator shall have power to

- award money or injunctive relief only in favor of the individual party seeking relief and only to the extent necessary to provide relief warranted by that party's individual claim. No class or representative or private attorney general theories of liability or prayers for relief may be maintained in any arbitration held under this Service Agreement.
- D. SLWA will pay any filing fee, administration, service or case management fee, and arbitrator fee that the AAA charges You for arbitration of the dispute, up to a maximum of \$1,500; provided, however, that the arbitrator may award costs and expenses to any party, if allowed by law. If You provide us with signed written notice that You cannot pay the filing fee, SLWA will pay the fee directly to the AAA.
- E. If for some reason the prohibition on class arbitrations set forth in Subsection C cannot be enforced, then the agreement to arbitrate will not apply.
- F. IF FOR ANY REASON A CLAIM PROCEEDS IN COURT RATHER THAN THROUGH ARBITRATION, YOU, NAW, SLWA AND HOMESERVE AGREE THAT THERE WILL NOT BE A JURY TRIAL. You, NAW, SLWA and HomeServe unconditionally waive any right to trial by jury in any action, proceeding or counterclaim arising out of or relating in any way to this Service Agreement or from any other agreement between us, or the services or benefits You receive or claim to be owed from NAW, SLWA or HomeServe, including as to claims asserted against any of the officers, directors, managers, employees, agents, affiliates, insurers, technicians, approved technicians, successors or assigns of NAW, SLWA or HomeServe.

State variations: The following shall apply if inconsistent with any other terms and conditions of this Service Agreement:

[Please click here to see if any state specific variations apply to You.]