

RESIDENTIAL FITNESS EQUIPMENT PRODUCT PROTECTION PLANS

Term & Conditions

When this Plan is properly filled out, filed and registered with RedStone, it becomes an Extended Service Plan covering parts and/or labour. The warranty must be registered within **90 days** from the date of purchase. The period of this Plan begins immediately upon the date of purchase of the covered product and continues through the term of coverage purchased. Plan coverage begins thirty (30) days after following RedStone's receipt of this application and proper remittance from the selling dealer or upon expiration of the manufacturer's warranty, whichever is longer. The duration of this Plan overlaps and includes all manufacturers, dealer and/or other applicable warranties. As long as a manufacturer's, dealer and/or other applicable warranty exists, RedStone will not be responsible for the cost of repair or replacement parts covered by those warranties.

The Plan covers products purchased as new and manufactured for use in Canada that meet CSA standards where applicable, which at the time of purchase included the manufacturer's original written warranty valid in Canada. The Plan will pay an authorized RedStone service centre for repairs or replacement parts and/or labour for covered electrical or mechanical failures that occur under normal use and that are not covered by any other warranty service contract or protection plan, for the stated term of this contract. Only repairs attributed to normal failure of the electronic and mechanical functions of this unit are covered. This plan is void if the product is worked on by any person or dealer other than those authorized by RedStone.

In-home service is provided on qualifying product within a 30 Km radius of an authorized service centre. Additional mileage will be billed to the customer at a rate of \$2.50 per kilometer. A \$35 dispatch fee applies for in-home service calls. The Plan does not cover extra charges such as mileage, diagnostics and overtime. In the event the owner of the product fails to keep an in home service appointment or there is no fault found with the product, the owner of the product is responsible for the cost of the service call. The Plan is for residential products only and is void if used for commercial applications. If service is needed because of product failure during normal usage, RedStone has the option to repair or replace the defective product with a product deemed, solely by RedStone, as having equal or similar features and functionality. A replacement part may be new or reconditioned of like kind and quality. Technological advances may result in a replacement product with a lower selling price than the original product. No charges or refunds will be made based on the replacement product cost difference.

For each claim, RedStone 's liability shall in no event exceed the cash value of the product before the failure. The aggregate of all coverage and benefits paid or payable under the Plan shall not exceed the price the owner of the product paid for the product. If RedStone replaces the product in its entirety, RedStone's maximum liability has been met under this contract and there will no longer be coverage under the terms of this contract. Replacement products will include a manufacturer's warranty and the owner of the product will have the option to purchase an additional extended service contract on the new replacement product. This Plan is considered an extended warranty under Provincial law. Should repair parts become unavailable during the coverage period of this Plan, RedStone shall be excused from

performance hereunder and the owner of the product shall receive a refund of the purchase price paid for the Plan less claims paid, if any. In no event shall the retailer of the purchased product or RedStone be liable for any damages as a result of the unavailability of repair parts.

Under no circumstances shall RedStone be liable for indirect, consequential, or incidental damages (including damages for lost profits, business interruption, loss of data, and the like), even if any party has been advised of the possibility of such damages. The Plan does not provide bodily injury liability, property damages liability or any other type of liability coverage. RedStone cannot guarantee days or time of service. RedStone shall not be liable for any damages whatsoever arising out of delays, either before or after a day or time of service is agreed upon.

This Plan will not cover any defects that are subject to a manufacturer's program of reimbursement. This Plan is not an insurance policy; it is an extended warranty agreement. This Plan is not intended to create or limit any implied warranties concerning your product. This Plan does not cover any loss or damage resulting from: pre-existing conditions (means a condition that within all reasonable mechanical probability relates to the mechanical fitness of your covered merchandise prior to contract issuance); improper installation; repairs or modifications by unauthorized technicians; improper use of electrical/power supply; loss of power; collision with another object; any result of a malfunction or damage of an operating part from failure to provide manufacturer's recommended maintenance, transportation damage, damage to equipment housing, attachments, remote controls, theft, abuse, misuse, neglect, vandalism or environmental conditions (fire, floods, corrosion, sand, dirt, windstorm, hail, earthquake, or exposure to weather conditions and/or other acts of nature); losses on any component(s) never covered by a manufacturer's warranty; reception and transmission problems (as in the case of heart monitors) resulting from external causes. Other exclusions include but are not limited to: any repair covered by a manufacturer's warranty; recall or rework, regardless of the manufacturer's ability to pay for such repairs; products with removed or altered serial numbers; consumables such as treadmill belts, batteries, fuses and adapters. Labour, material, expenses, or equipment required to comply with laws and/or regulations imposed or set forth by any governmental agencies are not covered by the Plan.

To cancel the Plan, notify the dealer from whom the Plan was purchased. Once notified by the dealer, RedStone will send, to the dealer, a prorated refund from the wholesale price paid by the dealer, based on remaining months of coverage, less a \$10.00 cancellation fee and less any claims paid under the Plan, if applicable in the dealer's locale. The dealer will then refund the Plan owner, a prorated refund from the retail price paid for the Plan, based on the remaining months of coverage, less a \$10.00 cancellation fee and less any claims paid under the Plan, if applicable in the dealer's locale.