

Service Guard Terms and Conditions

You have requested enrollment in Service Guard from Black Hills Corporation (hereinafter referred to as “Black Hills Energy” when conducting Service Guard appliance repair services for its electric and gas utility subsidiaries). Your request for enrollment in Service Guard, along with these Terms and Conditions and the Appendices hereto, comprise the agreement between you and Black Hills Energy regarding your enrollment in and coverage under Service Guard. By providing you with these Terms and Conditions (“Terms and Conditions”), your enrollment in Black Hills Energy’s Service Guard is confirmed. The effective date of the Plan is listed on the Welcome Pack that has been provided to you.

The Plan Provider and Seller are: Black Hills Energy, P.O. Box 1400, Rapid City, SD 57709-1400

Service Guard: Service Guard consists of 1) the Comfort Plan, 2) the Comfort Plan with an Add On Plan or 3) A la Carte Plan only. Plans are available within select Black Hills Energy service territories. The monthly cost for each Plan and the selected coverage under each Plan will vary. Your Appliances that are covered by your enrollment in the Plan and the coverage you have selected are on record with Black Hills Energy. Under the Comfort Plan only, if you have MORE THAN ONE OF THE SAME or similar Units, coverage for the same or similar Units is LIMITED TO THE FIRST UNIT for which you file a service request.

Service Guard is subject to the following Terms and Conditions. Attached and made a part of these Terms and Conditions is Appendix “A” which lists the Appliances and covered parts of each Plan and Service Guard coverage. The monthly costs for each Plan are subject to change as provided for in these Terms and Conditions.

Please refer to Black Hills Energy’s Privacy Policy located at <https://www.blackhillsenergy.com/privacy-policy>, regarding any information Black Hills Energy maintains pertaining to your enrollment in Service Guard.

If you have any questions regarding your enrollment in Service Guard, please contact the Customer Contact Center at 888-890-5554.

Definitions:

“Agreement” or “Service Agreement” means these Terms and Conditions and the Appendices hereto.

“Major Component” means a compressor, reversing valve or inverter board which can be part of an A/C outside condensing unit, Heat Pump or Mini Split Systems.

“Mechanical Breakdown” or “Electrical Breakdown” means a failure (not gradual reduction in operating performance due to wear and tear) of a covered part.

“Service Repair Plan” or “Plan” means your requested Service Guard Plan.

“You” or “Your” means the enrolled Customer.

Eligibility for Coverage: A prerequisite to enrolling in Service Guard is that Your Black Hills Energy account must have no past due balance. Any past due balances must be paid in full before Service Guard coverage begins and before any Service Guard service calls are scheduled. You must own your Appliances covered by this Agreement.

As a condition to coverage under the Program, you certify that all Appliances, to the best of your knowledge, are reasonably clean, safely accessible and are in good operating condition as of the date that your coverage begins. Appliances must meet applicable federal, state, and local law requirements. Appliances on the Plan that have been repaired under the Plan may not be substituted or removed from the Plan during the term of the Agreement. Your Appliances must be located within the Black Hills Energy service territory. Individuals who do not receive utility service from Black Hills Energy, but are located in the Black Hills Energy service territory, may enroll in a Service Guard Plan. Service Guard reserves the right, in its sole discretion, to deny enrollment of a non-utility customer due to factors including, but not limited to, travel distance, resources, or availability of Service Guard personnel. An individual 18 years or older must be present and remain onsite before a Service Guard technician, or Service Guard designated technician, can enter the customer’s home. Service Guard covers the repair of covered parts and labor for Mechanical or Electrical Breakdowns. Subject to the other terms and conditions contained herein, if Service Guard determines, in its sole judgment, that any product is not repairable for any reason, including, but not limited to, the unavailability of parts, or in the event Service Guard, in its sole discretion, determines that the unit is unsafe, Service Guard shall, at its option, require the replacement of the Appliance in lieu of repairs. Upon such a determination by Service Guard, Service Guard may provide a coupon to You that can be applied by You towards a new replacement Appliance to be purchased at a Black Hills Energy office, or a store of Your choice. If the purchase is not made through Service Guard, You must send the authorized coupon and a valid receipt or proof of purchase of the new Appliance in order to receive reimbursement from Service Guard. If Service Guard elects to provide You with a coupon, the value of the coupon will be determined by Service Guard, in its sole discretion. The coupon is valid for a period of thirty (30) days from the date of authorization. The new Appliance must meet all the conditions of a covered Appliance to be eligible for a coupon. The new Appliance would then be the unit covered under Service Guard and the replaced Appliance will no longer be eligible for coverage. In this event, Service Guard will have no further obligation of performance under this Agreement as to the non-repairable Appliance or unit. You will be responsible for removal of the non-repairable appliance(s) or unit(s).

Major components are covered for eight (8) years (based on serial number) and covered components are covered for the life of the Appliance as long as parts are available.

Refrigerant: Service Guard will provide coverage for minor refrigerant leaks (maximum of two pounds refrigerant annually) in a sealed system. Minor leaks must be accessible, without disassembly for repair. Major or multiple leaks are not covered by Service Guard. Customer is responsible for additional refrigerant beyond two pounds. We do not cover alternative refrigerant. NOTE: Due to EPA phase out of R22, the Plan will cover up to two pounds in 2019. Beginning on January 1, 2020, and beyond, R22 will no longer be included under this Plan.

Plan Descriptions: Service Guard shall not be responsible for charges for service or parts purchased or installed by You or performed by non-participating Appliance repair technicians or organizations without prior approval from Service Guard. Upon Your notification to Service Guard of a suspected problem, Service Guard will endeavor to give efficient and prompt service to any of Your Appliances covered under the Plan, although response time shall be governed by weather conditions, consideration for service personnel’s safety and work load. All repair, maintenance and service call scheduling is provided Monday through Friday during normal working hours. Primary heat is eligible for service within twenty-four (24) hours, including service after-hours, and on weekends and holidays. Every effort will be made to schedule calls the same day if repair request is received prior to 10:00 p.m.

Your participation in Service Guard may be subject to state or local taxes which will be Your responsibility to pay. Service Guard must have safe access to and safe working conditions at and around Your Appliances and equipment, and Service Guard shall have the right to refuse service under the Plan and/or to terminate Your enrollment in Service Guard in the event You do not or are unable to provide safe access or working conditions. If You own a pet, for the safety of Your pet and our service technicians, please secure Your pet to allow Service Guard to perform the necessary work in and around Your home. Failure to do so means the service technician will not be able to enter Your home or the surrounding area to perform the work. Service Guard reserves the right to deny coverage of Appliance or systems that have missing and/or altered serial numbers. Program excludes recalled parts and Appliances. Service Guard reserves the right to select the parts used and restrict specific makes of Appliances or equipment as to eligibility for coverage under the Plan. The choice of parts to be used for repair of any Appliances(s) shall be at the sole discretion of Service Guard. Service Guard applies to one single-family residence per agreement solely determined by Service Guard, and only to the specific Appliances or equipment specifically listed as covered by Your Plan at the time of Your initial enrollment. If an Appliance, such as a furnace or boiler, serves more than one residence, all addresses served by that appliance must be disclosed at the time of enrollment. Service Guard accounts must be in the name of the property owner. By enrolling in a Service Guard Plan, You agree that Service Guard may respond to a request for service on a covered Appliance at the covered location, even if the person requesting service is not You. Service Guard is restricted to Appliances factory designed, manufactured and sized for residential use, and being used for residential purposes. Service Guard reserves the right, at its discretion, to use participating service technicians or select qualified contractors to



fulfill all or any part of its obligations under Your Service Guard Plan.

Term: In return for your monthly payment, Your Plan coverage will begin upon approved enrollment. You will receive a Welcome Pack confirming the start date, coverage selected, and existing pricing. Your initial term extends for one (1) year from the Enrollment Date. Thereafter, Your coverage will automatically continue on a month-to-month basis until You request that it be terminated or the Plan is canceled by Service Guard as set forth below. At any time during Your Plan coverage, these Terms and Conditions and/or the monthly cost for each individual Plan may be modified by Black Hills Energy, upon thirty (30) days' notice to You.

Service Guard may terminate Your Plan coverage in any Service Guard Plan, without notice to You, for non-payment, for a material misrepresentation made to Service Guard by You, or for a material breach by You of the duties related to a covered Appliance or Your misuse of a covered Appliance. Should Service Guard terminate Your Plan coverage in a Service Guard Plan for any other reason, Service Guard will provide not less than ten (10) days' notice prior to termination, including a statement of the reason(s) for termination and the effective date of the termination. Customers who are removed from a Service Guard Plan for non-payment will be required to wait 12 months from the last authorized non-utility event date before re-enrolling in a new Plan. If Your Service Guard Plan is terminated for any issue other than non-payment, You may be re-enrolled in a Plan, at Service Guard's sole discretion, upon curing the cause of termination.

If you desire to terminate Your enrollment in the Plan within a twelve (12) month period after the Enrollment Date, You may do so if You have not received services costing more than the amount You have paid up to the last day of the month You desire to terminate Your enrollment. If You had one (1) or more service claims and choose to cancel Your Service Guard Plan, or are terminated from Your Service Guard Plan for any stated reason before the initial term has expired, You will be responsible for the cost of all service claims made on Your behalf, less all paid monthly premiums, or the balance of the initial 12-month term premium; whichever is less.

You may terminate your enrollment in the Plan without charge, within thirty (30) days of the date of the Enrollment Date; as long as no service request has been made under the Plan. You may also provide written notice of your termination to: Black Hills Energy, Attn: SERVICE GUARD Program, P.O. Box 1400 Rapid City, SD 57709. You may also terminate by calling 888-890-5554, or emailing serviceguard@blackhillsenergy.com [**Wyoming Customers Only:** If a refund is due and not paid within forty-five (45) days after your termination request, a ten-percent (10%) penalty per month will be added to the unpaid amount of the refund.]

Waiver of Damages When Moving Appliance: You understand there is inherent risk in such movement. There is risk of damage to the Appliance itself, and to areas surrounding its installation, including but not limited to flooring, cabinetry and counter tops. You acknowledge the Service Guard technician is not required to move the appliance. In exchange for the technician's willingness to do so, You promise to hold faultless, both the technician and Service Guard from any and every liability associated with any such damage as may occur in connection with this movement.

Limitation of Liability: Service Guard shall not be liable to Customer for any special, indirect, consequential or incidental damages of any kind, including, without limitation, any loss of profit, loss of use, or business interruption, based on any claim under this Agreement, even if Customer has been advised of the possibility of such damages. To the extent permitted by applicable law, in no event shall the liability for damages hereunder of Service Guard or its parents or affiliates exceed the amounts actually paid to Service Guard by Customer.

What this Plan does NOT cover:

- I. Loss or damage to the covered Product(s) while outside the Black Hills Energy service territory;
- II. Equipment located in an unsafe location. Some examples include a confined space, equipment located above six feet from the ground, equipment in an attic without decking or walkway, or equipment on a roof;
- III. Labor and materials or parts directly covered under a manufacturer's warranty, manufacturer's recall, inherent defects, Appliances covered under another service plan, parts, material and labor to repair Product(s) sold "as is" including floor models, or demonstration models;
- IV. Labor and materials or parts for repair of:
 - A. Leak in line set, evaporator coil, and/or condenser coil, heat exchangers, appliance glass, glass/ceramic (smooth-tops), water heater tank, or water storage tanks, solar heating systems;
 - B. Hardware (including but not limited to cabinets, bases, mounts, trim, frame, panels, or components that are not mechanical or electrical);
 - C. Accessories (including but not limited to antenna(s), batteries, light bulbs, analog clocks, fuses [unless result of covered part], circuit breakers unless built-in, electronic or "solid state" accessories not directly related to the primary operation of the appliance including but not limited to disks, computer programs, computer memory, software, internet connectivity, cameras, televisions or touch screens);
 - D. Peripheral equipment (including but not limited to drains, ductwork, duct dampers, duct booster fans, combustion air vents, dampers/economizers, expansion tanks, anode rods, under floor radiant heat tubing, boiler sections, non-isolated boiler valves, boiler zone valve bodies, condensate pumps, boiler, appliance or furnace housings, air or water filters, media or pads of all kinds, electronic air cleaner cells, steam and stand-alone humidifiers, UV disinfection lights, external power, fuel, or water supply lines, paint, chimneys, chimney flues and liners, venting, flexible appliance gas connectors, insulation, piping, radiators); alternative and obsolete refrigerants as mandated by Environmental Protection Agency (EPA) guidelines. Replacement or upgrading of equipment as a result of replacing associated equipment within a sealed system (evaporative coil, condensing unit, line set)
- V. Maintenance (including but not limited to charges for draining, purging, cleaning of boiler and associated water lines, flushing tankless water heaters, line sets for air conditioning, cleaning of cooling coils, cleaning of air ducts, venting, adjusting or balancing air flow to rooms, venting of radiators, baseboard casings, draining or cleaning of expansion tanks, cleaning of appliances, cleaning of glass, disconnection of appliances for cleaning or moving, or installation of new or replacement appliances, evaporative pads, filters, water heater tank, cleaning of furnace heat exchanger, or regular maintenance service such as seasonal pilot lighting and safety checks, Costs associated with reclaiming/recycling refrigerant);
- VI. Costs for direct, indirect, incidental, or consequential damages, including food spoilage, illness, or injury caused by delays, failure to service, labor difficulties, removal or reconstruction of walls, floors, or ceilings, damage to the premises or covered product caused by leaking or dripping of plumbing connections; condensation, mold, mildew, or other contamination of the product or the premises, and other conditions beyond Black Hills Energy's control, arising from Black Hills Energy's performance under this Plan, including, but not limited to:
 - A. Failure to comply with manufacturer's instruction for use of Product(s) and/or negligent damage due to lack of maintenance or winterization, willful abuse, or misuse of the covered Product(s) by the customer or any other person;
 - B. Scratching, denting, puncturing, or chipping, however caused, inadequate or defective electrical wiring, plumbing, power supply, vandalism, improper installation, rust or corrosion; scorching or damage from heat sources exceeding expected, normal, or factory recommended operating temperatures;
 - C. Fire, smoke, freezing, fuel, power or water supply outages, lightning, power surges, theft, explosion, wind, flood, earth movement, or other "acts of God," civil disturbance, or "acts of war;"
 - D. Improper use of an electrical source or replacement of fuses;
 - E. Updates to equipment not meeting current local code requirements, repairs performed by any repair service other than Black Hills Energy or a Black Hills Energy authorized repair service;
 - F. Loss or damage to Product(s) while in the course of transit, delivery, redelivery or movement for any cause including damage while packing or unpacking, removal or reinstallation of a covered Product(s), or damage caused from any physical force applied to a covered Product(s);
 - G. Mischief or destruction caused by animals; or
 - H. Loss of use of the covered Product(s) or consequential damages, delays in rendering service, or incidental loss of any nature
 - I. Black Hills Energy shall not be required to remove asbestos or perform maintenance on appliances which may be contaminated by asbestos or other carcinogenic or EPA recognized hazardous materials as announced by the EPA.

Continued on next page

Page 2

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VII. Appliances excluded by type or brand:

Amana® HTM furnaces
 Buderus boiler and water heaters
 Combination gas/wood burning heating system
 Domestic water heater used for space heating
 Electric space heaters
 GlowCore®
 Heatmaker®
 Hytech®
 HydroTherm®
 Induction cooktops
 Lennox® Hi-efficiency including “Pulse®”, “Hydro-Pulse®”, “Complete” Heat®, “WhisperHeat®”, “G60 furnace”
 Oil fuel appliances
 Outdoor fireplaces or fire pits
 Triangle Tube boilers, indirect fired water heaters
 Ventless heaters and fireplaces
 Viessmann heating and air conditioning products

High-end (commercial grade) ranges, ovens, and cooktops – including but not limited to:

Aga
 Bosch
 Dacor
 DCS
 Electrolux & Frigidaire Professional Gallery
 Gaggenau
 GE Monogram
 GE Profile Series

Fisher & Paykel
 KitchenAid Professional series
 Miele
 Thermador
 Viking
 Wolf

Snowmelt furnaces and/or boilers
 Residential furnaces/boilers over 299,000 Btu input
 Residential air conditioning over 5 tons capacity
 Whole house fans
 Packaged terminal air conditioners (PTAC)
 Window A/C units
 Electric tankless water heaters
 Point of use water heater at fixture (electric)
 Tank or storage water heaters < 30 gallons
 Residential potable water heater > 80 gallons capacity
 Voyager water heaters
 Solar or gas power air conditioning
 Geothermal units and well fields
 Commercial or institutional duty appliances (such as Vulcan commercial range)
 Appliances manufactured for recreational vehicles (portable units)
 Coleman “Blend Air” ventilation system(s)
 Commercial use of any appliance
 Vent cleaning
 Heat recovery ventilators (HRV)

In case of a GAS EMERGENCY: Eliminate and prevent all sources of ignition including the use of matches and the operation of electrical switches. Evacuate the building and promptly call 911 and then Black Hills Energy at 800-694-8989 from a safe location. Do not allow anyone except qualified gas professionals or fire services personnel to enter the building until a complete inspection has determined if there is a leak, and if so, that the leak is repaired.

Your Responsibilities If You Need Repair Service: Check Your Appliance fully before calling for service and carefully follow the directions in the manufacturer’s instruction manual to try to correct the problem. If You cannot correct the problem, call 888-890-5554 for service.

Manufacturer’s Warranty: The manufacturer is responsible for items covered under their expressed warranty. If qualified as an approved warranty provider, Service Guard may pay for other expenses, such as associated labor costs, not covered by the manufacturer’s warranty. Manufacturer’s recalls, manufacturer’s updates or upgrades, inherent manufacturer defects, and recognized design flaws are excluded by this Plan.

Obligation: The obligations of Service Guard under this Plan are backed by the full faith and credit of Black Hills Energy.

APPENDIX A – TO TERMS AND CONDITIONS

Service Guard consists of the Comfort Plan, the Comfort Plan with an Add On Plan, or the Comfort À la Carte Plan which are described below. The monthly cost for each Plan will vary. See Service Guard Terms and Conditions (“T&Cs”) for eligibility and details. Please contact the Customer Contact Center at 888-890-5554, Monday through Friday from 7:00 a.m. to 6:30 p.m. MST for monthly costs and information. This number is also available 24 hours a day, 7 days a week for emergency service and after-hours priority calls.

Appliances Covered	Service Guard Comfort	Add-on or A la Carte can be purchased separately or combined with the Comfort Plan
Central A/C or air-to-air Heat Pump (electric)	X	X
Furnace (Natural Gas (NG), Electric or *Propane) or Boiler (NG)	X	X
Range or oven or cooktop (NG, Electric, *Propane)	X	X
Tank-Style Water Heater (NG, Electric, *Propane) or Tankless Water Heater (NG, Propane)	X	X
Fireplace Insert/Stove (NG, *Propane) or Built-In fireplace (Electric)		X
Annual HVAC Inspection (furnace or boiler or fireplace) or (central A/C or air-to-air heat pump)		X

**APPENDIX A
TO TERMS AND CONDITIONS**

SERVICE GUARD COMFORT PLAN - PARTS COVERAGE		
Furnace (natural gas, electric or propane):*	Central Air Conditioner or Air to Air Heat Pump and Ductless Mini Split Systems:	Boiler System (natural gas or propane):*
<ol style="list-style-type: none"> 1. Air movement sensors/alarms (original system) 2. Belts, pulleys, blowers, wheels 3. Blower bearings, shaft and wheels 4. Capacitors 5. Circuit boards 6. Door safety switch 7. Electronic elements 8. Fan, fan safety switch 9. Fan motor 10. Forced draft fan and motor 11. Flame electrode and spreader 12. Gas valve 13. Heating element 14. Ignition control module 15. Igniter 16. Inducer motor/motor assembly 17. Internal fuse 18. Internal wiring harness and controls 19. Internal sensors, control units, switches, and limits 20. Main burner 21. Manifold 22. Pilot burner 23. Standard thermostat 24. Regulator 25. Relay, transformers 26. Safety interlock switches 27. Thermal fuse 28. Thermocouple 	<ol style="list-style-type: none"> 1. Belts and Pulleys 2. Capacitor 3. Compressor** 4. Circuit boards 5. Condenser fan motor 6. Control-type switches 7. Defrost control and heaters 8. Expansion valve 9. Evaporator fan 10. Fan blades (indoor and outdoor) 11. Fan control 12. Filter dryer 13. Fossil fuel kits 14. Internal fuse 15. Inverter board** 16. Limit control 17. Outdoor thermostats and controls 18. Relay 19. Reversing valve** 20. Service valves 21. Standard thermostat 22. Timer 23. Transformer 24. Valve caps 	<ol style="list-style-type: none"> 1. Aqua stat 2. Belts, pulleys, blowers, wheels 3. Boiler zone valves (head only) 4. Capacitors 5. Circuit boards 6. Door safety switch 7. Gas valve 8. Fan and/or limit controls 9. Ignition systems & thermocouples 10. Inducer motor/motor assembly 11. Internal fuse 12. Internal wiring harness and controls 13. Low water cut-off 14. Main burner 15. Pressure switch 16. Primary circulator pump, motor, coupler & bearings (isolated) 17. Relays 18. Relief valve 19. Regulator 20. Safety interlock switches 21. Sensor 22. Sequencer 23. Standard thermostat 24. Thermal fuse 25. Transformer
Fireplace, or Stove, or Insert (natural gas, electric or propane),	Water Heater (natural gas, electric or propane):* or Tankless Water Heater (natural gas or propane):*	Cooking Stove/Range (freestanding or countertop or oven) (natural gas, electric or propane):*
<ol style="list-style-type: none"> 1. Blower systems integral to unit 2. Burners 3. Gas valves integral to unit 4. Ignition systems 5. Safety switches 6. Standard thermostat 	<ol style="list-style-type: none"> 1. Combustion blower and motor 2. Drain valve 3. Flame sensor and spreader 4. Gas valve 5. Heating element 6. Ignition module, igniter 7. Internal fuse 8. Limit control 9. Main burner 10. Manifold 11. Pilot burner and assembly 12. Pressure switch 13. Regulator 14. Relief valve 15. Spill switch 16. Thermocouple 17. Thermostat 	<ol style="list-style-type: none"> 1. AC power cord 2. Bake and broil elements, surface units 3. Circuit boards 4. Door gaskets, hinges, springs, switches and latches 5. Fan control, motor and switches 6. Flame spreader 7. Electronic range controls and touch pad 8. Gas valves, regulator 9. Gaskets and seals 10. Ignition modules and igniter 11. Internal fuse, relay, transformers 12. Light switches 13. Manifold 14. Oven burners, top burners 15. Pilot burner assembly 16. Process control timer and switches 17. Programmable clocks 18. Receptacles 19. Thermocouple, thermostat 20. Switch controls 21. Relay, transformers 22. Self-cleaning elements, latches and solenoids 23. Temperature sensors and controls 24. Thermistors
Whole House Evaporative Cooler (electric):*		
<ol style="list-style-type: none"> 1. Bearings 2. Belts 3. Blower wheels 4. Capacitors 5. Float valves 6. Hoses 7. Motor 8. Pulleys and sheaves 9. Pumps 10. Relays 11. Shafts and collars 12. Thermostats 13. Transformer 		

*Some exclusions apply. See Service Guard Terms and Conditions for details. Covered appliances vary by plan type; please refer to your Welcome Kit for details on what appliances Your Plan covers.

**Major Components on appliances through eight (8) years of age based on the appliance serial and/or model number.