

BASIC PLUS SURGE PROTECTION TERMS AND CONDITIONS

1. THE BASIC PLUS SURGE PROTECTION PROGRAM. These Basic Plus Surge Protection Terms and Conditions ("Terms") govern your enrollment in the Basis Plus Surge Protection program offered and provided by Florida Power & Light Company doing business as Gulf Power ("Gulf Power"). Under the SurgeShield program, Gulf Power installs a surge protection device ("Equipment") at your designated residential location ("Site") on your electric meter to provide you with surge protection. Upon notice to Gulf Power pursuant to Section 5, Gulf Power will replace its Equipment that is no longer operational and providing surge protection ("Maintenance"). The manufacturer of the Equipment ("Manufacturer") provides a limited manufacturer's warranty, attached hereto as Exhibit A, for damages caused by a failure of the Equipment to properly perform ("Manufacturer's Warranty"). ALTHOUGH GULF IS THE ADMINISTRATOR OF THE MANUFACTURER'S WARRANTY, REIMBURSEMENT FOR DAMAGES TO APPLIANCES CAUSED BY A FAILURE OF THE EQUIPMENT TO PROPERLY PERFORM IS SOLELY THE RESPONSIBILITY OF AND IS SOLELY WARRANTED BY THE MANUFACTURER PURSUANT TO THE LIMITED MANUFACTURER'S WARRANTY AS SET FORTH IN EXHIBIT A. The installation of the Equipment ("Installation") together with Maintenance and the Manufacturer's Warranty are collectively referred to as the "Program". NEITHER THIS PROGRAM NOR THE MANUFACTURER'S WARRANTY IS A CONTRACT OF INSURANCE AND THE MANUFACTURER'S WARRANTY IS ONLY APPLICABLE TO THE EXTENT OF DAMAGES CAUSED BY THE FAILURE OF THE EQUIPMENT TO PROPERLY PERFORM. Gulf Power reserves the right to update and prospectively change these Terms of this Program from time to time by posting updated Terms at www.gulfpower.com/surge provided however that Gulf Power will not make any changes to the Terms that are material and adverse to you without prior written notice to you. You agree to the obligation to periodically review such location for authorized updates to these Terms. Continued participation in the Program after any such posted changes shall constitute your acknowledgment of and consent to such changes.

2. SITE ACCESS AND EXISTING CONDITIONS. You agree to provide Gulf Power and its contractors access to the Site for Equipment Installation and Maintenance, and for Equipment removal pursuant to Section 6. Gulf Power has the right to suspend the Installation or Maintenance in the event that (a) there is inadequate access to the electric meter at the Site, or (b) the safety of any person or property may be jeopardized by continuing with the Installation or Maintenance. Gulf Power will not be responsible for (a) identifying any hazardous conditions and/or illegal or improper construction, or (b) correcting any hazardous condition and/or non-compliant construction (i.e. construction contrary to applicable laws, codes, rules, and regulations).

3. MONTHLY PROGRAM FEE AND TERM. Commencing upon Installation, you agree to be billed for the aged upon monthly Program fee on your monthly Gulf Power electric utility bills and to make payments by the due dates of your monthly Gulf Power electric utility bills. Non-payment of Program fees will not result in disconnect of Your electrical service. If the agreed upon monthly Program fee was reduced due to your concurrent enrollment in another Gulf Power program, you agree to pay the then current unbundled monthly Program fee in the month following your termination of enrollment in the other Gulf Power program. In the event that you move your residence to another location within the electric service territory of Gulf Power or Florida Power & Light Company, you agree to be automatically enrolled in the Program at the new residential location, and for billing of the monthly Program fee to switch over to the electric utility bill for new residential location, on the later of (i) the date that the Equipment is installed at the new residential location, or (ii) the date that you terminate electric service at your current residential location. Your enrollment in the Program will be effective until termination pursuant to Section 7.

4. WARRANTY. Gulf Power warrants that Installation and Maintenance will be performed in accordance with industry standards and that Gulf Power will promptly reperform Installation or Maintenance that fails to meet these standards upon notice to Gulf Power pursuant to Section 5. GULF POWER EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED BY LAW, AND DOES NOT WARRANT THAT THE EQUIPMENT WILL OPERATE UNINTERRUPTED OR ERROR FREE OR THAT SURGE PROTECTION WILL BE UNINTERRUPTED.

5. CUSTOMER SUPPORT. You must contact Gulf Power at 833-919-0945 to report damaged or nonperforming Equipment. Warranty claims against the Manufacturer's Warranty must be submitted pursuant to Exhibit A.

6. OWNERSHIP. Gulf Power retains all ownership of the Equipment and reserves the right to remove the Equipment without notice at any time on or after termination of your enrollment in the Program pursuant to Section 7.

7. TERMINATION.

A. Termination By Gulf Power. Upon notice to you in any reasonable form, Gulf Power may terminate your enrollment in the Program in the event (a) Gulf Power determines, in its sole discretion, that the Equipment cannot be installed at the Site for any reason, including technical or safety issues, (b) if any regulatory agency

promulgates any rule or order which adversely affects Gulf Power' ability to provide the Program under these Terms, (c) you breach any term or condition contained herein, including without limitation, your obligation to make agreed upon monthly payments for the Program provided hereunder by the due dates of your monthly electric utility bills, or (d) Gulf Power, for its convenience and in its sole discretion, makes a commercial decision to (i) generally discontinue the Program, or (ii) to discontinue your specific enrollment in the Program hereunder.

B. Termination By You. You may cancel your enrollment in the Program at anytime upon thirty (30) days written notice to Gulf Power. If you provide Gulf Power a written request for refund within seven (7) days of the Installation, you will receive a full refund of any previously paid monthly Program fee. Gulf Power will process such refund request within 30 days of its receipt of the refund request.

8. AUTHORITY. You represent and warrant to Gulf Power that (a) you are the owner of the Site, (b) you are the customer name listed on the Gulf Power electric utility bill applicable to the Site, and (c) you have the authority to enter into and bind you to these Terms.

9. LIMITATION OF LIABILITY. IN NO EVENT WILL GULF POWER BE LIABLE TO YOU OR ANY OTHER PERSON FOR DIRECT, INDIRECT, INCIDENTAL, PUNITIVE, SPECIAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, LOST PROFITS, COST OF SUBSTITUTE OR RENTAL EQUIPMENT, DOWNTIME, PERSONAL INJURY OR DAMAGE TO PROPERTY) EVEN IF GULF POWER OR ITS CONTRACTORS WERE ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. The foregoing will apply to the fullest extent allowed by law irrespective of whether liability is claimed, or found to be based in contract, tort or otherwise (including negligence, warranty or strict liability).

10. DISCLAIMER AND RELEASE. The Program is offered and provided by Gulf Power. BY ENROLLING IN THE PROGRAM: (I) YOU ACKNOWLEDGE THAT AFFILIATES AND/OR SUBSIDIARIES (OTHER THAN GULF POWER), DO NOT HAVE ANY OBLIGATION OR RESPONSIBILITY FOR THE PROGRAM, AND ARE NOT RESPONSIBLE FOR ANY CLAIMS OR DISPUTES RELATING THERETO, NOR DO THEY PROVIDE ANY TYPE OF GUARANTEE, WARRANTY, PROMISE OR COVENANT, EITHER EXPRESS OR IMPLIED, AS TO THE PROGRAM; AND (II) YOU AGREE TO RELEASE ALL OF ITS AFFILIATES AND/OR SUBSIDIARIES (OTHER THAN GULF POWER) FROM AND AGAINST ANY AND ALL LOSSES, DAMAGES, OR LIABILITIES IN CONNECTION WITH THE PROGRAM.

11. FORCE MAJEURE. Gulf Power will not be responsible to you in an event or circumstance that is not reasonably foreseeable, or that are beyond the reasonable control of and is not caused by Gulf Power. Such events or circumstances may include, but are not limited to, actions or inactions of civil or military authority (including courts and governmental or administrative agencies), hurricanes, tropical storms, tornadoes, severe wind, electrical storm, other acts of God, war, riot, insurrection, blockades, embargoes, sabotage, epidemics, explosions, floods, strikes, lockouts, supply shortages or other labor disputes or difficulties. For the avoidance of doubt, this Section does not affect the scope of the Manufacturer's Warranty that is governed solely by Exhibit A.

12. GOVERNING LAW; VENUE; WAIVER OF JURY TRIAL. These Terms and your enrollment in the Program will be governed by the laws of the State of Florida. Any suit relating to these Terms and/or the Program will be instituted in any state or federal court in Palm Beach County, Florida, and you submit to the sole and exclusive personal jurisdiction of such court. BY ENROLLING IN THE PROGRAM, YOU AGREE TO WAIVE ANY RIGHT TO HAVE A TRIAL BY JURY IN RESPECT TO ANY LITIGATION WITH Gulf Power BASED UPON OR ARISING OUT OF, UNDER, OR IN ANY WAY CONNECTED OR RELATED WITH, THESE TERMS, THE PROGRAM, AND/OR THE PERFORMANCE OF EQUIPMENT.

13. SEVERABILITY. If any provision of these Terms or the application thereof to any person or circumstance is, to any extent, invalid or unenforceable, the remainder of these Terms, or the application of such provisions to persons or circumstances other than those as to which it is invalid or unenforceable will not be affected thereby, and each provision of these Terms will be valid and enforceable to the fullest extent permitted by law.

14. ASSIGNMENT. Gulf Power may, in its sole and unrestricted discretion assign, delegate, transfer, subcontract or otherwise dispose of its obligations hereunder to an affiliate or subsidiary, or other third party without notice to you. However, you will not assign, delegate or otherwise dispose of your rights or obligations hereunder without Gulf Power's written consent.

15. ENTIRE TERMS. These Terms are the entire understanding between you and Gulf Power and supersede all prior agreements, representations and communications regarding this subject matter.



Exhibit A
A FIFTEEN YEAR EXTENDED
SURGE SUPPRESSOR 'LIMITED' WARRANTY
[This is not an insurance program.]

A. WHAT DOES THIS WARRANTY COVER?

Subject to the exclusions of Section D and the requirements of Section C, Meter-Treater, Inc. ("MTI") hereby provides an extended limited warranty to surge protection customers of Gulf Power with respect to the meter-based surge protective device ("SPD") that MTI manufactures for Gulf Power that covers physical damage to covered appliances as set forth below, caused by a Power Surge that travels through the SPD. The term Power Surge is fully defined within IEEE Standard C62.41 and is summarized as "a subcycle overvoltage with a duration of less than a half-cycle of the normal voltage waveform".¹ A Power Surge, or non-continuous spike or disturbance in the electric circuit, may be caused by natural or man-made events including but not limited to lightning strikes, power returning after an outage or scheduled maintenance, or wildlife interfering with power lines.

Covered appliances (located within the residence or within four (4) feet of the residence) includes only residential grade central air conditioners, clothes washers and dryers, refrigerators, freezers, wine coolers, dishwashers, garbage disposals, ovens, stoves, stove hoods, microwaves, hot water heaters, garage door openers, ceiling fans, and the following motorized portions of well or electric pool equipment: well pump, pool heater, pool pump and spa pump. Motorized portions of electric pool or well equipment excludes: timers, heaters, accessories, fixtures and controls. Covered appliances do not include anything not specifically listed above, including those items and damages expressly excluded in Section D.

B. HOW LONG DOES THE COVERAGE LAST?

This extended limited warranty is valid fifteen (15) years starting from the date that the SPD is manufactured by MTI ("Warranty Period"). If you have questions as to the date of manufacture, please contact MTI or Gulf Power for further information. See Section G below for determining the applicable MTI of the SPD and the MTI contact information at the end of this document.

C. WHAT WILL MTI DO?

If it is determined, at the MTI's sole discretion, that a Power Surge passed through the SPD and caused physical damage to covered appliances as defined above, MTI, AT ITS SOLE DISCRETION, WILL EITHER REIMBURSE CUSTOMER THE FAIR MARKET VALUE OF THE DAMAGED EQUIPMENT IMMEDIATELY PRECEDING THE FAILURE, REIMBURSE CUSTOMER FOR REASONABLY INCURRED REPAIRS, OR PAY CUSTOMER THE COST OF REASONABLE ESTIMATED REPAIRS, provided however that (i) customer must have followed proper claim procedures as described in Section E, "How To Get Service?", (ii) the SPD must show an indication of activation and the fuse wire(s) have disconnected, and (iii) the SPD must have failed to perform its function according to the MTI's published SPD specifications. MTI's liability will not exceed \$5,000.00, with a maximum recovery of \$250 for any electronic circuitry contained within, to any one (1) specific covered appliance, per occurrence, with a maximum of \$100,000.00 in the aggregate over the life of this warranty. Upon evaluation, you will be notified of the status of your claim.

D. WHAT DOES THIS WARRANTY NOT COVER?

This extended limited warranty does not cover any SPD where MTI's nameplate or Gulf Power's nameplate has been deliberately tampered with or removed. This warranty shall not apply to any damage caused by repair of the SPD not performed by an authorized MTI service center. For the avoidance of doubt, this warranty excludes (a) bodily injury to persons, (b) damages resulting from operation of the SPD under conditions exceeding MTI's published SPD specifications, such as surges beyond its capability, continuous steady over-voltages, voltage sags (commonly known as brownouts), under-voltages and open neutrals, as a result of power delivery system damage or flaws, (c) damages to wiring, electrical outlets, breaker panels, and meter sockets, (d) detached buildings, stand-alone buildings or buildings attached via breezeway or other such structures, (e) generators and damages caused by a surge protection customer's on-site backup generator, (f) elevators and elevator equipment, (g) electric cars or supplemental equipment associated with electric cars, (h) solar equipment, (i) any damages other than physical damage to covered appliances, (j) stand-alone "electronic equipment" using microchip or transistor technology, such as but not limited to, computers, stereos, televisions, DVD players, and security systems, or (k) medical or life support equipment. Under no circumstances, will MTI guarantee performance for a direct lightning strike not carried down the utility power lines or passing through the transformer and then the SPD.

MTI SHALL ONLY BE LIABLE TO PAY THOSE DAMAGES INCURRED WHICH ARE COVERED UNDER THIS WARRANTY AND FOR WHICH A CUSTOMER HAS NOT RECOVERED OR DOES NOT INTEND TO RECOVER FROM A THIRD PARTY OR INSURANCE CARRIER. In no event shall a customer be entitled to a "double recovery". Any and all possible subrogation claims which may be made by a homeowner's insurance company are hereby waived. Homeowner expressly acknowledges this provision and intends for its insurance company to be bound by this subrogation prohibition. **MTI DISCLAIMS ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THE EXPRESS WARRANTIES PROVIDED HEREIN ARE THE SOLE AND EXCLUSIVE REMEDIES PROVIDED.**

E. HOW TO GET SERVICE?

Damaged Covered Appliance Claims Procedure: A claim form, available at gulfpower.com/surge or by calling Gulf Power at 833-919-0945, must be submitted by customer to Gulf Power within thirty (30) calendar days of discovery of the damaged equipment. Failure to timely submit a claim will result in the claim being permanently denied. Incomplete claims will be permanently denied if the missing information is not submitted to Gulf Power within thirty (30) calendar days of Gulf Power's notification of incomplete information. MTI or an authorized representative of MTI reserves the right to inspect the damaged parts of the covered appliances, as well as the installation location. Damaged parts must remain available for inspection until the claim is finalized. MTI shall be the sole judge of failure of the SPD.

F. HOW CAN I APPEAL A CLAIMS DECISION?

If a customer is not satisfied with a claims decision made by Gulf Power as administrator of the MTI's warranty, the customer may request reconsideration by contacting Gulf Power at 833-919-0945.

G. WHO ARE MTI AND GULF POWER?

Surge protection is offered and provided by Gulf Power. Gulf Power can be reached at 1 Energy Pl, Pensacola, FL 32520 or by phone at 833-919-0945. The manufacturer and/or supplier of the SPD is Meter-Treater Inc. located at the address set forth below. MTI is responsible for this warranty which is administered by Gulf Power.

H. HOW DOES STATE LAW APPLY?

These are the sole warranties made by MTI with respect to the Product. No other express or implied warranties are given. Also, other than provided for above, direct, indirect, consequential and incidental damages are not recoverable under this warranty.

THIS WARRANTY COMPLIES WITH THE MAGNUSON-MOSS ACT.

¹ Reference www.nemasurge.org/history for additional information on surges.