

A new furnace can cost over \$2,500,
if you could keep that in your pocket
what would you choose?

I Choose Both!

**SAVE THE
EARTH**



**SAVE MY
BUDGET**

I Choose Both HEAT MY HOME, COOL MY PLANET

Reasons to Rent COMFORTABLE HOME, SAVE MY BUDGET

Doing the Math SAVE THE EARTH, SAVE MY BUDGET

Current Offers FLAT RATE, NO CONTRACT

The Rent Back Option GREAT SERVICE, FAMILY VACATION

About Reliance QUESTIONS, ANSWERS

2

5

11

14

15

16



HEAT MY HOME, COOL MY PLANET

I Choose Both

We live in a world of compromise, especially when it comes to our home comfort needs, saving money or helping the environment. What do I choose?

- Save energy or save money?
- Save the earth or heat and cool my home?
- Low price or great service?
- Conserve or be comfortable year round?
- Low cost or high efficiency?
- Save now or save later?

Now you can **CHOOSE BOTH!**

Climate change at your fingertips!

Now, for the first time, you don't have to compromise when it comes to your home comfort. You can heat and cool your home and could dramatically reduce your carbon footprint, just by upgrading to a high-efficiency **Environ Rental™** furnace or air conditioner. It is simply the easiest choice you can make to help the planet, and your family budget. Every **Environ Rental™** is Energy Star® rated and comes with a free programmable thermostat so you can easily customize your home's temperature year-round.

By switching out your old furnace or air conditioner for a new earth-friendly **Environ Rental™** you could cut your heating and cooling costs by over 30% every month. We'll take care of everything: removal, installation, free lifetime service, maintenance and replacement.

This is simply the easiest choice you can make to help save the environment and lower your energy bills.



SAVE ENERGY, SAVE MONEY

So Just How Much Money Could You Save?

It's simple to calculate just how much you could be saving by swapping out your inefficient equipment for an **Environ Rental™**.

For your gas furnace:

$$\text{Annual \$ savings} = \frac{A - B}{A} \times C$$

Where A = Efficiency of the proposed system

B = Efficiency of the existing system

C = Present annual heating cost

Example: How much could you save by switching from a 60% efficient conventional gas furnace to a high-efficiency **Environ Rental™** gas furnace at 92% efficiency if your annual gas bill for heating is \$1,000?

Therefore, A = 92%, B = 60% and C = \$1,000.

$$\begin{aligned} \text{Annual \$ savings} &= \frac{92 - 60}{92} \times 1,000 \\ &= \$348 \end{aligned}$$

This means you could save up to \$348 a year in gas costs by installing a high-efficiency gas furnace.

Here's a quick chart to show you how the savings add up at different annual gas bill rates

Annual gas bill	Annual savings from switching from 81% to 92% efficiency	Annual savings from switching from 60% to 92% efficiency
\$1,000	\$120	\$348
\$1,500	\$179	\$522
\$2,000	\$239	\$696
\$2,500	\$299	\$870



SAVE ENERGY, SAVE MONEY

For your central air conditioning system:

Annual \$ savings = A - B

Where A = spend per year with the old system

B = spend per year with the new system

A and B are calculated in the same way and as follows:

$$A \text{ or } B = \frac{(\text{btu size of the a/c})}{(\text{SEER rating})} \div 1000 \times (\text{electricity price per kWh}) \times (\text{number of hours the a/c is used per year})$$

Note: 1 ton \approx 12,000 btu

Example: How much could you save by switching from a 2 ton 10 SEER air conditioner to a 2 ton energy efficient **Environ Rental™** Air Conditioner at 13 SEER if your electricity cost is \$0.10/kWh and the air conditioner gets used 2,160 hours per year (24hrs/day for 3 months)?

$$\begin{aligned} \text{Therefore, } A &= \frac{24,000 \text{ btu}}{10 \text{ SEER}} \div 1,000 \times \$0.10/\text{kWh} \times 2,160 \text{ hrs} \\ &= \$518.40 \end{aligned}$$

$$\begin{aligned} \text{and } B &= \frac{24,000 \text{ btu}}{13 \text{ SEER}} \div 1,000 \times \$0.10/\text{kWh} \times 2,160 \text{ hrs} \\ &= \$398.77 \end{aligned}$$

$$\text{Annual \$ savings} = \$518.40 - \$398.77 = \$119.63$$

This means you could save up to \$119.63 a year in electricity costs by installing a more energy efficient air conditioner.

Try the calculations for yourself and see just how much you could be saving!



COMFORTABLE HOME, SAVE MY BUDGET

Reasons to Rent

The **Environ Rental™** program is the only program that guarantees you total home comfort without the worry of ever again having to pay for an unforeseen repair or replacement expense. Here are just a few of the benefits you get by renting:

- Zero upfront charges
- FREE installation*
- FREE lifetime service and repairs on ALL parts
- FREE lifetime maintenance
- FREE equipment replacement in the event it cannot be repaired
- FREE transfer of the program to the next homeowner
- No contracts to sign
- Flexible buyout at any time
- Emergency priority service available 24/7/365

All of this for just one simple low monthly payment!

Renting just makes sense when you compare all of the extra value you get from the program as compared to purchasing.

1. When you purchase your equipment you can expect a hefty one-time expense in the thousands of dollars versus one low-priced monthly payment when you choose to rent
2. When you purchase you are on the hook for any future repairs or replacements, something you will never have to worry about when you rent
3. When you purchase you are investing in a depreciating asset which means if you ever sell your home you are walking away from the unused portion of that investment. With the **Environ Rental™** program you simply transfer the payments over to the new home owner which means you've only paid for what you've used.

It really does make sense to **Rent and Relax™**.

* Subject to Reliance's standard terms & conditions.



LOW COST, NO COMMITMENT

No Commitment Means No Commitment

When you decide to join the **Environ Rental™** program you are never bound to a commitment, you always have the option to leave the program at any time. Here are the options available to you.

1. The simplest way to exit the program is to transfer it over to another person, like the new home owners if you sell your house. If you currently rent your hot water heater then you are familiar with just how easy this process can be
2. You can have us come and get the equipment for the associated labour charges of uninstalling it from your home
3. You can purchase your own equipment from another company and simply have the installers of the new equipment return our equipment to us in good working condition
4. You always have the option of buying out the equipment from us at the depreciated fair market value and take ownership yourself

We are confident that once you experience the peace of mind you get from our rental program that you will remain a customer for life!



SAVE MONEY, GREAT SERVICE

Equipment Buyout Charts

The following charts outline what you would pay if you chose to leave the program and buy the equipment from us:

Environ Rental™ Furnace	
Retail	\$ 2,500.00
Year 1	\$ 2,333.33
Year 2	\$ 2,166.67
Year 3	\$ 2,000.00
Year 4	\$ 1,833.33
Year 5	\$ 1,666.67
Year 6	\$ 1,500.00
Year 7	\$ 1,333.33
Year 8	\$ 1,166.67
Year 9	\$ 1,000.00
Year 10	\$ 833.33
Year 11	\$ 666.67
Year 12	\$ 500.00
Year 13	\$ 333.33
Year 14	\$ 166.67
Year 15+	\$ 100.00

Environ Rental™ AC	
Retail	\$ 2,500.00
Year 1	\$ 2,333.33
Year 2	\$ 2,166.67
Year 3	\$ 2,000.00
Year 4	\$ 1,833.33
Year 5	\$ 1,666.67
Year 6	\$ 1,500.00
Year 7	\$ 1,333.33
Year 8	\$ 1,166.67
Year 9	\$ 1,000.00
Year 10	\$ 833.33
Year 11	\$ 666.67
Year 12	\$ 500.00
Year 13	\$ 333.33
Year 14	\$ 166.67
Year 15+	\$ 100.00

Environ Rental™ System	
Retail	\$ 5,000.00
Year 1	\$ 4,666.67
Year 2	\$ 4,333.33
Year 3	\$ 4,000.00
Year 4	\$ 3,666.67
Year 5	\$ 3,333.33
Year 6	\$ 3,000.00
Year 7	\$ 2,666.67
Year 8	\$ 2,333.33
Year 9	\$ 2,000.00
Year 10	\$ 1,666.67
Year 11	\$ 1,333.33
Year 12	\$ 1,000.00
Year 13	\$ 666.67
Year 14	\$ 333.33
Year 15+	\$ 100.00



SAVE MONEY, GREAT SERVICE

Environ Rental™ Furnace +		Environ Rental™ AC +		Environ Rental™ System +	
Retail	\$ 3,000.00	Retail	\$ 3,000.00	Retail	\$ 6,000.00
Year 1	\$ 2,800.00	Year 1	\$ 2,800.00	Year 1	\$ 5,600.00
Year 2	\$ 2,600.00	Year 2	\$ 2,600.00	Year 2	\$ 5,200.00
Year 3	\$ 2,400.00	Year 3	\$ 2,400.00	Year 3	\$ 4,800.00
Year 4	\$ 2,200.00	Year 4	\$ 2,200.00	Year 4	\$ 4,400.00
Year 5	\$ 2,000.00	Year 5	\$ 2,000.00	Year 5	\$ 4,000.00
Year 6	\$ 1,800.00	Year 6	\$ 1,800.00	Year 6	\$ 3,600.00
Year 7	\$ 1,600.00	Year 7	\$ 1,600.00	Year 7	\$ 3,200.00
Year 8	\$ 1,400.00	Year 8	\$ 1,400.00	Year 8	\$ 2,800.00
Year 9	\$ 1,200.00	Year 9	\$ 1,200.00	Year 9	\$ 2,400.00
Year 10	\$ 1,000.00	Year 10	\$ 1,000.00	Year 10	\$ 2,000.00
Year 11	\$ 800.00	Year 11	\$ 800.00	Year 11	\$ 1,600.00
Year 12	\$ 600.00	Year 12	\$ 600.00	Year 12	\$ 1,200.00
Year 13	\$ 400.00	Year 13	\$ 400.00	Year 13	\$ 800.00
Year 14	\$ 200.00	Year 14	\$ 200.00	Year 14	\$ 400.00
Year 15+	\$ 100.00	Year 15+	\$ 100.00	Year 15+	\$ 100.00



SAVE NOW, SAVE LATER

Repairs Aren't Cheap*

Repairs can cost you more than you think and happen more often than most of us would like. Doesn't it seem like breakdowns always occur right when you need your equipment the most? Below is a list of some common repair charges:

Repair, replace or install

\$188+GST

Humidifier transformer, fan belt, humidifier pad, run capacitor, start capacitor, filter media cartridge 4" – 6", condenser coil fin straightening, light duty relay, fuse, disposable filter

Repair, replace or install

\$278+GST

Hot surface igniter, air balance, 15 – 40 amp breaker, clean complete ac, clean complete furnace, condenser fan blade, disconnect box, drain line, minor duct repair, minor flue repair, humidistat, relay, wiring problem, refrigerant balance 1lb. max., evaporator coil clean, furnace transformer, pilot assembly, basic programmable thermostat, deluxe non-programmable thermostat, flapper for a G14-G21, gas leak detection, CO detection, split capacitor, condensate pump, furnace cam inspection, refrigerant leak test 1 hour max

Repair, replace or install

\$376+GST

Re-wire furnace, deluxe programmable thermostat, fan and limit switch, shaft and bearing replacement, hard start kit, single speed fan motor belt drive, purge motor for a G14 – G21

Repair, replace or install

\$566+GST

Direct drive fan motor, defrost control board, ignition module, secondary circuit board, EAC power pack, refrigerant recovery and recharge, weldable refrigerant leak repair, zone control valve, water circulating pump, factory burners, drain pan replacement, in-warranty evaporator coil, suction line dryer, blower fan and pulleys, UV light bulb and ballast, boiler pressure and fill controls, two speed fan motor belt drive, condenser motor

Repair, replace or install

\$784+GST

In-warranty condenser coil, in-warranty heat exchanger, zone damper, primary circuit board, expansion valve, 1.5 to 3 ton A-coil, ICM ventor, in-Warranty compressor

Repair, replace or install

\$1,079+GST

Condensing unit relocation, flue replacement, reversing valve, suction line accumulator, ICM fan motor, 3.5 to 5 ton A-coil

The expense doesn't stop here, you can expect an additional \$100 or more for evening, holiday or even weekend visits.

* Prices derived from Reliance Comfort LP standard charges



PEACE OF MIND, COMFORTABLE PRICE

Not All Protection Plans Are Created Equal

We've all heard about service plans that protect your furnace and air conditioner against unforeseen repairs, but did you know that some protection plans have serious limitations?

1. Limitations on the price of the repair

Most protection plans have a spend limitation per year such as \$1,000 (GST included) over which you are on the hook for the remaining expense

2. Limitations on available parts that are covered

Under most protection plans if a part is no longer available, cannot be obtained at a commercially reasonable cost or cannot be repaired, your plan is either terminated or you pay for the replacement

3. Limitations on major components

The following major components are not covered under most protection plans: heat exchanger, firebox/combustion chamber, low and high water cut-off valves, external metal or plastic venting and all associated parts, external drain tubing and all associated parts, external line/low voltage wiring, condensate pumps, back check valves, compressor units, condenser coils, refrigerant recovery, vacuuming and refill

4. Replacement limitations

Most protection plans do not cover the cost of replacement in the event your heating and cooling equipment cannot be repaired, leaving the full burden of the replacement cost to you

5. Contract limitations

Most protection plans lock you in for at least one full year and penalize you for early termination of the contract should you want to leave the program



SAVE THE EARTH, SAVE MY BUDGET

Comparing Cash Flows of Purchasing vs. Renting

When comparing the monthly cash flows of purchasing versus renting, it's easy to forget to add in the extras that come with renting that you don't get when you simply buy your equipment. Let's take a real apples-to-apples look at the total cash flow effect over the long-term. For the sake of this comparison, let's assume you are purchasing a single furnace or an air conditioner and that the useful life expectancy is 15 years.

Things I need to add to my purchase cash flow to make a true comparison*:

Buying your new equipment which also includes the price of the installation will cost you thousands of dollars in one-time expense **\$2,500**

The typical manufacturer's warranty included with a purchase is for 10 years on parts (this doesn't include the associated labour charges which are extra). Assuming the average life expectancy of your new equipment will be 15 years, this leaves 5 years out of coverage and the years most likely to experience breakdowns. A typical repair will cost you \$500 on average and most likely happen twice over the lifetime of your equipment **\$1,000**

It is recommended that you get an annual maintenance check on your purchased equipment, something that is included in the **Environ Rental™** program. At an average cost of \$100 per visit and making the same life expectancy assumption as above this can add up over the life of your system **\$1,500**

At the end of your equipment's useful life you are going to need to replace it, which means another costly one-time expense. With the Environ Rental program you just keep paying your same low monthly rate since replacement is included **\$2,500**

* Costs estimated using Reliance Comfort LP billing averages





SAVE THE EARTH, SAVE MY BUDGET

Let's add them up and go head-to-head:

Cash flows	Purchase	Rental†
Initial purchase and installation	\$ 2,500.00	\$ 39.99
Service and repair costs	\$ 1,000.00	\$ 0.00
Annual maintenance costs	\$ 1,500.00	\$ 0.00
Replacement equipment purchase	\$ 2,500.00	\$ 0.00
Total cash flow over 15 years	\$ 7,500.00	\$ 7,198.20

The total cash flow is actually lower if you rent. This doesn't even take into consideration the additional cash flow effects of not having to invest thousands of dollars upfront, not to mention that if you move before your 15 years are up, you've just walked away from a large unused investment!

† Assumes the rental rate does not increase over the term of the comparison



FREEDOM, VALUE

Compare the Monthly Rental Rate to Financing Rates

The Reliance rental rate is one of the most competitive in the market place today when compared to simple financing. Equipment financing rates currently average approximately 18.9%[†] with both 5 and 7 year terms being the most popular.

Let's compare the monthly rate of financing to the **Environ Rental™** program rates:

The Environ Rental unit at \$2,500		
Term	Financing	Reliance Rental*
5 year monthly rate	\$64.71	\$39.99
7 year monthly rate	\$53.87	\$39.99

The Environ Rental Plus unit at \$3,000		
Term	Financing	Reliance Rental*
5 year monthly rate	\$77.66	\$49.99
7 year monthly rate	\$64.65	\$49.99

The **Environ Rental™** rates beat financing in all cases and this doesn't take into account all of the extra value you get through full coverage of all parts, labour, maintenance and replacements. With financing you are responsible for anything that goes wrong with the equipment since you own it. This just isn't the case with the **Environ Rental™** because we take care of everything, leaving you with only the comfort.

[†] Based on UEI Financial interest rate as at September 2008

* Reliance Comfort LP reserves the right to adjust the rental payment on annual basis



FLAT RATE, NO COMMITMENT

Our Current Offers

The Environ Rental™ High-Efficiency Furnace at \$39.99 plus GST per month

- 92% efficient
- Direct drive multi-speed blower
- Aluminized-steel tubular primary heat exchanger
- Stainless-steel secondary heat exchanger
- Quiet, efficient hot surface igniter
- Corrosion-resistant vent blower
- Electronic ignition control

The Environ Rental™ Energy Efficient Air Conditioner at \$39.99 plus GST per month

- 13 SEER
- High-efficiency condenser coil
- Factory installed in-line filter dryer
- Louvered cabinet that protects the coil
- Post-paint finish to resist the effects of weather and time
- Louvered sound-control top which creates a quieter system

The Environ Rental™ PLUS High-Efficiency Furnace at \$49.99 plus GST per month

- 95% efficient
- Direct drive variable speed "smart" blower
- Aluminized-steel tubular primary heat exchanger
- Stainless-steel secondary heat exchanger
- Quiet, efficient hot surface igniter
- Corrosion-resistant vent blower
- Electronic ignition control

The Environ Rental™ PLUS Energy Efficient Air Conditioner at \$49.99 plus GST per month

- 14.5 SEER
- High-efficiency condenser coil
- Factory installed in-line filter dryer
- Louvered cabinet that protects the coil
- Post-paint finish to resist the effects of weather and time
- Louvered sound-control top which creates a quieter system
- Compressor sound cover

Buy a full system and get \$10.00 off per month on the total combined rental rate.



FREEDOM, VALUE

The Rent Back™ Option

Did you like what you've heard about the **Environ Rental™** program but you've already made the right decision to upgrade your inefficient heating and cooling equipment to high-efficiency models? Well we have the solution for you with our one of a kind **Rent Back™ Program**.

Now you too can participate in all of the benefits of renting and ensure that any future replacements of your equipment maintain or exceed the energy conservation standards of your existing equipment. Consider it repair and replacement protection that will help you completely avoid any large, unforeseen expenses related to your home comfort needs while keeping your home earth friendly.

Here's how it works:

We will buy your existing high-efficiency furnace or air conditioner and you just rent it back for one low monthly fee, which means all future repairs and replacements are included just like the **Environ Rental™** program.

"How much is my furnace or air conditioner worth?" If it's less than 10 years old, it could be worth more than you think!

Equipment	Rebate (Equipment 0-5 years old)	Rebate (Equipment 6-8 years old)	Rebate (Equipment 9-10 years old)
Furnace	\$ 1,000	\$ 750	\$ 500
Air Conditioner	\$ 1,000	\$ 750	\$ 500
Total	\$ 2,000	\$ 1,500	\$ 1,000

The benefits of the new Heating & Cooling Rent Back™ program go beyond peace of mind. With the rebates from the program, you could use the money to do more of the things you want to do.

Just to recap, here are just a few of the many benefits of the rental program:

- FREE parts and labour on repairs*
- FREE equipment replacement in the event it cannot be repaired
- Access by phone 24/7/365
- Emergency service available
- Flexible buyout at any time
- Free transfer of the program to the next homeowner
- All for a monthly rate as low as \$39.99

† Based on UEI Financial interest rate as at September 2008

* Reliance Comfort LP reserves the right to adjust the rental payment on annual basis



QUESTIONS, ANSWERS

About Reliance™

Reliance Comfort Limited Partnership takes on the financial, service and asset risk of owning essential home and business products to make them affordable and efficient and to provide “peace of mind” for its customers. Our vision is to be your community’s most trusted home and business environment specialist.

We have two core businesses: Heating, Ventilation and Air Conditioning (HVAC) and Security Services. Our businesses serve over 1.5 million customers across Canada and can be broken down into the following operating arms:

1. **Reliance Home Comfort** provides residential water heater rental and service, and the retail sale, rental, service, maintenance of heating, ventilation and air conditioning equipment. Our water heater rental business, based largely in Ontario, is the second largest in Canada
2. **UEI Financial**™ provides financing for heating, ventilation and air conditioning equipment
3. **Reliance Commercial Solutions** provides businesses with hot water solutions
4. **Reliance Protectron Security Services** provides security system sales, rental, installation, service, monitoring and related commercial activities across Canada. Our security services arm is the second largest home security provider in Canada today

We are proud to introduce the “**I Choose Both**” program through participating authorized dealers as an environmentally friendly alternative to heating and cooling equipment purchases. With one simple, low monthly payment the **Environ Rental**™ gives consumers the ability to ensure that they always have high-efficiency, earth friendly home comfort systems that deliver the peace of mind associated with never again having to worry about future repair costs or replacements.

