



PLEASE READ THIS DOCUMENT CAREFULLY SO THAT YOU FULLY UNDERSTAND YOUR COVERAGE UNDER THIS SERVICE CONTRACT. YOU MUST NOTIFY NEARY ENTERPRISES, LLC (NEARY) PRIOR TO ACTUAL COMMENCEMENT OF REPAIR. BY SUBMITTING AN APPLICATION YOU AGREE TO BE BOUND BY THE TERMS OF THIS CONTRACT.

**TO REPORT ALL CLAIMS:** Call Neary at 859-905-9015, or e-mail Neary at [service@neary-aerial.com](mailto:service@neary-aerial.com).

The Aggregate Coverage (as defined herein) under this agreement is limited to two (2) times the full retail cost of the Unmanned Aerial Vehicle covered in this Contract, unless a lower occurrence or aggregate is specifically enumerated elsewhere in this agreement.

Certain items and events are not covered by this Contract. Please refer to Section F, Limitations of Liability and to the exclusions listed in each applicable section of this Contract.

#### A. COVERAGE

1. Neary will provide Unmanned Aerial Vehicle(s) ("UAV") repair coverage for authorized repairs of only Component Parts mentioned as covered in accordance with the terms and conditions of this Contract as mentioned in Exhibit A (the covered parts are herein "Component Parts") that fail due to normal wear and tear and/or accident. Neary will cover "Loss" so long as Component Parts:
  - A. Are Component Parts as set forth in Exhibit A.
  - B. The UAV was used for its intended use and was not intentionally or recklessly damaged.
  - C. Became inoperative or damaged due to normal wear and tear and/or accident. Coverage is only provided for mechanical failures or damage which occur and /or reported to Neary during the term of this Contract.
  - D. Are in "Proper Working Order", as defined herein, on the effective day of this Contract.
  - E. This Contract only covers one UAV. You shall provide the model and serial number of the UAV to be covered. You must purchase a separate Contract for each UAV.
2. Coverage includes only the items stated as covered and excludes all others. Items listed as Not Covered are intended as examples as the types of items excluded from Service Contract. They are not completely inclusive of all UAV's excluded from coverage. Coverage is subject to limitations and conditions specified in this Contract. Please read the Contract carefully.

#### B. DEFINITIONS

1. "Component Parts" - the following parts of the UAV's listed in Exhibit A.
2. "Operational Failure" - the mechanical or accidental breakdown of Component Parts.
3. "Accidents" - accidental damage to Component Parts through no intentional or reckless fault of the operator. This specifically excludes intentional damage and reckless damage caused by the owner performing tricks and other actions with the UAV which would reasonably be considered reckless.
4. "Proper Working Order" - functioning as intended and expected for its age, and within the standards as established by the seller of the UAV.

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5. "Loss" - the reasonable market cost or the actual cost Neary can Contract for the required repairs, whichever is less, for the repair or replacement of the Component Part.
6. "Neary", "We", or "Us" means Neary Enterprises, LLC, a Kentucky limited liability company, the issuer of this Service Contract.
7. "Service Contract" or "Contract" means this Limited Warranty Service Contract issued by Neary.
8. "You", "Your" means the individual or entity who purchased this Service Contract or the individual or entity to whom this Service Contract was properly transferred in accordance with this Service Contract.
9. "Service Contract Price" the price You paid for this Service Contract, whether annual or monthly.
10. "Coverage Start Date", the date when coverage starts under this Service Contract. Said date is the day after the Waiting Period and payment of the Service Contract Price.
11. "Waiting Period" the fifteen (15) days between the Service Contract purchase date and the Coverage Start Date, during which if any issues occur, they are considered pre-existing conditions and render the UAV ineligible for coverage under this Service Contract. If during the Waiting Period a pre-existing condition renders the item ineligible for coverage Neary will cancel Your Service Contract and provide You with a full refund of the Service Contract Price.
12. "Coverage Type" this defines the level of coverage You purchase such as Gold Coverage and Basic Coverage.
13. "Gold Coverage" includes repairs and diagnostic fees as well as no deductible and no shipping fees.
14. "Basic Coverage" includes repairs only. There is a Seventy-five Dollar (\$75) deductible. You are also responsible for all shipping charges with Basic Coverage.
15. "Coverage Amount" is the actual cost of Component Parts and Labor.
16. "Aggregate Coverage Amount" is two (2) times the retail value of the UAV. Total payment made by Neary shall not exceed this amount during the Coverage Period regardless of the number or types of repairs.
17. "Application" - the electronic form provided by Neary along with a photo of the serial number of the UAV and payment of the Service Contract Price.

#### C. COVERAGE PERIOD

1. Coverage begins on the Coverage Start Date under this Service Contract and continues for a period of twelve (12) months from that date.

#### D. CUSTOMER SERVICE

1. **YOU MUST NOTIFY US PRIOR TO REPAIR OR REPLACEMENT.** When service is needed due to Operational Failure including emergency situations, You are to telephone Neary at 859-905-9015 or e-mail Neary at [service@neary-aerial.com](mailto:service@neary-aerial.com). Your phone call may be recorded and/or monitored for quality assurance purposes. This telephone or e-mail contact shall initiate the service process without the requirement of a claim form or service application.

**Neary shall not be responsible for a Loss unless notice is given to Neary prior to the expiration of Your coverage and the reported Operational Failure is confirmed by Neary within fifteen (15) days after the expiration of Your**



coverage, regardless of when the Operational Failure occurred.

2. You shall take every precaution to protect the property giving rise to the Operational Failure until the necessary repair or replacement is authorized by Neary and is made. Repair and/or replacement shall be performed within thirty (30) days under normal circumstances of an approved claim by the service contractor chosen by Neary.

**Neary's selected service contractors must be used on all claims. Please be aware that Neary may be affiliated with the company and/or the technician performing work under this Contract. Please notify Neary if You have a complaint about the Neary selected service contractor. We have the sole right to determine if items will be repaired or replaced. Unless specifically identified elsewhere in this Contract, replacement shall be with parts comparable in features; Neary is not responsible for matching color of the parts. The use of non-original manufacturer Component Parts, including rebuilt or refurbished parts, is permitted in making repairs under this Contract. We will use original manufacturer Component Parts when non-original manufacturer Component Parts are unavailable. Neary reserves the right to obtain additional opinions at our expense. Neary reserves the right to offer cash in lieu of repair or replacement based upon what Neary could expect to pay to a DJI authorized repair center to repair the failure (Parts and Labor); this amount may be less than retail or less than Your actual cost. Once a failure has been diagnosed, subsequent failures to the same system will be exempt from coverage unless and until proof of repair is submitted to Neary. Proof shall include but is not limited to receipts verifying repair and/or replacement.**

3. Deductible. If You purchased Basic Coverage only, You are obligated to pay a Seventy-five Dollar (\$75) deductible or the actual cost to repair/replace, whichever is less, for each separate claim made under this Contract. A deductible means each submitted repair to our authorized service contractor. If multiple repairs are required to remedy the same problem, You are only required to pay one (1) deductible. If service work performed under this Contract should fail, then Neary will make the necessary repairs without an additional deductible for a period of ninety (90) days on parts, and thirty (30) days on labor. Your payments must be made prior to completion. We will not respond to a new request for repairs when a previous deductible is outstanding. Failure to pay the deductible will result in suspension of this Service Contract until such time as the proper fee is paid. At that time, the Service Contract will be reinstated, but the service period will not be extended. Additional work performed by an independent service contractor at Your request will be at Your sole cost and risk.

In the event of a denied claim, You will be responsible for, in addition to the deductible, any overtime charges incurred and/or charges incurred in shipping the UAV. Neary will request Your approval prior to work involving overtime or additional charges. Your refusal to approve the additional potential charges may cause a delay in

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service or the inability to diagnose the failure and determine coverage availability.

4. If You have selected Gold coverage, we will provide a free prepaid shipping number to our authorized service center for repair. You will be responsible for safe packaging and shipment of the UAV. If, upon inspection, Your UAV is determined to have experienced a failure which is covered by this plan, We will service the UAV in accordance with this Contract, usually within ten (10) business days, but no later than thirty (30) business days (unless notified otherwise) of our authorized service center's receipt of the UAV. If our authorized service center determines that the UAV is in working condition or is not covered by this plan, we will return the UAV to You.

### E. COVERED COMPONENT PARTS

In accordance with the terms and conditions of the Service Contract, Neary will repair or replace Component Parts specifically mentioned as covered in Exhibit A, all other are excluded. Items listed as Not Covered are intended as examples of the types of items excluded from the Service Contract. They are not completely inclusive of all Component Parts excluded from coverage. Please reference Section F Limitations of Liability for general exclusions and limitations.

### F. LIMITATIONS OF LIABILITY

The total amount that Neary will pay for repairs made in connection with all claims that You make pursuant to this Contract shall not exceed the Aggregate Coverage Amount. In the event that we make payments for repairs, which are equal to the Aggregate Coverage Amount, or if Neary provides a cash settlement reflecting the same, then Neary will have no further obligations under this Contract.

WE SHALL NOT BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO, PROPERTY DAMAGE, LOST TIME, OR LOST DATA RESULTING FROM THE FAILURE OF ANY PRODUCT OR EQUIPMENT OR FROM DELAYS IN SERVICE OR THE INABILITY TO RENDER SERVICE.

Coverage does not apply in these instances:

1. Detectable preexisting defects or deficiencies, when the Component Parts were not in Proper Working Order on the Coverage Start Date, are not covered by Neary. If, on the Coverage Start Date, the defect or malfunction of the covered "Component Parts" would not have been detectable by either, visual inspection and/or simple mechanical tests and/or safety tests performed by a qualified professional, the defect or malfunction may qualify for coverage.
2. Intentional damage, Abuse, misuse, fire, lightning, freezing, ice storms, smoke, acts of God, earthquake, mud, chemical or sediment buildup, power failure, power shortage or power outage, insect damage, or animal damage.
3. Lost, stolen, irretrievable items, including but not limited to "fly away". Coverage is provided for damage caused by a "fly away" as long as UAV and all Component Parts are recovered and submitted to Neary's contractor.
4. Neary will not Contract to perform service nor pay costs involving hazardous or toxic materials.



5. Normal maintenance, cleaning, adjustments, improper use, contamination of fuel or energy. You are responsible for providing maintenance and cleaning on Component Parts as specified by the manufacturer.
6. Faulty workmanship by any person selected and hired by You. Improper installation or repair of any Component Part by a contractor/trade person or any other person, including improper additions.
7. Secondary damage, consequential damage, or any damage caused by or resulting from the failure or malfunction of covered or not covered Component Parts. Any damage resulting from the actual repair or replacement itself. Conditions beyond our control, including delays in obtaining parts, labor or difficulty including, but not limited to, additional costs associated with repair or replacement of a Component Part. Any damage alleged to be caused directly or indirectly by the services or the timeliness of the services provided by us.
8. Cosmetic repairs and nonoperational failures, including but not limited to, scratches or dents, such that they don't effect the operation of the UAV.
9. You may be charged an additional fee to dispose of any hazardous parts.
10. Repairs related to manufacturer recalls or defects. In the event that there is other collectible insurance, manufacturer warranties, or in house warranties or guaranteed coverage available to You covering an Operational Failure that is also covered by this Contract, our coverage shall be in excess of and we will not contribute with any other insurance, warranty or guarantee.
11. UAV's with removed or altered serial numbers.
12. Failures related to shipping damage, cleaning, preventive maintenance, "no problem found" diagnosis, intermittent and non-intermittent issues that are not product failures.
13. Items listed as Not Covered are intended as examples of the types of items excluded from this Service Contract. They are not completely inclusive of all Component Parts.
14. Accessories or parts that are meant to be replaced by You.
15. Claims made under any improperly or incorrectly purchased Service Contract.
16. Software issues are not covered.
17. All else not listed as covered.

**G. CANCELLATION, TRANSFER, RENEWAL**

1. This Service Contract is non-cancelable by either party except for the following:
  - A. The Service Contract Price is not paid when due or
  - B. Fraud or misrepresentation of facts material to the issuance of this Contract. Should this Contract be cancelable under laws of the state where the Contract holder resides, an allowable administrative fee will be charged upon cancellation.
  - C. If this Service Contract was inadvertently sold to You on a product which was not intended to be covered by this Service Contract, Neary will cancel this Service Contract and return the full Service Contract Price to You.
2. In the event of transfer of ownership of the UAV, the remaining term may be assigned to the new owner. The assignee takes the Service

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Contract on the same terms, conditions, and expiration date as the assignor. To transfer this Service Contract contact Neary at 859-905-9015 or service@neary-aerial.com.

3. The warranty is renewable by mutual consent, at prevailing rates for an additional twelve (12) month period from the date of the Contract expiration. Neary may at its option, decline to issue any renewal or cancel any Contract, if the Contract fees are not paid within ten (10) days of the due date.
4. Neither the contractors nor any other party is an agent of Neary. Coverage is strictly determined by the Service Contract and not the representations of any other party.

**H. NEARY'S RIGHTS OF RECOVERY**

In the event of any payment under this Service Contract, Neary shall be subrogated to all of the Contract holder's rights of recovery against any person or organization. You shall do nothing after loss to prejudice such rights. Neary shall not be bound to any loss if You have impaired any right of recovery for loss. You agree to fully cooperate in pursuing any rights Neary may have to subrogation. Additionally, You agree to assign any proceeds from the insurance or manufacturer's warranty to us in the event payment is made by us for Component Parts.

**I. ARBITRATION**

Any controversy or claim arising out of or relating to this Service Contract, or breach thereof, will be settled by binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association (AAA). Under this Arbitration provision, we both give up the right to resolve any controversy or claim arising out of or relating to this Service Contract by a judge and/or a jury. Prior to filing any arbitration, we jointly agree to seek to resolve any dispute between us by mediation conducted by the AAA, with all mediator fees and expenses paid by Neary. If You are successful in obtaining an arbitration award against us greater than \$500, we agree to pay all arbitrator fees and expenses.

We also agree not to participate as a class representative or class member in any class action litigation, any class arbitration or any consolidation of individual arbitrations against each other. The laws of the State of Kentucky (without giving effect to its conflict of laws principles) govern all matters arising out of or relating to this Service Contract and all transactions contemplated by this Service Contract including, without limitation, the validity, interpretation, construction, performance and enforcement of this Service Contract. A judgment upon the award rendered by the arbitrator(s) may only be entered in the Boone County Kentucky Circuit Court or the US District Court for the Eastern District of Kentucky. The parties specifically agree to the binding nature of the arbitration.

**K. YOUR RESPONSIBILITIES**

1. Provide us with a complete copy of proof of purchase or serial number for the UAV. You must provide the serial number at the time You submit an Application.
2. Purchase either the Basic or Gold Coverage for Your UAV based on the UAV and Component Parts.
3. Properly maintain, store and use Your UAV according to the manufacturer instructions.



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### L. ENTIRE CONTRACT

Unless amended by Neary upon ten (10) days' notice to You, this Service Contract sets forth the entire contract between the parties and no representation, promise or condition not contained herein shall modify these terms.

#### Exhibit A Component Parts

1. Gimbal
2. Integrated Camera
3. DJI Camera Lens
4. Yaw Arm
5. Vision Sensor
6. Compass
7. GPS Module
8. IMU
9. Motor
10. ESC
11. Main Board
12. Gimbal Sensor Board
13. Gimbal Ribbon Cable
14. Gimbal Motor Shaft
15. Shell
16. Landing Gear