



WHAT IS THIS I'M HEARING ABOUT A LAWSUIT?

Recently, a small number of our customers filed a class-action lawsuit claiming premature failure on the secondary heat exchanger found in Payne high-efficiency gas furnaces (90% AFUE or greater) produced after 1989. Payne Heating & Cooling offered a settlement in the lawsuit to bring the matter to a timely resolution, to provide our customers with peace of mind and because we stand by all of our products.

WHAT DOES THIS MEAN FOR ME?

It means if you are the original owner of a qualifying unit installed anytime prior to April 22, 2008, you receive the new industry leading warranty. While these furnaces have seen an extraordinarily low national warranty rate, with the settlement we have agreed to provide customers a 20-year labor warranty to go with the lifetime parts warranty for the secondary heat exchangers on all included furnaces. In the unlikely event of a failure, customers would have the option of coverage of the parts and labor for the replacement of the secondary heat exchanger, or a credit towards the purchase of a new, more energy-efficient system that can provide greater comfort and energy savings. For customers who have already been required to replace their secondary heat exchangers, we would provide monetary compensation to them.

WHAT WAS THE ISSUE?

The Plaintiffs claim the polypropylene used to coat the secondary heat exchanger is not sufficient. We firmly deny these claims and maintain that we did not act wrongfully or unlawfully. We stand behind our products, and believe that the patented material we use to construct our secondary heat exchangers is superior.

WHAT IS POLYPROPELENE?

Polypropylene, or PPL, is plastic resin which was first developed for use in handling highly corrosive fluids. Many car batteries are made of polypropylene to ensure safely stored battery acids. It has also been found to be one of the safest plastics for the handling of food. PPL is used in food containers and even in some bakeware.

WILL I HAVE PROBLEMS LATER?

Rigorous scientific testing demonstrates that the patented PPL-laminated design improves durability against acidic condensation versus various grades of stainless steel. The current family of condensing gas furnaces, in production since 1993, has a history of high consumer satisfaction and extraordinarily low warranty rate. For optimum performance, all furnaces, regardless of brand, should receive annual routine maintenance.

IS THERE A SAFETY DANGER FROM A FAULTY HEAT EXCHANGER?

No, the furnaces are safe and even the plaintiffs' lawyers are not claiming that anyone has been injured. The furnaces are designed with many features to ensure safe operation, even if a problem were to occur. For example, if a hole were to develop in the heat exchanger, the combustion gases, including any carbon monoxide, would NOT leak from the hole into the circulating air. Instead, circulating air inside the home would be drawn into the hole and the combustion gases would be vented safely outside through the flue. Remember, for optimum performance, all furnaces, regardless of brand, should receive routine maintenance.

WHY DON'T OTHERS USE THIS TECHNOLOGY?

Our polypropylene laminated heat exchanger design is our patent, which prevents others from making heat exchangers using this design. There is no industry standard for the material in a heat exchanger, only for corrosion testing. Our heat exchangers exceed industry corrosion test standards.

WHY SHOULD I GO WITH PAYNE?

Our company has the largest installed base of ducted heating and cooling equipment in North America and we stand behind all of our products in terms of quality, safety, reliability and benefits for our customers. We are extremely proud of our high-efficiency furnaces, which have won numerous awards. We value our customers and have never been more committed to delivering quality products. As an industry leader, Payne Heating & Cooling constantly strives to be our customers' first choice for air-conditioning, heating and refrigeration solutions everywhere around the world.

WHERE CAN I LEARN MORE ABOUT THIS ISSUE?

You can learn more by calling 1-877-574-0173 or visiting www.Payne.com.