

Advanced Coating Systems, Inc.

Energy Seal Coating

10 Year Labor and Material Warranty

In consideration of the warranty fee paid by the building owner ("Owner") to Advanced Coating Systems, Inc. ("ACS") a Georgia corporation with offices 2230 Towne Lake Pkwy. Bldg. 1000, Suite 150, Woodstock, Georgia, ACS warrants to the Owner, subject to Terms, Conditions and Limitations below and attached, that ACS will repair any leak arising from normal wear in the ACS - Energy Seal Coating System ("System") installed by an ACS Certified Applicator for a period of ten (10) years (the "Warranty Period") commencing with the completion date set forth below, provided, this Warranty shall not be effective unless signed by Owner, ACS Certified Applicator, and ACS.

Terms:

With respect to leaks that occur during the first two (2) years of the Warranty Period, ACS shall be responsible for material replacement only. The Certified Applicator agrees to provide all labor and non-System materials to remedy deficiencies in the installed System as provided in this Warranty. Building owner agrees that Certified Contractor shall be solely responsible for any and all labor cost associated with any defects in workmanship or installation for the first two (2) years and any damages by inadequate workmanship or installation and that it shall assert any claim whatsoever against ACS, with regards to workmanship or labor during the aforementioned period. In the event of a claim during the first two (2) years, ACS agrees to sufficient materials to affect these repairs. Color variances in the installed coating resulting from ordinary weathering, pollutants, etc.; do not constitute a deficiency in the System.

With respect to leaks that occur in years three (3) through ten (10) of the Warranty Period, ACS shall be responsible for all material, and the ACS Certified Applicator shall perform all repairs, necessary to remedy deficiencies in the installed System as provided in this Warranty. ACS shall have the first right to provide materials in suitable quantities to perform repairs in years three (3) through ten (10). The remaining eight (8) years of this warranty, ACS will be responsible for correct any water leaks caused by defective material or workmanship in the installation of ACS products. ACS will pay for costs associated with labor and material in repairing roof leaks that result from normal wear and tear of the ACS products. This warranty extends only to the ACS products, installation, and workmanship.

Owner shall provide ACS and the ACS Certified Applicator with written notice within five (5) days of the discovery of a leak in the System. Notice to the ACS Certified Applicator does not constitute notice to ACS. ACS Certified Applicator must notify ACS of a potential claim promptly following receipt by the Certified Applicator of notice from the Owner, and ACS agrees to provide notice to the ACS Certified Applicator of a potential claim promptly following receipt by ACS of notice from the Owner.

Warranty No. _____ Application No. _____ Effective Date: _____

Project Description: _____

Address: _____

Owner: _____ Phone No: _____

Owner Address: _____

Certified Applicator: _____

Address: _____ Phone No: _____

Date of Completion: _____ Area of Roof: _____

Owner or Owner's Representative: _____

Title: _____ Date: _____

Certified Applicator: _____

Title: _____ Date: _____

Advanced Coating Systems, Inc.: _____

Name: _____ Title: _____ Date: _____

Limitations:

This limited Warranty applies to the use of the ACS product on commercial and industrial building containing not less than ten thousand (10,000) square feet of applied roof area. Following notice from Owner of a leak, ACS and the ACS Certified Applicator shall have the right to inspect the System to determine the cause(s) of the leak before incurring any obligation hereunder. Any repairs made with other than the appropriate ACS product(s) before such notification will render this Warranty null and void. The Owner shall pay a re-inspection fee to ACS and/or the ACS Certified Applicator in the event the cause of the leak is not covered by this Warranty.

If, upon inspection, ACS determines that the leak in the System is caused by defects in the ACS materials or workmanship of the ACS Certified Applicator in installing the System, Owner's remedies and ACS's and Certified Applicator's liability shall be limited to ACS's repair of the leak as described in this Warranty.

This warranty shall not apply to:

1. The watertight integrity of walls, parapet walls, vents, rooftop equipment, and adjacent structures.
2. System failure caused by:

- a. Damage resulting from causes beyond normal wear and tear such as (i) unusual weather conditions or natural disasters, including, but not limited to, storms, hail, floods, hurricanes, lightning, tornadoes, and earthquakes; (ii) improper storage or handling of materials on the System; (iii) excessive snow or ice movement; or (iv) fire.
 - b. Damage caused by the installation, erection or construction of any additional equipment and/or structure on or through roofing substrate or flashing after date of application of the System.
 - c. Failure of, or repairs to, substrate and/or defects in any component underlying the roofing substrate, flashing, or caused by faulty construction, poor drainage, misuse of structure or other failure of the structure and/or design.
 - d. Application of, or repairs to, substrate and/or flashing after the date of the original application of the System.
 - e. Infiltration or condensation of moisture in, through or around walls, copings or etc. entering the building structure.
 - f. Acts of negligence, abuse, accidents, vandalism, falling objects, civil disobedience, war or any other acts beyond the control of ACS, including, but not limited to plant or animal life.
 - g. Damage caused by movement or excessive traffic, over the System or usage of storage area, walking or recreational surface, or for any similar purpose.
 - h. Owner's or the building occupant's failure to use reasonable care in maintaining the roof and building or conditions other than water leaks.
3. Damage to the System due to chemical attack on the membrane, including, but not limited to exposure to grease or oil.
 4. Changes in the use of the building unless approved in writing in advance by ACS.
 5. Conditions that prevent positive drainage or result from ponding water.
 6. Any condition that is not in accordance with ACS's specifications unless specifically accepted by ACS in writing.
 7. Gutters or any damage to the System caused by gutters.

Conditions:

- The System must be installed as per ACS's printed application instructions. The application of the System must be done by an ACS Certified Applicator who has a current ACS Certified Applicator Certificate and is in good standing with ACS on the date of installation of the System.
- No subsequent repairs, modifications, alterations, or additions to the existing structure which affects or may affect the System in any way, shall be made unless ACS is notified in writing and shall agree in writing to such proposed alterations or conditions, or unless such alterations and additions are made in accordance with such recommendations and conditions as ACS may prescribe.
- This System Warranty is expressly limited to any defects, failures, or deficiencies described in such Warranty.
- Neither the issuance of a System Warranty, nor any examination or inspection of the building or the plans or specifications thereof by an ACS representative, before or after completion of the System Warranty, shall constitute a waiver of any of the exclusions and/or conditions set forth herein.
- No warranty is given with respect to the appearance of the System, including the color or finish.
- Building owner is required to conduct bi-annual roof inspections and perform annual maintenance as per ACS written specifications, in order to keep the warranty in full effect. Failure to perform and log bi-annual inspections and annual maintenance will result in cancellation of this warranty.
- Any warranty repairs or otherwise, must be made by an ACS Certified Applicator.

During the term of this Warranty, ACS and/or its ACS Certified Applicator shall have free and unrestricted access to the roof during regular business hours. ACS shall have no obligation under this Warranty until all bills for installation, supplies, service, and Warranty charges have been paid in full to ACS Certified Applicator, ACS and other material suppliers. ACS's failure at any time to assert or enforce any of the Terms, Conditions, and Limitations stated herein shall not be construed to be a waiver of such provision. ACS does not guarantee products utilized in the installation, which it has not furnished; and specifically disclaims liability under any theory of law, arising out of the installation and performance of, or damages sustained by or caused by, products not furnished by ACS.

No representative, employee or agent of ACS has the authority to assume any additional liability or responsibility for ACS unless approved in writing by ACS. NOTE: Any inspections made by ACS are limited to a surface inspection only, are for ACS' sole benefit, and do not constitute a waiver of any of the terms and conditions of this Warranty.

OWNER'S REMEDIES STATED HEREIN ARE THE SOLE AND EXCLUSIVE REMEDIES FOR FAILURE OF THE SYSTEM. ACS MAKES NO OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, WHICH EXTEND BEYOND THE FACE HEREOF. ACS SPECIFICALLY DISCLAIMS ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. EXCEPT AS PROVIDED HEREIN, ACS SHALL NOT BE LIABLE UNDER ANY CIRCUMSTANCES OR THEORY OF ACTION, INCLUDING BUT NOT LIMITED TO CONTRACT, TORT, PRODUCT LIABILITY OR OTHERWISE, FOR (1) ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO LOSS OF PROFIT OR DAMAGES TO THE BUILDING OR ANY MERCHANDISE OR OTHER COMPONENT THEREIN OR INTERIOR OR EXTERIOR DAMAGES AND/OR MOLD GROWTH, OR (2) FOR LOSS OR DAMAGE CAUSED OR CONTRIBUTED TO BY ACS'S NEGLIGENCE OR IMPROPER APPROVAL OF AN ACS CERTIFIED APPLICATOR OR INSPECTION OF, OR OMISSION TO INSPECT, THE BUILDING ROOF. THIS WARRANTY IS LIMITED SOLELY TO THE REPAIR OF THE SYSTEM AND DOES NOT INCLUDE UNDER ANY CIRCUMSTANCES INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND TO THE BUILDING UPON WHICH THE SYSTEM IS AFFIXED OR ITS CONTENTS, LOSS OF RENT OR PROFITS, OR ANY INCONVENIENCE.

Assign ability

Owner may assign this Warranty to a subsequent owner of this building for the remaining term only if: (1) the request is in writing within thirty (30) days after ownership transfer; (2) Owner makes any repairs to the System or other roofing or building components that are identified by ACS after an inspection as necessary to preserve the integrity of the System and (3) Owner pays an assignment fee of \$500. This Warranty is NOT otherwise assignable, directly or indirectly.

Jurisdiction; Choice of Law

The parties agree that neither one will commence or prosecute any lawsuit or proceeding other than before the appropriate state or federal court in the State of Georgia. This Warranty shall be governed by the laws of the State of Georgia, without regard to principles of conflicts of laws. Each party irrevocably consents to the jurisdiction and venue of the above-identified courts.