KOOL COATS ASSURANCE WARRANTY TERMS & CONDITIONS

MANUFACTURER-BACKED COMMERCIAL ROOF RESTORATION WARRANTY

FOR OWNERS SEEKING AN ALTERNATIVE TO PREMATURE ROOF REPLACEMENT

The Kool Coats Assurance program is designed to help building owners extend roof life with confidence through qualified contractors, documented installation practices, and manufacturer-backed warranty participation.

This warranty is issued following project review, approved installation, final inspection, and acceptance by Kool Coats.

OUR COMMITMENT

Kool Coats believes roof restoration should provide owners with a credible path to extend roof life while reducing the cost, disruption, and waste associated with roof replacement.

When a qualifying roof is restored with an approved Kool Coats system and installed by an approved contractor, Kool Coats stands behind the project through the Assurance program.

Limited Warranty:

Upon successful completion of Kool Coats' required pre-install qualification process, installation in accordance with the Approved Warrantable Specification identified on the applicable Warranty Certificate, final inspection and approval, and issuance of this Warranty by Kool Coats, this Warranty provides for the repair of Covered Leaks in accordance with the applicable responsibility periods, participation schedules, terms, conditions, exclusions, limitations, and remedies contained herein. During Years 1–3, Kool Coats supplies approved replacement Kool Coats coating material for qualifying Covered Leak repairs, and the Primary Contractor (jointly and severally with any Installing Certified Applicator) performs and funds all repair labor and non-coating materials. Beginning in Year 4, Kool Coats participates in approved Covered Leak repair labor and materials as provided herein.

This warranty does not constitute:

- **a roof replacement warranty;**
- **a maintenance agreement;**
- **property insurance;**
- **a design warranty;**
- **an engineering certification;**
- **a structural warranty; or**
- **a guarantee of future roof performance beyond the obligations expressly stated herein.**

Kool Coats' obligations under this Warranty are limited to those expressly described herein, including warranty administration and applicable participation in Covered Leak repairs.

To the fullest extent permitted by law, Kool Coats shall not be liable for consequential damages, incidental damages, punitive damages, business interruption losses, tenant claims, loss of use, interior damages, or other indirect damages of any kind.

Coverage Highlights:

- Manufacturer-backed roof restoration warranty
- Approved Kool Coats restoration system
- Qualified contractor installation
- Coverage for manufacturing defects
- Coverage for ordinary wear and weathering
- Coverage for qualifying Covered Leaks, subject to the Contractor Responsibility Period and applicable warranty terms
- Transferable ownership rights (subject to terms)
- Warranty claim review and administration by Kool Coats
- Technical support throughout the warranty period

Initial 3-Year Contractor Responsibility Period:

For the first three (3) years following the applicable warranty effective date, the Primary Contractor (and any Installing Certified Applicator, jointly and severally) shall promptly perform or arrange and fund all approved repair labor and non-coating materials for qualifying repairs within the warranted area, while Kool Coats supplies approved replacement Kool Coats coating material for qualifying Covered Leaks (excluding improper installation or workmanship defects, for which the contractors remain responsible for all labor and materials).

The Primary Contractor also remains responsible for installation and workmanship-related conditions affecting the warranted roof restoration system, including work performed by its subcontractors:

- **improper installation;**
- **inadequate substrate preparation;**
- **flashing and detail failures;**
- **coating thickness deficiencies;**
- **application inconsistencies; and**
- **other installation-related defects.**

During the first three years, Kool Coats administers the Warranty by receiving claims, evaluating reported conditions, determining coverage, providing technical guidance, and communicating applicable repair responsibilities. These administrative activities do not, by themselves, constitute an obligation by Kool Coats to fund repair labor, non-coating materials, or other repair expenses during the Contractor Responsibility Period.

Kool Coats' paid participation in Covered Leak repairs begins in Year 4, except for any discretionary assistance separately authorized in writing as part of the end-of-year-three Transition Review.

If any portion of roof preparation or installation is subcontracted, such work must be performed by an active Kool Coats Certified Partner executing the Warranty Certificate as Installing Certified Applicator. Any introduction, suggestion, or identification of an installer by Kool Coats or its personnel (oral, text, or written) is solely an informational courtesy and does not constitute selection, supervision, endorsement, or a warranty of workmanship; Primary Contractor relies solely on its own independent vetting and subcontract. Primary Contractor and Installing Certified Applicator are jointly and severally responsible for all Initial 3-Year and Transition Review obligations regardless of any dispute between them. If they fail to perform required repairs within a reasonable time after written notice from Kool Coats, Kool Coats may—without assuming ongoing contractor duties—arrange for another contractor to perform the work, and Primary Contractor and Installing Certified Applicator shall reimburse Kool Coats for documented repair costs plus twenty-five percent (25%) for overhead and administration, plus reasonable collection costs.

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Covered Leaks:

Covered Leaks are leak conditions determined by Kool Coats to result directly from:

- **manufacturing defects in approved Kool Coats materials;**
- **ordinary wear and tear under normal exposure conditions; or**
- **covered leak conditions requiring repair of the approved Kool Coats restoration system.**

Coverage applies only to the affected warranted area as determined solely by Kool Coats and remains subject to all exclusions, limitations, participation schedules, and conditions contained herein. This Warranty provides for repair of Covered Leaks in accordance with the applicable responsibility period and Warranty Participation Schedule. During Years 1–3, Kool Coats supplies approved replacement Kool Coats coating material for qualifying Covered Leaks while the Primary Contractor (and any Installing Certified Applicator) performs and funds all repair labor and non-coating materials.. Beginning in Year 4, Kool Coats participates in approved repair labor and materials subject to the applicable participation percentage, Maximum Aggregate Project Liability, exclusions, limitations, and other terms of this Warranty.

Warranty Participation Schedule:

Subject to all terms, exclusions, and limitations herein, Kool Coats' participation in approved covered repair costs shall be as follows:

Warranty Year	Repair Responsibility / Maximum Participation
Years 1-3	Primary Contractor/Installing Applicator funds repair labor & non-coating materials; Kool Coats supplies approved replacement coating
Years 4-10	100% of approved covered repair costs
Years 11-15	75% of approved covered repair costs
Years 16-20	50% of approved covered repair costs

Kool Coats' paid covered-repair participation begins in Year 4 and remains subject to the Maximum Aggregate Project Liability and all other warranty terms.

All participation percentages remain subject to the Maximum Aggregate Project Liability and all other terms, exclusions, limitations, and conditions contained herein.

Maximum Aggregate Project Liability:

Kool Coats' total aggregate liability under this Warranty shall not exceed the Maximum Aggregate Project Liability stated on the applicable Warranty Certificate.

The Maximum Aggregate Project Liability shall represent the maximum cumulative amount Kool Coats may expend, reimburse, provide, supply, or otherwise participate in during the entire Warranty term, regardless of the number of claims, leak events, inspections, repairs, or remedial actions.

Kool Coats' participation obligation for any covered claim shall not exceed the lesser of:

1. **the reasonable cost of approved covered repairs to the affected warranted area;**
2. **the applicable participation percentage set forth in the Warranty Participation Schedule; or**
3. **the Maximum Aggregate Project Liability stated on the Warranty Certificate.**

Qualification, Inspection & Approval:

This Warranty shall become effective only after Kool Coats has:

- **completed or accepted the required pre-install Warranty Qualification Evaluation;**
- **approved the project for an Assurance Warranty;**
- **established the Approved Warrantable Specification applicable to the project;**
- **confirmed that the installed roof restoration system conforms to the Approved Warrantable Specification;**
- **completed or accepted the required final inspection;**
- **confirmed completion of all corrective actions required by Kool Coats;**
- **confirmed that all applicable material, installation, warranty, and other required charges have been paid in full; and**
- **formally issued the applicable Warranty Certificate.**

Completion of the Warranty Qualification Evaluation does not guarantee warranty eligibility or issuance. Warranty coverage begins only after all applicable qualification, installation, inspection, correction, documentation, payment, and issuance requirements have been satisfied.

End-of-Year-3 Transition Review:

Between thirty (30) and thirty-six (36) months following the applicable warranty effective date, Kool Coats may conduct a Transition Inspection in preparation for the end-of-year-three Transition Review. An inspection conducted before the end of Year 3 does not accelerate the commencement of Kool Coats' ongoing paid repair participation.

The purpose of the Transition Inspection is to identify workmanship-related deficiencies, installation-related defects, maintenance deficiencies, unauthorized modifications, or other conditions affecting the long-term performance of the warranted Kool Coats system.

If Kool Coats identifies workmanship-related deficiencies or installation-related defects, the Primary Contractor, and any Installing Certified Applicator, shall promptly perform corrective work reasonably required by Kool Coats.

If Kool Coats identifies owner-responsible conditions, maintenance deficiencies, or unauthorized modifications, the Authorized Building Representative shall promptly perform corrective measures reasonably required by Kool Coats.

At the end-of-year-three Transition Review, Kool Coats may, in its discretion, separately authorize assistance to prepare the warranted roof restoration system for the next warranty phase. Any such assistance shall be documented in writing and may include approved materials, repair coordination, labor participation, or other specifically authorized assistance. Such assistance is not automatic and does not relieve the Primary Contractor or Authorized Building Representative of their assigned obligations.

Subject to completion of required corrective work and all other applicable terms of this Warranty, Kool Coats' ongoing paid participation in Covered Leak repairs begins in Year 4 in accordance with the Warranty Participation Schedule. Nothing in the Transition Review or any discretionary assistance provided by Kool Coats shall relieve the Primary Contractor of responsibility for its workmanship or other contractual obligations.

Failure of the Primary Contractor or Authorized Building Representative to perform required corrective work within a reasonable time shall result in suspension of coverage until such deficiencies have been corrected and approved by Kool Coats. Kool Coats may also exercise its repair-reimbursement remedy in addition to suspending coverage.

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Remedy Structure:

Coverage under this Warranty applies solely to the affected warranted area of the Kool Coats roof restoration system, as determined solely by Kool Coats.

Beginning in Year 4, Kool Coats shall satisfy its covered-repair participation obligations through the remedies described in this section, subject to the Warranty Participation Schedule, Maximum Aggregate Project Liability, exclusions, limitations, and other applicable terms. Kool Coats shall have sole discretion to determine:

- **whether a condition is covered;**
- **the cause of the condition;**
- **the affected warranted area;**
- **the appropriate remedy;**
- **the repair methodology;**
- **the materials utilized;**
- **the contractors performing repairs; and**
- **the scope of repair necessary to address a Covered Leak.**

Beginning in Year 4, Kool Coats may satisfy its covered-repair obligations through:

- **provision of replacement materials;**
- **contractor-performed repairs;**
- **approved labor reimbursement;**
- **direct repair coordination; or**
- **another commercially reasonable remedy selected by Kool Coats.**

Under no circumstances shall Kool Coats be obligated to replace, restore, recoat, or reconstruct the entire roof system unless expressly agreed in writing by an authorized officer of Kool Coats.

Limitation of Liability:

Under no circumstances shall Kool Coats be obligated to:

- **replace or recoat the entire roof system;**
- **perform tear-off of existing roofing materials;**
- **replace insulation;**
- **repair roof deck components;**
- **repair structural components;**
- **compensate for tenant claims;**
- **compensate for business interruption;**
- **compensate for consequential damages;**
- **compensate for incidental damages;**
- **compensate for loss of use;**
- **compensate for interior damages; or**
- **compensate for mold, contents damage, or other indirect losses.**

Kool Coats does not practice engineering or architecture.

Any evaluation or inspection performed by Kool Coats is conducted solely for purposes of determining eligibility for the Assurance Warranty, establishing or verifying compliance with the Approved Warrantable Specification, and administering this Warranty.

No evaluation, inspection, approval, or issuance of this Warranty constitutes an engineering, architectural, structural, code-compliance, or building-design certification.

Exclusive Remedy:

The remedies stated herein are the Authorized Building Representative's sole and exclusive remedies.

This Warranty replaces all other warranties, express or implied, including any implied warranty of merchantability or fitness for a particular purpose.

The Authorized Building Representative expressly agrees that the remedies provided herein are adequate and that no additional remedies shall be available except as expressly stated in this Warranty.

Notification of Leaks:

The Authorized Building Representative must notify Kool Coats directly in writing within thirty (30) days after discovery of any claimed leak condition.

Notice to the roofing contractor, distributor, applicator, or sales representative shall not constitute notice to Kool Coats.

By notifying Kool Coats, the Authorized Building Representative authorizes Kool Coats to investigate the cause of the leak.

If Kool Coats determines that the condition is not covered under this Warranty, the Authorized Building Representative agrees to reimburse Kool Coats for reasonable investigation costs.

Warranty Exclusions:

This Warranty covers leaks only. This Warranty does not cover conditions other than leaks.

This Warranty does not cover leaks, damage, or failures caused by:

- **inadequate maintenance;**
- **abuse, misuse, vandalism, or physical damage;**
- **unusual weather conditions or natural disasters, including hail, tornadoes, hurricanes, floods, lightning, earthquakes, or wind events;**
- **movement, cracking, settlement, or failure of the roof deck, walls, foundation, or structure;**
- **substrate failure;**
- **trapped moisture or wet insulation;**
- **condensation or moisture infiltration through surrounding building components;**
- **ponding water or inadequate drainage outside approved specifications;**
- **chemical exposure, grease exposure, oils, acids, or contaminants;**
- **damage caused by other trades or contractors;**
- **unauthorized repairs, modifications, penetrations, or alterations;**
- **HVAC, plumbing, electrical, solar, or mechanical work;**
- **use of incompatible or non-approved materials;**
- **foot traffic or rooftop abuse;**
- **pre-existing roof defects or conditions;**
- **changes in building use;**
- **acts or omissions of parties other than Kool Coats;**
- **interior damage;**
- **mold;**
- **contents damage;**
- **business interruption; and**
- **consequential or incidental damages of any kind.**

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Owner Responsibilities / Preventative Maintenance:

The Building Owner shall:

- **perform regular inspections and maintenance;**
- **maintain written maintenance records;**
- **keep drains and scuppers clear;**
- **promptly repair non-covered conditions;**
- **prevent unauthorized penetrations or modifications.**
- **Failure to maintain the roof system may void or limit coverage.**

Any condition determined by Kool Coats to threaten the integrity or watertightness of the Kool Coats system must be repaired promptly by a qualified contractor acceptable to Kool Coats.

No Admission of Liability:

Any inspection, investigation, communication, recommendation, participation in repairs, provision of materials, or remedial action undertaken by Kool Coats shall not constitute an admission of liability, negligence, defect, fault, or responsibility.

No Oral Modification:

No representative, contractor, salesperson, distributor, consultant, applicator, or agent has authority to modify, expand, alter, waive, or amend this Warranty unless such modification is made in writing and signed by an authorized officer of Kool Coats.

Mediation; Jurisdiction; Choice of Law:

As a condition precedent to litigation, any dispute arising from or relating to this Warranty shall first be submitted to mediation.

If mediation is unsuccessful, exclusive jurisdiction and venue shall lie in Dallas County, Texas.

This Warranty shall be governed by the laws of the State of Texas.

Transferability:

This Warranty may be transferred one (1) time to a subsequent Authorized Building Representative during the original Warranty term provided that:

1. **written notice is provided to Kool Coats within sixty (60) days after transfer;**
2. **the Authorized Building Representative completes any repairs identified by Kool Coats as necessary to preserve the integrity of the Kool Coats system;**
3. **all maintenance obligations are current;**
4. **any applicable transfer fee is paid; and**
5. **the roof restoration system remains in a condition acceptable to Kool Coats.**

This Warranty is otherwise non-transferable.

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