

## WARRANTY

Equipment manufactured by Surna Inc., (hereinafter "the Company"), the warranty shall exist for a period of twelve (12) months from initial start-up or 18 months from date of shipment, whichever period is shorter, against failure due to defects in material and or manufacturing and warranted to the capacities and ratings set forth in Company's catalogs and bulletins ("Warranty"). Equipment, material, and or parts that are not manufactured by Company are not warranted by Company and carry such warranties as may be extended by the respective manufacturer. Exclusions from this Warranty include damage or failure arising from: wear and tear; corrosion, erosion, deterioration; modifications made by others to the Equipment; repairs or alterations by a party other than Company that adversely affects the stability or reliability of the Equipment; vandalism; neglect; accident; adverse weather or environmental conditions; abuse or improper use; improper installation; commissioning by a party other than Company; unusual physical or electrical or mechanical stress; operation with any accessory, equipment or part not specifically approved by Company; refrigerant not recommended or supplied by Company; and or lack of proper start-up or maintenance as recommended by Company. Company shall not be obligated to pay for the cost of lost refrigerant or lost product or any other direct, indirect, or consequential damages. Company's obligations and liabilities under this Warranty are limited to furnishing replacement equipment or parts, at its option, FCA (Incoterms 2000) factory or warehouse (f.o.b. factory or warehouse for US domestic purposes) at Company-designated shipping point, freight-allowed to Company's warranty agent's stock location, for all non-conforming Company-manufactured Equipment which have been returned by Customer to Company. Returns must have prior written approval by Company and are subject to restocking and replacement charges where applicable. No warranty liability whatsoever shall attach to Company until Customer's complete order has been paid for in full and Company's liability under this Warranty shall be limited to the purchase price of the Equipment shown to be defective. Additional warranty and service protection is available on an extra-cost basis and must be in writing and agreed to by an authorized signatory of the Company. The warranty excludes: (a) labor, transportation and related costs incurred by the Dealer or Customer; (b) re-installation costs of repaired equipment; (c) re-installation costs of replacement equipment; (d) consequential damages of any kind; and, (e) reimbursement for loss caused by interruption of service.

EQUIPMENT MANUFACTURED BY COMPANY THAT INCLUDES A REQUIRED START-UP AND SOLD IN NORTH AMERICA WILL NOT BE WARRANTED BY COMPANY UNLESS COMPANY OR ITS AUTHORIZED AGENT PERFORMS THE EQUIPMENT STARTUP. COMPANY MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, REGARDING PREVENTION OF MOLD, FUNGUS, BACTERIA, MICROBIAL GROWTH, OR ANY OTHER CONTAMINATES. EXCEPT FOR COMPANY'S WARRANTY EXPRESSLY SET FORTH HEREIN, COMPANY DOES NOT MAKE, AND HEREBY EXPRESSLY DISCLAIMS, ANY WARRANTIES, EXPRESS OR IMPLIED CONCERNING ITS PRODUCTS, EQUIPMENT OR SERVICES, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF DESIGN, MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE, OR OTHERS THAT ARE ALLEGED TO ARISE FROM COURSE OF DEALING OR TRADE.