

STANDARD WARRANTY POLICY

Karis Technologies, Inc. ("KARIS") warrants that the products manufactured by KARIS (the "Products") are free of defects in material and workmanship which impair the operation of the Products, under normal and proper use and service, for a period of one (1) year from the date of shipment FCA from KARIS's facility located in Chicago, Illinois (the "Standard Warranty"). In order for this Standard Warranty to apply, the Product(s) must be installed and operated according to and consistent with the following conditions:

- Voltage variation no greater than +/- 10% from the rated voltage on the label of the Product
- Frequency variation no greater than +/- 3 HZ from the rated frequency on the label of the Product
- Ambient temperature must not exceed maximum operating temperature on the label of the Product
- Maximum cooling capacity not to exceed rating (BTU/HR) as rated on the label of the Product
- The Product must be installed, maintained, and operated consistent with the terms and conditions set forth in the Operation and Installation Manual

THIS STANDARD WARRANTY DOES NOT COVER THE FOLLOWING:

- KARIS assumes no liability beyond the repair or replacement of its own Products. In no event shall KARIS be liable for any incidental, special, indirect, consequential, or similar damages incurred by any purchaser, owner, possessor, assignee or successor in interest or any third party having any interest in any Product as the result of any breach of this Standard Warranty, including but not limited to loss of profit or revenues, damages for loss of use of the Products, damage to property, both real and personal, claims of third parties, including personal injury or death on account of use of the Products or failure of KARIS to warn against or instruct on or adequately warn against or instruct on, the dangers of the Products or the safe and proper use of the Products, whether or not customer has been advised of the potential for such damages
- KARIS's total liability for the customer's claims from any cause whatsoever, whether arising under contract, warranty, tort (including negligence), strict liability, products liability or any theory of liability, will be limited to the lesser of customer's actual damages or the price paid by customer to KARIS for the Products (not including applicable taxes, duties and freight charges) that are the subject of customer's claim.

THE WARRANTY SET FORTH HEREIN IS STRICTLY LIMITED TO ITS TERMS AND IS IN LIEU OF ALL OTHER WARRANTIES, GUARANTEES, EXPRESS OR IMPLIED, ARISING BY OPERATION OF LAW, COURSE OF DEALING, CUSTOM, USAGE OF TRADE OR OTHERWISE, SPECIFICALLY EXCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE.

1. The warranty and remedies for breach of warranty provided for in this Standard Warranty extend only to the original installation and do not cover, and KARIS will neither assume responsibility, nor be liable, for the following:

- Misapplication of its Products or the erroneous selection of an inappropriate Product by a non-authorized KARIS representative
- Use of the Products for other than its designed purpose or operating conditions
- Operation or storage in harsh, oily, corrosive or other abnormal environments without the proper filtration, sealing, protective coating and/or weather protection
- Damage to the hermetic system resulting from continuous operation with dirty or clogged air filters or improper or negligent maintenance
- Use of refrigerant other than designated on the label of the Product
- Customer modification or abuse
- Shipping damage or other accidental damage (it is KARIS's standard policy that freight claims are the responsibility of the customer if the Product is not refused at delivery)
- Repair, damage, or service of the Product caused by anyone except personnel authorized by KARIS
- Cracked or broken hermetic tubing, brazed joints or other internal damage caused by shipping or mishandling
- Damage caused by shipping units attached to enclosure
- Any and all damage, breakage, malfunction or other like conditions or defects resulting from noncompliance with the standard operation, care, installation, maintenance and use of the Product as set forth in the operation and installation manual for such Product
- Any cause beyond the control of KARIS, including without limitation conditions caused by movement, settlement or structural defects of the environment in which the Products are installed.
- Fire, wind, hail, flood, lightning or other acts of God
- Any damage to the finish of the Products after they leave KARIS's facility
- Any discoloration or spotty appearance of the Products
- Return freight and shipping charges, along with applicable duties and other like fees and charges, for the return of the Product to KARIS (such amounts are the sole responsibility of the customer)
- Failure to process or inaccurate processing of time-sensitive information and/or mechanisms
- Exposure to harmful chemical, pollutants or other foreign matter or energy

2. All returns must have a RMA number and must be marked with the RMA number on the bill of lading and on the packaging
3. No Technical Service will be provided without serial number of unit
4. Upon resale, customer agrees to extend to its customers no greater warranties, and limit its liability and remedies to the same extent, as those set forth herein
5. All Product literature is for illustrative purposes only and does not contain a warranty of any kind
6. KARIS's advice relating to the technical usage of the Products or the intellectual property rights of others, whether provided orally or in writing or through the provision of test results, is given in accordance with KARIS's best knowledge at that time but shall always be deemed to be non-binding. Such advice does not relieve customer from the obligation, and customer accepts full responsibility, to confirm for itself the suitability of the Products for their intended purpose(s)
7. Field Service: Contact KARIS Service Department for details
8. Parts Warranty: 90 days from date of shipment for replacement pending inspection of failed components
9. Enclosures:
 - a. Once Enclosure order has been processed and acknowledged, it is non-cancellable
 - b. Enclosure orders are non-returnable
10. Storage fees may apply after 30 days for any units that are not picked up (by customer or carrier) after customer has been notified.

Remedies

Customer's sole and exclusive remedy, and KARIS's only obligation for breach of warranty hereunder shall be, at KARIS's option, in its sole discretion, to (i) repair or replace the defective Product which fails within the one (1) year warranty period, free of charge, provided that customer promptly notifies KARIS of such failure and, after receipt of prior written authorization and return authorization number from KARIS, which will be given or withheld at KARIS's sole discretion, returns such Product to such place as requested by KARIS, freight prepaid, and thereupon KARIS finds such to be defective or (ii) issue a credit equal to the price of the defective Product which fails within the one (1) year warranty period. Customer must pay all related costs of repair or replacement, including removal, installation or reinstallation costs. KARIS's personnel must be granted access to inspect the Products claimed to be defective at the site of their installation or use. Products repaired or replaced and designs corrected under this Standard Warranty are warranted only for the remainder of the original warranty period.