

GRANBY FURNACES INC.

LIMITED WARRANTY FOR KLE AND KHE SERIES ELECTRIC WARM AIR FURNACES.

A. FIRST YEAR WARRANTY

Granby Furnaces Inc. "Granby" warrants its KLE and KHE electric warm air furnace registered by this certificate the "Appliance" and the installation of components installed by Granby on the Appliance to remain free from defects in material and workmanship during the first five (5) years of ownership under normal usage so long as it is owned by the original owner or subsequent owners at its original place of installation. In the event that a component manufactured by Granby is found to be defective in material or workmanship during this period, Granby will, at its sole option, either repair or replace the Appliance free of charge (except labour costs, which shall be borne by homeowner) f.o.b. Granby's factory at Cross Roads, Nova Scotia, or such other Granby factory as Granby shall designate provided Granby is notified of such defect within the first five (5) years after the date of installation of the Appliance. In the event that a component affixed to the Appliance but not manufactured by Granby is found to be defective in material or workmanship during this period, Granby will correct any defect in material and/or workmanship of such component provided Granby is notified of such defect within the first five (5) years of the date of original installation of the Appliance.

THE WARRANTY SET FORTH IN PARAGRAPH "A" IS SUBJECT TO THE TERMS AND CONDITIONS SET FORTH IN PARAGRAPHS "B" THROUGH "D" AND ARE EXCLUSIVE AND IN LIEU OF ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR PURPOSE, OR OTHER WARRANTY OF QUALITY, DESIGN, OR CONDITION, WHETHER EXPRESS OR IMPLIED, AND IN LIEU OF ALL OTHER LIABILITIES AND OBLIGATIONS ON THE PART OF GRANBY FURNACES INC. AND SHALL NOT BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES, WHETHER RESULTING FROM BREACH OF WARRANTY, EXPRESS OR IMPLIED, OR NEGLIGENCE OR ANY OTHER REASON.

EXCLUSION OF WARRANTIES: The IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, other than those expressly set forth herein, are EXCLUDED from this transaction and shall not apply to the goods sold.

MERGER CLAUSE: the seller's salespeople may have made oral statements about the merchandise described in this contract. The statements do not constitute warranties, shall not be relied upon by the Buyer, and are not part of the contract for sale. The entire contract is embodied in this writing and written limited warranty provided with the product. This writing and the written limited warranty constitute the final expression of the party's agreement and it is a complete and exclusive statement of the terms of that agreement.

B. THE WARRANTIES SET FORTH IN PARAGRAPHS "A" SHALL APPLY ONLY IF THE APPLIANCE:

- (1) Is used only for the specific purpose for which it was intended, namely internal (not external) residential heating system and for no other purpose and only within Canada.
- (2) Is operated in accordance to Granby's installation and service manual (an installation and service manual was attached to the Appliance when it left Granby's plant and should accompany this warranty and if not, customer must order one through the Granby web site at : www.granbyindustries.com or by mailing a written request to Granby.
- (3) Has been properly installed in accordance with Granby's installation and service manual by an experienced and qualified heating mechanic skilled in installation of Granby Appliance.
- (4) Has been installed and operated in accordance with
 - (a) all applicable Federal, Provincial and Local Laws, including but not limited to local ordinances and building codes; and
 - (b) all the practices and procedures recommended by applicable trade and technical organizations including, without limitation, Federal Housing Administration and Underwriters Laboratories.
- (5) Has been operated

- (a) utilizing the proper voltages and amperages for which it was designed and equipped, as set forth in Granby's installation and service manual; and
- (b) with appropriate automatic operating and controls.
- (6) Has been serviced periodically, to assure that it is working properly and has had all necessary repairs performed on it, as and when needed, by an experienced and qualified heating mechanic or licensed electrician.
- (7) Has adequate ventilation and sufficient source of air, is not exposed to any unusual atmospheric conditions including, without limitation, exposure to foreign particles such as saw dust and exposure to chlorine or other corroding substances.
- (8) Has not been modified, neglected, altered, tampered with, vandalized, abused or misused, nor otherwise been subjected to accident, fire, flood or other casualty.

C. THE WARRANTIES HEREUNDER DO NOT APPLY TO DEFECTS RESULTING FROM:

- (1) Labor or other costs incurred for diagnosing, repairing, removing, install, shipping, servicing or handling of either defective parts, or replacement parts, or new or reconditioned units.
- (2) Any Product purchased over the Internet.
- (3) Normal maintenance as outlined in the installation and servicing instructions, including, but not limited to the air filter replacement.
- (4) Failure, damage or repairs due to faulty installation, misapplication, abuse, improper serving, unauthorized alteration or improper operation.
- (5) Failure to start due to voltage conditions, blown fuses, open circuit breakers, or damages due to the inadequacy or interruption of electrical service.
- (6) Failure, damages or repairs caused by use of an incompatible electrical generator.
- (7) Failure of damage due to floods, winds, fires, lightning, accidents, vandalism, corrosive external environments or other conditions beyond the control of Granby.
- (8) Parts not supplied or designated by Granby or damages resulting from their use.
- (9) Products installed outside Canada.
- (10) Failure, damage or repairs caused by conditioned air (return air) supplied to the furnaces being greater than 20% from out-of-doors (55°F minimum return air temperature)
- (11) Product installed downstream of an AC Coil.
- (12) ANY SPECIAL, INDIRECT OR CONSEQUENTIAL PROPERTY OR COMMERCIAL DAMAGES OF ANY NATURE WHATSOEVER. Some provinces do not allow the exclusion of incidental or consequential damages, so the above limitation may not apply to you.

D. THE WARRANTIES HEREIN SHALL NOT BE EFFECTIVE UNLESS:

- (1) Any notice of a defect together with proof of defect is mailed to Granby by certified mail, return receipt requested, postage prepaid, to Granby Furnaces Inc., PO Box 637, Parrsboro, Nova Scotia, B0M 1S0 Canada, or such other address as Granby shall notify customer from time to time. (Only a return receipt card executed by a representative of Granby shall be satisfactory evidence of mailing).
- (2) Any notice of defect (or request for information from Granby) is accompanied by this warranty document and contains the following information: heating appliance serial number, model number, date of original installation, original installing contractor and contractor's address, and name of builder and builder's address.
- (3) The defective part or parts are returned only upon written authorization from Granby, with transportation charges prepaid (except that Granby may, at its option, appoint a qualified representative to make field inspection of the unit of any defect for which purpose the customer shall permit such representative to enter upon their premises and examine the Appliance and all other parts of the heating system as such representative shall deem advisable).

NO WARRANTY OTHER THAN THE FOREGOING, EXPRESSED OR IMPLIED, IS AUTHORIZED BY GRANBY AND NOT REPRESENTATIVE OF GRANBY OR OF THE MANUFACTURER OF ANY COMPONENT HAS ANY AUTHORITY TO AMEND, EXTEND, MODIFY, ENLARGE OR CONTRACT THE FOREGOING WARRANTIES AND DISCLAIMERS OF WARRANTIES IN ANY WAY WHATSOEVER.