Exhibit "1"

TRIPARTITE SETTLEMENT AGREEMENT BY AND BETWEEN CITY OF COCONUT CREEK, KAUFMAN LYNN CONSTRUCTION, INC. AND AA ADVANCE AIR, INC.

THIS SETTLEMENT AGREEMENT made and entered into this _____ day of ______, 2016, by and between the CITY OF COCONUT CREEK, a Florida municipal corporation, (hereinafter referred to as "CITY"), KAUFMAN LYNN CONSTRUCTION, INC. (hereinafter referred to as "KAUFMAN") and AA ADVANCE AIR, INC., (hereinafter referred to as "AIR").

WHEREAS, the CITY OF COCONUT CREEK contracted with KAUFMAN on January 12, 2012 via Bid No. 11-16-11-11 (hereinafter referred to as "Original Agreement") to have them build a brand new, LEED Certified building at 4900 West Copans Road, Coconut Creek for use by the CITY's Public Works Department and Broward Sheriff's Office Northwest's Regional E911 Center ("Public Works Building"); and

WHEREAS, KAUFMAN subcontracted with AIR for installation of the HVAC system in Public Works Building; and

WHEREAS, the **CITY** was given a Certificate of Occupancy ("C.O.") for the Public Works Building on August 1, 2013; and

WHEREAS, the CITY demonstrated that it has had ongoing issues with the HVAC system not working properly in the Public Works Building since the date of the C.O.; and

WHEREAS, KAUFMAN, AIR, and CITY have made multiple HVAC equipment changes in order to attempt to address the CITY's concerns with the HVAC system in the CITY's Public Works Building; and **WHEREAS**, none of the changes made to the HVAC system have satisfied the **CITY**'s concerns with the HVAC system to date; and

WHEREAS, the CITY desires to afford KAUFMAN and AIR the opportunity to replace the existing LG Generation 3 model Air Handlers and Compressors throughout the Public Works Building with new LG Generation 4 model Air Handlers and Compressors throughout the Public Works Building in order to fix the ongoing concerns prior to pursuing its legal remedies under the Original Agreement at no cost to CITY; and

WHEREAS, the **CITY** desires to afford **KAUFFMAN** and **AIR** the opportunity to fix the mixed air units and provide an extended warranty for same.

NOW, THEREFORE, for and in consideration of the mutual covenants and promises set forth herein, receipt of which is hereby acknowledged, the parties to this Agreement do hereby agree as follows:

1. **AIR**, at **AIR**'s cost, shall remove the existing LG Generation 3 model Air Handlers and Compressors and replace them with LG Generation 4 model Air Handlers and Compressors throughout the Public Works Building in accordance with the Schedule of Work, attached hereto as Exhibit "A" ("LG replacement"), and provide the most recent version of the associated LG system monitoring and control software.

2. **AIR**, at **AIR**'s cost, shall fix two (2) mixed air units and provide an extended warranty on all components of the mixed air units until December 1, 2017, at which time **AIR**, at **AIR**'s cost shall provide an extended Manufacturer's Warranty for the mixed air unit compressors only until December 1, 2018 along with an extra labor warranty through December 1, 2018 as well and all parts for the mixed air units shall be

handled as a pass through (no cost markup) from December 1, 2017 until December 1, 2018.

3. **AIR**, at no cost to **CITY**, shall restore all walls, ceilings, flooring and paint damaged as a result of the LG replacement and mixed air unit repairs to the condition it was in prior to the LG replacement and mixed air unit repairs.

4. **AIR** shall not replace the existing Liebert Units. **AIR** will provide instruction to the **CITY's** personnel on how to test the software alarms of the existing Liebert Units.

5. **AIR** shall provide all necessary labor, materials and equipment required to replace the existing LG system with the new LG system at no cost to **CITY**. The LG replacement shall be completed by **AIR** in accordance with the Schedule of Work, attached hereto as Exhibit "A." Neither **AIR** nor **CITY** shall be liable for any delay damages, costs, or any similar type of claims for damages incurred which arises out of or is in any way associated with the time for the performance of the work of this Agreement so long as the LG replacement is completed no later than January 16, 2017. **AIR** is required to provide adequate and continuous labor until the LG replacement is completed.

6. **AIR** shall be responsible for all required building permits including but not limited to the permit application and any plans, shop drawings, submittals, and final asbuilts as may be required by the Building Department to close out the permit. **AIR** shall contact the City's Building Department to ensure that they understand all permit requirements. The **CITY** shall ensure that there will be no fees for any permits required.

7. **AIR** acknowledges that the building will need to have a complete test and balance for the LG replacement only, and as required per Florida Building Code. The complete test and balance shall be completed in accordance with the Schedule of Work attached hereto as Exhibit "A."

8. **AIR** shall supervise its workforce to ensure that all workers conduct themselves and perform their work in a safe and professional manner. **AIR** shall comply with all OSHA safety rules and regulations in the operation of equipment and in the performance of the work. **AIR** shall at all times have a competent field supervisor on the job site to enforce these policies and procedures at **AIR**'s expense.

9. **AIR** shall comply with any and all Federal, State, and local laws and regulations now in effect, or hereinafter enacted during the term of this Agreement, which are applicable to **AIR**, its employees, agents or subcontractors, if any, with respect to the work and services described herein.

10. **CITY** will furnish electricity, water, and garbage cans free of charge to **AIR**.

11. **AIR** agrees that it shall not discriminate against any of its employees or applicants for employment because of their age, race, color, religion, sex, national origin, marital status, political affiliation, familial status, disability, sexual orientation, pregnancy, or gender identity or expression and to abide by all Federal, State, and County laws regarding non-discrimination. **AIR** further agrees to insert the foregoing provisions in all subcontracts hereunder except subcontracts for standard commercial supplies or raw materials. Any violation of such provisions shall constitute a material breach of this Agreement.

12. **AIR** and **KAUFMAN** are Independent Contractors under this Agreement. All services provided by **AIR** and/or **KAUFMAN** shall be by employees of **AIR** and/or **KAUFMAN** subject to supervision by **AIR** and/or **KAUFMAN**, and the same shall not be deemed as officers, employees, or agents of the **CITY**. Personnel policies, tax responsibilities, social security and health insurance, employee benefits, purchasing policies and other similar administrative procedures applicable to services rendered under this Agreement shall be those of **AIR** and/or **KAUFMAN** as applicable.

13. **AIR** shall provide the **CITY** with proof of insurance prior to executing the Agreement. **AIR** agrees to provide the **CITY** with a Certificate of Insurance in a form acceptable to the **CITY**, naming the City of Coconut Creek as an "Additional Insured". The Certificate shall include General Liability, Workers' Compensation coverage, and Automobile Liability. The General Liability coverage will be written in an "occurrence" basis format, with a minimum limit of \$1,000,000 for each occurrence. Workers' Compensation Statutory Limits of coverage shall apply for all employees in compliance with all applicable State of Florida and Federal laws. Note: If **AIR** is exempt from Florida's Workers' Compensation law, **AIR** must provide proof of such exemption issued by the Florida Department of Financial Services, Bureau of Workers' Compensation. The Automobile Liability cover will be written in an "occurrence" basis format, with a minimum limit of \$1,000,000 for each occurrence.

14. **AIR** agrees to indemnify and hold harmless the **CITY**, its elected and appointed officials, employees, and agents from any and all claims, suits, actions, damages, liability, and expenses (including attorneys' fees) in connection with loss of life, bodily or personal injury, or property damage, including loss of use thereof, directly

or indirectly caused by, resulting from, arising out of or occurring in connection with the operations of **AIR** or its officers, employees, agents, subcontractors, or independent contractors, excepting only such loss of life, bodily or personal injury, or property damage solely attributable to the gross negligence or willful misconduct of the **CITY** or its elected or appointed officials and employees. The above provisions shall survive the termination of this Agreement and shall pertain to any occurrence during the term of this Agreement, even though the claim may be made after the termination hereof.

Nothing contained herein is intended nor shall be construed to waive **CITY**'s rights and immunities under the common law or Florida Statutes 768.28, as amended from time to time.

15. After installation of the LG replacement and the repairs of the mixed air units, and acceptance of the work, the **CITY** will release any and all claims that it has against **KAUFMAN** and/or **AIR**, as well as their sureties, heirs, executors, administrators, personal representatives, officers, employees, agents, successors, and assigns, jointly or severally, whether claimed or not, known or unknown, latent or patent, including, but not limited to, any and all actions for damages sounding or arising in tort, in contract, in warranty (aside from the warranties identified and created pursuant to this Agreement), or by statute, and any and all other claims, actions and/or causes of action. Acceptance of the work is when an LG representative (procured by **AIR**) represents to the satisfaction of both **AIR** and the **CITY** that: 1) All mechanical systems are installed correctly and working properly as designed, including proper redundancy, as per the manufacturer's specifications and submittals attached hereto as Exhibit "B"; 2) All thermostats are working properly, including occupied/unoccupied settings and occupied

mode override, as per the manufacturer's specifications and submittals attached hereto as Exhibit "B"; 3) All alerting systems are working properly, including 24/7 alarm paging, alarm messages via e-mail, and system default to occupied mode when communication issues occur, as per the manufacturer's specifications and submittals attached hereto as Exhibit "B"; 4) All software is installed and working properly, as per the manufacturer's specifications and submittals attached hereto is returned to a condition equal or better than before work began; and 6) Building Permit is approved with final sign off.

16. Upon acceptance of the work by the **CITY** as outlined in Paragraph 14, **KAUFMAN** and **AIR** will hereby forever release EACH OTHER, as well as their sureties, heirs, executors, administrators, personal representatives, officers, employees, agents, successors, and assigns, jointly or severally, from any and all claims whether claimed or not, known or unknown, latent or patent, including, but not limited to, any and all actions for damages sounding or arising in tort, in contract, in warranty (aside from the warranties identified and created pursuant to this Agreement), or by statute, and any and all other claims, actions and/or causes of that each party may have as it relates to the **CITY's** Public Works Building.

17. This Agreement contains the entire understanding of the parties relating to the subject matter hereof superseding all prior communications between the parties whether oral or written, and this Agreement may not be altered, amended, modified or otherwise changed nor may any of the terms hereof be waived, except by a written instrument executed by all parties.

18. All notices submitted or required by this Agreement shall be sent by regular, registered, or certified mail and addressed to the parties as follows:

To the **CITY**:

City of Coconut Creek 4800 W. Copans Road Coconut Creek, FL 33063 Attention: Mary C. Blasi, City Manager

With a copy to:

Terrill C. Pyburn, City Attorney City of Coconut Creek 4800 W. Copans Road Coconut Creek, FL 33063

To **KAUFMAN**:

KAUFMAN LYNN CONSTRUCTION 4850 T-Rex Avenue, Suite 300 Boca Raton, FL 33431

To **AIR**:

AA ADVANCE AIR, INC. 1920 NW 32nd Street Pompano Beach, FL 33064

With a copy to:

Christopher M. Utrera, Esq. Kubicki Draper 25 West Flagler Street, PH Miami, Florida 33130

or to such other addresses either party may designate in writing, sent to all parties hereof.

19. The validity, construction and effect of this Agreement shall be governed by the laws of the State of Florida. Any claim, objection or dispute arising out of the terms of this Agreement shall be litigated EXCLUSIVELY in the Seventeenth Judicial Circuit in and for Broward County, Florida or the United States District Court for the Southern District of Florida.

20. **AIR** and/or **KAUFMAN** shall comply with all public records laws in accordance with Chapter 119, *Fla. Stat.* In accordance with state law, agrees to:

a) Keep and maintain all records that required by the **CITY** to perform the services.

b) Upon request from the **CITY**'s custodian of public records, provide the **CITY** with a copy of the requested records or allow the records to be inspected or copies within a reasonable time at a cost that does not exceed the costs provided in Chapter 119, *Fla. Stat.*, or as otherwise provided by law.

c) Ensure that public records that are exempt or confidential and exempt from public records disclosure are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if **AIR** and/or **KAUFMAN** does not transfer the records to the **CITY**.

d) Upon completion of the contract, transfer, at no cost, to the CITY all public records in possession of AIR and/or KAUFMAN or keep and maintain public records required by the CITY to perform the service. If AIR and/or KAUFMAN transfer all public records to the CITY upon completion of the contract, AIR and/or KAUFMAN shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If AIR and/or KAUFMAN keep and maintain public records upon completion of the contract, AIR shall meet all applicable requirements for retaining public records. All records

stored electronically must be provided to the **CITY**, upon request from the **CITY**'s custodian of public records, in a format that is compatible with the information technology systems of the **CITY**.

e) If **AIR** and/or **KAUFMAN** does not comply with this Section, the **CITY** shall enforce the Agreement provisions in accordance herewith and may unilaterally cancel this Agreement as it pertains to **AIR** and/or **KAUFMAN** in accordance with state law.

i) IF AIR AND/OR KAUFMAN HAVE QUESTIONS
 REGARDING THE APPLICATION OF CHAPTER 119,
 FLORIDA STATUTES, TO THEIR DUTY TO PROVIDE
 PUBLIC RECORDS RELATING TO THIS SETTLEMENT
 AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC
 RECORDS AT 954-973-6774,
 PublicRecords@coconutcreek.net, 4800 West Copans
 Road, Coconut Creek, FL 33063.

21. **AIR** shall not transfer or assign the performance required by this Agreement without the prior consent of the **CITY**. This Agreement, or any portion thereof, shall not be subcontracted without the prior written consent of the **CITY**.

22. Any provision in this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provisions in any other jurisdiction. The non-

enforcement of any provision by the parties shall not constitute a waiver of that provision nor shall it affect the enforceability of that provision or of the remainder of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement, which shall constitute an original, to be executed by its proper officers hereto duly authorized on the year and date first above written.

WITNESSES:

AA ADVANCE AIR, INC.

Ву: _____

Print Name: _____

Print Name:

CORPORATE ACKNOWLEDGMENT

STATE OF FLORIDA

COUNTY OF BROWARD

I HEREBY CERTIFY that on this day, before me, an Officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgments, personally appeared ______, of

Corporation, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged before me that he/she executed the same.

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WITNESS my hand and official seal this _____ day of _____, 2016.

Signature of Notary Public

Print, Type or Stamp Name of Notary Public

WITNESSES:

KAUFMAN LYNN CONSTRUCTION, INC.

Print Name: _____

Ву:_____

Print Name: _____

CORPORATE ACKNOWLEDGMENT

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STATE OF FLORIDA

COUNTY OF BROWARD

I HEREBY CERTIFY that on this day, before me, an Officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgments, personally appeared ______, of

Corporation, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged before me that he/she executed the same.

WITNESS my hand and official seal this _____ day of _____, 2016.

Signature of Notary Public

Print, Type or Stamp Name of Notary Public

CITY OF COCONUT CREEK, FLORIDA

ATTEST:

Ву: ___

Mary C. Blasi, City Manager

Leslie Wallace May, MMC City Clerk

Approved as to Form:

Terrill C. Pyburn, City Attorney

o:\documents\agreements\settlement agreements\revised settlement with coconut creek and kaufman (with schedule) final.docx

Exhibit "A"

Schedule of Work

1. Install Valves on System 1 Air Handler Units 2. Change Out Air Handler Units 1-1 & 1-2 3. Change Out Air Handler Units 1-4 & 1-5 4. Change Out Air Handler Units 1-6 & 1-10 5. Change Out Air Handler Units 1-34, 1-35 & 1-33 6. Install Valves on System 2 Air Handler Units 7. Change Out Air Handler Units 2-20 & 2-21 8. Change Out Air Handler Units 1-7 &1-8 9. Change Out Air Handler Units 1-9 & 1-11 10. Change Out Air Handler Units 1-12, 1-13, & 1-14 11. Change Out Air Handler Units 1-15 & 2-16 12. Change Out Air Handler Units 1-17 & 1-18 13. Change Out Air Handler Units 2-20 & 2-21 14. Change Out Air Handler Units 2-24 & 2-25 15. Change Out Air Handler Units 2-37 & 2-26 16. Change Out Air Handler Units 2-28, 1-3, & 2-38 17. Change Out Air Handler Units 2-29 & 2-30 18. Change Out Air Handler Units 2-31 & 2-32 19. Change Out Air Handler Units 2-36 & 2-37 20. Change Out Compressor Unit 1 and Air Handler Units 2-22A & 2-23A 21. Change Out Compressor Unit 2 and Air Handler Units 2-22B & 2-23B 22. Test and Balance, LG Verification and Certification and Final Inspections

23. Test and Balance, LG Verification and Certification and Final Inspections October 28-30, 2016 October 31, 2016 November 1, 2016 November 2, 2016 November 3, 2016 November 4-6, 2016 November 7, 2016 November 8, 2016 November 9, 2016 November 10, 2016 November 14, 2016 November 15, 2016 November 16, 2016 November 17, 2016 November 21, 2016 November 22, 2016 November 23, 2016 November 28, 2016 November 29, 2016

December 2-4, 2016

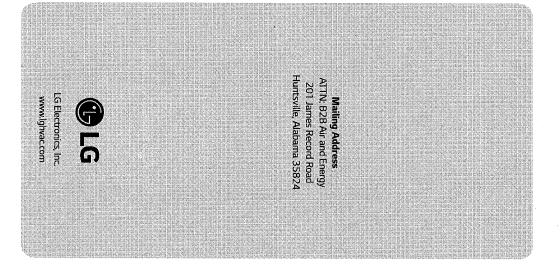
December 9-11, 2016

December 12-23, 2016

December 27-31, 2016 & January 2-7, 2017

customer assistance, please call For more information and or visit our website.

EXHIBIT["]B"





LG VARIABLE REFRIGERANT FLOW (VRF) SYSTEMS WARRANTY CARD 2/7

Outdoor Units = ODUs, Indoor Units = IDUs

Multi V Space II Air Cooled Units: ARUN***GF2 Applicable VRF Components Multi V^m Air Cooled ODUs: ARUN***BTE4/DTE4, ARUB***BTE4/DTE4 Multi V Water Cooled Units: ARWN***BAS4/DAS4, ARWB***BAS4/DAS4

Art CoolTM Mirror IDUs: ARNU***SER2/S8R2/SBR4/SCR4 Standard Wall Mount IDUs: ARNU***SEL2/S5L2/SBL4/SCL4/SVA4 Art Cool™ Gallery IDUs: ARNU***SFA4

Four-Way (2' x 2') Ceiling Cassette IDUs: ARNU***TRC*/TQC* One-Way Ceiling Cassette IDUs: ARNU***TJC2/TUC4/TTC4 Four-Way (3' x 3') Ceiling Cassette IDUs: ARNU***TPAA/TNAA/TNA*/ Two-Way Ceiling Cassette IDUs: ARNU*** TLC* TMAA/TMA*/TPC*/TNC*/TMC*

Ducted High Static IDUs: ARNU***BHA*/BGA*/BRA*/B8A* Ducted Low Static IDUs: ARNU***B1G2/B2G2/L1G4/L2G4/L3G4

Ducted Low Static Built in IDUs: ARNU***B3G*/B4G*

Vertical/Horizontal AHU IDUs: ARNU***NJA*/NKA*

Energy Recovery Ventilator Units: ARVU***ZEA2

in the country the product was purchased and installed, and only if the product was acquired from an authorized LG distributor, in the country in which the distributor was authorized to sell the product. This limited warranty is valid in the United States and applies only

FOR A COPY OF THIS WARRANTY, VISIT WWW.LGHVAC.COM

Dedicated Outdoor Air System Units: ARND***DAT2, ARND***DAR2

Outside Air Units: ARNU***BRZ4/B8Z4

Hydro Kit Units: ARNH***K2A2/K3B2

Floor Standing IDUs: ARNU***CEA*/CFA*/CEU*/CFU*

Convertible Surface Mount IDUs: ARNU***VEA2

Ceiling Suspended IDUs: ARNU***VJA2

LG MULTI V VRF SYSTEM LIMITED WARRANTY — USA LG MULTI V VRF SYSTEM LIMITED WARRANTY — USA LG MULTI V VRF SYSTEM LIMITED WARRANTY — USA

able by LG, (ii) software based design programs made available by LG, (iii) local in installation, operation, maintenance and engineering publications made availditions. This Limited Warranty shall apply to the System sold by LG in the conticodes and in accordance with best industry standards and practices. and state law and, (iv) applicable building, mechanical, plumbing and electrical installed, started, operated and service in compliance with (i) guidelines set forth company to service and install heating, ventilation, and air conditioning equipsystem is defined as a System installed by an individual and/or company: (a) who purchaser and subsequent owner(s) of location on which the System is originally nental United States, Alaska and Hawaii and extend only to the original end use ment in the state where the System resides, if required; (b) where the system is holds a current government issued license that authorizes the individual and/or installed (all such persons hereinafter referred to as "Customer"). A qualified factory workmanship under normal application, installation, use and service confail during the warranty period if it proves to be defective in materials and/or ("Part[s]") of a qualified MULTI V VRF System ("System" as defined below) that LG Electronics USA, Inc. ("LG") will replace defective internal functional parts

LIMITED WARRANTY PERIOD

- STANDARD ONE-YEAR PARTS WARRANTY FOR A QUALIFIED SYSTEM -The Part(s), including compressor are warranted for a period of one (1) year period beginning on the date of original installation or twenty four (24) months from the date of manufacture, whichever occurs first.
- ADDITIONAL FIVE (5) YEAR COMPRESSOR PART WARRANTY The Compressor is warranted for an additional five (5) year period from the second (2nd) through the sixth (6th) year after the date of original installation or twenty four (24) months from the date of manufacture, whichever occurs first.

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EXTENDED WARRANTY

Standard one (1) year parts warranty is extended to two (2) years and six (6) year compressor warranty is extended to seven (7) years for a qualified system that has a completed commissioning report submitted to LG which includes two (2) hours of LGMV data. Extended parts and compressor warranty beginsfrom the date of the original installation or twenty four (24) months from the date of the date vicinal installation or twenty four (24) months from the date of manufacture, whichever occurs first.

HOW DOES THIS LIMITED WARRANTY APPLY?

- . The remedies set forth in the Limited Warranty shall be the sole and exclusive remedies and the original warranty period in this Limited Warranty shall not extend beyond the period set forth therein, nor will a new warranty period begin, upon replacement of the Part(s) provided under this Limited Warranty.
- Replacement Part(s) may be of like kind and quality and may be new or remanufactured Part(s) and warranted for the remaining portion of the original System's warranty period of ninety (90) days, whichever is longer
- 3. Defective Part(s) must be made available to LG in exchange for the replacement Part(s) and become the property of LG. This Limited Warrarty covers the transportation cost for reshipment of any replaced Part(s) to the Customer, but does not cover expedited shipping, risk including shipping damage or loss for return of the Part(s) to LG or its authorized agent and any other costs associated with installation, removal, or re-installation of the Part(s). If any Part(s) returned to LG are found not to be defective or this Limited Warranty has expired, the Customer is responsible to pay for return shipping cost.
- 4. This Limited Warranty does not cover charges for labor or other costs incurred in the trouble shooting, maintenance, repair, removing, replacing, installing, complying with local building and electric codes, handling, or replacement of Part(s) and the complete System.
- LG will not be responsible or liable for any and all costs such as but not limited to any parts, labor, supplies, or refrigerant necessary to alter, rework, or modify the System to prepare the System for proper commissioning.

This Limited Warranty shall not be enlarged, extended, effected, and no obligation or liability shall be created by LG providing technical advice, information, service(s), applications suggestions, or equipment modifications to any person or entity associated with the installation of the System.

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LIMITED WARRANTY EXCLUSIONS AND LIMITATIONS

- A System sold and/or installed outside the continental United States, Alaska and Hawaii or removed from the location where it was originally installed.
- A System sold AS IS or WITH ALL FAULTS or consumables.
 A System that had a serial number or any Part(s) thereof altered, defaced or
- removed.
- Charges related to the rental or purchase of temporary cooling, ventilating and/or heating equipment.
 Any and all freight charges, truck charges, trip charges, charges to pickup,
- Any and all freight charges, truck charges, trip charges, charges to pickup, transport, deliver and/or install the System, or any component or part of the System including costs to expedite shipments such as, but not limited to, air, overnight and/or courier charges.
- 6. Damage and/or failure caused by System misuse, neglect, or from a failure of the Customer to operate the System as specified by the manufacturer's instructions or perform necessary preventive and routine maintenance as defined in LG published documents. Routine maintenance includes such procedures including but not limited to cleaning the condensate drain system, evaporator, and condenser coils, cleaning and/or replacing of air filters or
- Damage and/or failure caused by any supplies or labor provided by any third party service provider that are beyond the terms of this Limited Warranty.
- 8. Damage and/or failure caused by a power surge (caused by lightning and fluctuations in or interruptions of electrical power), faulty power supply, fire, water, wind, impact damage from projectiles, earthquake, theft, riot, or any and all acts of God.
- Damage and/or failure caused by improper wiring, installation, and handling of the System while in transit or in a storage facility or damage caused by force majeure.
- Damage and/or failure caused by System exposure to corrosive chemical vapors and/or liquids.
- Damage and/or failure caused by improper application of the System or any component of the System.
- 12. Damage and/or failure caused by modification and/or alteration of the System or any component of the System in order to meet government codes or regulations.
- 13. Maintenance or field provided part(s) other than those provided by LG such as filters, field installed components or accessories including but not limited to accessories including durtwork etc.
- to refrigerant piping, drain lines, control and electrical wiring, ductwork, etc 14. Damage and/or failure caused by adjustments of user controls.
- 15. Acts, or issions, and conduct of any and all third parties including, but not limited to, the installing contractor.

LIMITATION OF WARRANTY SCOPE

EXCEPT TO THE EXTENT PROHIBITED BY APPLICABLE LAW, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE ON THE SYSTEM IS LIMITED IN DURATION OF THIS LIMITED WARRANTY. UNDER NO CIRCUMSTANCES SHALL LG BE LIABLE FOR ANY INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES INCLUDING, WITHOUT LIMITATION, LOST GOODWILL, LOST REVENUE OR PROFITS, WORK, STOPPAGE, SYSTEM FAILURE, IMPAIRMENT OF OTHER GOODS, COST OF REMOVAL AND REINSTALLATION OF THE SYSTEM, LOSS OF USE, INJURY TO PERSONS OR PROPERTY ARISING OUT OF OR RELATED TO THE SYSTEM. LG'S TOTAL LIABILITY, IF ANY, DAM-AGES OR OTHERWISE, SHALL NOT EXCEED THE INVOICE VALUE PAID BY THE CUSTOMER FOR THE SYSTEM FURNISHED, WHICH IS THE SUBJECT OF A CLAIM

> OR DISPUTE. SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, OR ALLOW UMITATIONS ON HOW LONG AN IMPLIED WARRANTY LAST, SO THE ABOVE LIMITATIONS OR EXCLUSIONS MAY NOT APPLY TO THE CUSTOMER. THIS LIMITED WARRANTY GIVES THE CUSTOMER SPECIFIC LEGAL RIGHTS. CUSTOMERS MAY ALSO HAVE OTHER RIGHTS THAT VARY FROM STATE TO STATE.

ASSERTION OF CLAIMS

The assertion of claims under this Limited Warranty presupposes that the Customer has: (i) informed the authorized reseller/distributor of the System in writing of the alleged claim, or that; (ii) this written notification has been sent directly to the address stated below in the event that the authorized reseller/distributor no longer exists (e.g. due to discontinuance of business or bankruptcy). Any such assertion of claims must be accompanied by the original sales receipt as the proof of purchase and time of installation of the System. The assertion of the claim must occur within thirty (30) days from the date that the claim is identified. The return of Part(s) may only occur after the written authorization of LG has been given.

OBTAINING WARRANTY PARTS AND ADDITIONAL INFORMATION

Customers who believe they have a justified claim covered by this Limited Warranty must immediately notify the authorized LG representative, or contact directly by calling to 1-888-865-3026, or by writing to:

LG ELECTRONICS USA, INC B2B AIR AND ENERGY 201 JAMES RECORD ROAD HUNTSVILLE, AL 35824

DISPUTE

Except to the extent prohibited by applicable law, the Customer agrees she/he will not bring any action, regardless of form, arising out of or in any way connected with this Limited Warranty, more than one (1) year after the cause of action has occurred.

ARBITRATION

The laws of the state of Georgia govern this Limited Warranty and all of its terms and conditions, without giving effect to any principles of conflicts of laws. All actions at law or in equity arising out of or relating to these terms and conditions shall be submitted to confidential arbitration in Atlanta, Georgia. Arbitration under this Limited Warranty shall be conducted under the nules then prevailing of the American Arbitration Association. The arbitrator's award shall be binding and may be entered as a judgment in any court of competent jurisdiction. To the fullest extent permitted by applicable law, no arbitration under this Limited Warranty shall be joined to an arbitration involving any other party subject to this Limited Warranty, whether through class arbitration proceedings or otherwise.

SEVERABILITY

If a part, provision or section of this Limited Warranty, or its application to any person or circumstance is held invalid, void or unenforceable, such holding shall not affect this Limited Warranty and all other parts, provisions, clauses or applications shall remain, and, to this end, such other parts, provisions, clauses or applications of the Limited Warranty shall be treated as severable.

VALIDITY

This Limited Warranty shall be valid from October 1, 2013 and shall apply to all commercial MULTI V VRF Systems sold to specified Customers on or after this date. LG holds the right to amend the provisions, clauses or applications of this Limited Warranty from time to time without notice, however such changes would not be retrospective.

WD_MV_VRF_Warranty_2_7_Terms_4_16