IMAGINE POOLS LIMITED WARRANTY

Imagine Pools Manufacturing North America Inc. (hereafter referred to as **"Imagine Pools"**) provides the following standard limited warranties (each as defined below and, collectively, the **"Limited Warranty"**) to the original retail purchaser or Authorized Transferee (as defined in Section C(4) below) (as applicable, the **"Retail Purchaser"**) of its products listed below on the following terms:

A. STRUCTURAL LIMITED WARRANTIES

1. ***Structural Limited Warranties.*** Subject to the exclusions and conditions listed herein, Imagine Pools warrants the structural soundness of its Fiber-Reinforced Pool shell ("**Composite Pool**") against water loss caused by (a) defects in manufacturing workmanship and materials or (b) osmosis for the lifetime of the Retail Purchaser of the Composite Pool (but in no event less than 35 years) so long as the Composite Pool is owned by the Retail Purchaser. Subject to the exclusions and conditions listed herein, Imagine Pools warrants the structural soundness of its Standard Pool shell ("**Standard Pool**" and, together with the Composite Pool, the "**Pool**") against water loss caused by defects in manufacturing workmanship and materials (but not against water loss caused by osmosis) for a period of 20 years from the date of purchase by the Retail Purchaser so long as the Standard Pool is owned by the Retail Purchaser (the "**Standard Pool Limited Warranty**" and, together with the Composite Pool Limited Warranty, the "**Structural Limited Warranty**").

2. ***Required Retail Purchaser Actions Under Structural Limited Warranty.*** To obtain Structural Limited Warranty services, the Retail Purchaser must (a) return a completed warranty card prior to any Structural Limited Warranty services and within six (6) months of delivery of the Pool; (b) notify Imagine Pools in writing within seven (7) days of becoming aware of a potential Structural Limited Warranty claim; (c) provide Imagine Pools and/or its affiliates, agents or subcontractors a reasonable opportunity to inspect the Pool and the installation or use thereof and records kept in connection therewith and (d) have paid Imagine Pools or its designated sales affiliate the Purchase Price (as defined in Section (C)(3)) for the Pool in full (collectively, the **"Retail Purchaser Structural Limited Warranty Actions"**). The Imagine Pools mailing address, warranty department and address and warranty telephone number for purposes of the foregoing are as follows:

Imagine Pools Warranty Department
2901 Leisure Island Way, Knoxville, TN 37914
(865) 281-1511

3. ***Exclusions to Structural Limited Warranty.*** The Structural Limited Warranty shall not apply in connection with any of the following:

(a) failure to complete any of the Retail Purchaser Structural Limited Warranty Actions above;

(b) damages or alterations caused or contributed to by acts of nature including but not limited to earthquake, ground movement, storm or flood, inadequate site drainage, excessive hydrostatic pressure, ground water, underground springs, underground obstructions, tree roots or heavy water flow into the Pool;

(c) installation, repairs, alterations or other work by someone other than an authorized Imagine Pools dealer;

(d) failure to install the Pool level and/or in accordance with Imagine Pools' installation guidelines and engineering specifications and all applicable codes, laws, rules and regulations;

(e) normal wear and tear, mistreatment, abnormal use of the Pool, neglect, or alteration;

(f) damages caused or contributed to by accident, abuse (whether chemical, accidental or deliberate), misuse or exposure to fire or hazards of nature;

(g) failure to comply with any written guidelines, specifications or instructions contained in the Imagine Pools swimming pool handbook provided to the Retail Purchaser, including without limitation with respect to Pool maintenance and the use of proper chemicals;

(h) if the Pool is emptied to a level less than the skimmer box or by more than thirty percent (30%) of the water capacity of the Pool (whichever is the lesser) without the prior written consent of Imagine Pools;

(i) if the Pool is allowed to overflow with water;

(j) failure to maintain a monthly written record of the water levels in the Pool, including the levels of chlorine, free chlorine, pH, total alkalinity and calcium hardness (with calcium hardness to be tested by a pool shop at least every 6 months);

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(k) failure to maintain the pH level of the water in the Pool between 7.2 and 7.4, the total alkalinity level between 80 to 120 parts per million and/or the free chlorine level between 1 and 3 parts per million;

(l) damages caused or contributed to by the water chemistry in the Pool outside of any standard operating water conditions set forth in the Imagine Pools swimming pool handbook provided to the Retail Purchaser;

(m) damages or alterations caused or contributed to by the use of improper or incorrect chemicals;

(n) failure to maintain the Pool in good order and condition;

(o) water loss due to failure of pipe fittings, inlet fittings, outlet fittings, solar connections, manifold, skimmer, hydrostatic valve relief, light fittings or anything connected to the Pool;

(p) the coping (top edge around the perimeter of the Pool), which is not considered part of the Pool for Limited Warranty purposes and which Imagine Pools recommends be covered with concrete, pavers, tiles or other suitable covering subject to applicable conditions;

(q) any equipment used in connection with the Pool or any other accessories or surrounds, including without limitation waterfalls or fountains and decks, concrete, wood, masonry or other surrounds;

(r) changes in color, fading of color or stains of the internal gelcoat finish of the Pool or the external finish of the Pool;

(s) damages sustained during or as a result of loading, transporting or unloading by the Retail Purchaser or a third party;

(t) problems attributable to any specifications, drawings, information and/or data supplied to Imagine Pools or its affiliates by or at the direction of the Retail Purchaser, whether or not accepted by Imagine Pools or its affiliates;

(u) any goods or components not manufactured by Imagine Pools or its affiliates;

(v) surface cracking and surface imperfections on the internal and external surface finish of the Pool;

(w) damages caused or contributed to by inadequate site drainage or incorrect deck installation;

(x) damage to or failure resulting from any attachments to the Pool such as fittings, skimmers, piping, lighting fixtures, wiring, rails, ladders, slides or any other accessories; or

(y) problems or damages with a Standard Pool caused or contributed to by osmosis.

B. SURFACE LIMITED WARRANTY

1. ***Surface Limited Warranty.*** Subject to the exclusions and conditions listed herein, Imagine Pools warrants the surface of its Pool against excessive pigmentation change caused by defects in manufacturing workmanship and materials for a period beginning on the date the Retail Purchaser purchases the Pool (the "**Purchase Date**") and ending on the date that is ten (10) years from the Purchase Date so long as the Retail Purchaser owns the Pool (the "**Surface Limited Warranty**"). This Surface Limited Warranty is accepted by the Retail Purchaser with the understanding that, with exposure to the elements and time, some color and surface degradation may occur. While necessary chemicals for the Pool may be obtained from any company, Imagine Pools recommends that only chemicals purchased from its affiliates in accordance with the pool chemistry guidelines be used. The use of improper or incorrect chemicals voids the Surface Limited Warranty.

2. ***Required Retail Purchaser Actions Under Surface Limited Warranty.*** To obtain Surface Limited Warranty services, the Retail Purchaser must (a) return a completed warranty card prior to any Surface Limited Warranty services and within six (6) months of delivery of the Pool; (b) notify Imagine Pools in writing within seven (7) days of becoming aware of a potential Surface Limited Warranty claim; (c) provide Imagine Pools and/or its affiliates, agents or subcontractors a reasonable opportunity to inspect the Pool and the installation or use thereof and records kept in connection therewith; and (d) have paid Imagine Pools or its designated sales affiliate the Purchase Price (as defined in Section (C)(3)) for the Pool in full (collectively, the "**Retail Purchaser Surface Limited Warranty Actions**"). The Imagine Pools mailing address, warranty department and address and warranty telephone number for purposes of the foregoing are as follows:

Imagine Pools Warranty Department
2901 Leisure Island Way, Knoxville, TN 37914
(865) 281-1511

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3. ***Exclusions to Surface Limited Warranty.*** The Surface Limited Warranty shall not apply in connection with any of the following:

(a) failure to complete any of the Retail Purchaser Surface Limited Warranty Actions above;

(b) damages or alterations caused or contributed to by acts of nature including but not limited to earthquake, ground movement, storm or flood, inadequate site drainage, excessive hydrostatic pressure, ground water, run-off water, underground springs, underground obstructions, tree roots or heavy water flow into the Pool;

(c) installation, repairs, alterations or other work by someone other than an authorized Imagine Pools dealer;

(d) failure to install the Pool level and/or in accordance with Imagine Pools' installation guidelines and engineering specifications and all applicable codes, laws, rules and regulations;

(e) normal wear and tear, mistreatment, abnormal use of the Pool, neglect, or alteration;

(f) damages caused or contributed to by accident, abuse (whether chemical, accidental or deliberate), misuse or exposure to fire or hazards of nature;

(g) failure to comply with any written guidelines, specifications or instructions contained in the Imagine Pools swimming pool handbook provided to the Retail Purchaser, including without limitation with respect to Pool maintenance and the use of proper chemicals;

(h) if the Pool is emptied to a level less than the skimmer box or by more than thirty percent (30%) of the water capacity of the Pool (whichever is the lesser) without the prior written consent of Imagine Pools;

(i) if the Pool is allowed to overflow with water;

(j) failure to maintain a monthly written record of the water levels in the Pool, including the levels of chlorine, free chlorine, pH, total alkalinity and calcium hardness (with calcium hardness to be tested by a pool shop at least every 6 months);

(k) failure to maintain the pH level of the water in the Pool between 7.2 and 7.4, the total alkalinity level between 80 and 120 parts per million, the calcium level between 150 and 200 parts per million, and/or the free chlorine level between 1 and 3 parts per million;

(l) damages caused or contributed to by the water chemistry in the Pool outside of any standard operating water conditions set forth in the Imagine Pools swimming pool handbook provided to the Retail Purchaser;

(m) damages or alterations caused or contributed to by the use of improper or incorrect chemicals;

(n) damages or alterations caused or contributed to by chlorine tablets resting on the surface of the Pool;

(o) failure to maintain the Pool in good order and condition;

(p) the coping (top edge around the perimeter of the Pool), which is not considered part of the Pool for Limited Warranty purposes and which Imagine Pools recommends be covered with concrete, pavers, tiles or other suitable covering subject to applicable conditions;

(q) minor to moderate pigmentation changes in color, fading of color or stains of the internal gelcoat finish of the Pool or the external finish of the Pool;

(r) damages sustained during or as a result of loading, transporting or unloading by the Retail Purchaser or a third party;

(s) surface cracking and surface imperfections on the internal and external surface finish of the Pool;

(t) damages caused or contributed to by inadequate site drainage or incorrect deck installation;

(u) damage to or failure resulting from any attachments to the Pool such as fittings, skimmers, piping, lighting fixtures, wiring, rails, ladders, slides or any other accessories; or

(v) problems or damages with a Standard Pool caused or contributed to by osmosis.

C. **OTHER CONDITIONS.** The following shall apply in connection with the Limited Warranty, including both the Structural Limited Warranty and the Surface Limited Warranty:

1. **DAMAGES LIMITATION.** THE LIMITED WARRANTY DOES NOT COVER THE COST OF REMOVAL, REINSTALLATION, TRAVEL, LODGING, LOSS OF TIME OR USE OF THE POOL, INCONVENIENCE, DAMAGE TO PROPERTY (INCLUDING WITHOUT LIMITATION ANY FENCING, GRASS, PLANTS, DRIVEWAYS, SIDEWALKS, TREES, PATIOS OR OTHER IMPROVEMENTS), OR OTHER INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES ARISING FROM ANY DEFECT OR IN CONNECTION WITH ANY REPLACEMENT OR REPAIR HEREUNDER. SOME STATES DO NOT ALLOW EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATION MAY NOT APPLY TO THE RETAIL PURCHASER WITH RESPECT TO THE LIMITED WARRANTY.

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2. DISCLAIMERS. NEITHER IMAGINE POOLS NOR ANY OF ITS AFFILIATES MAKES ANY EXPRESS WARRANTY OF ANY KIND OTHER THAN THE EXPRESS LIMITED WARRANTY HEREIN, WHICH MAY NOT BE ALTERED IN ANY MANNER WITHOUT THE EXPRESS WRITTEN CONSENT OF IMAGINE POOLS. IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ARE LIMITED TO THE DURATION OF THE LIMITED WARRANTY FOR PRODUCTS COVERED THEREBY. SOME STATES OR PROVINCES DO NOT ALLOW LIMITATIONS ON HOW LONG AN IMPLIED WARRANTY LASTS, SO THE ABOVE LIMITATION MAY NOT APPLY TO THE RETAIL PURCHASER. ALL IMPLIED WARRANTIES, WHETHER STATUTORY OR OTHERWISE, ON PRODUCTS OR SALES NOT COVERED BY THE LIMITED WARRANTY, INCLUDING WITHOUT LIMITATION ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, PERFORMANCE, NON-INFRINGEMENT AND TITLE, ARE HEREBY EXPRESSLY DISCLAIMED BY IMAGINE POOLS AND ITS AFFILIATES AND WAIVED TO THE FULLEST EXTENT ALLOWED BY LAW AND SUCH PRODUCTS ARE SOLD "AS IS," WITH ALL FAULTS AND WITHOUT WARRANTY OF ANY KIND, AND ANY WARRANTIES IN CONNECTION THEREWITH IMPLIED BY ANY COURSE OF DEALING OR USAGE ARE EXPESSLY EXCLUDED.

3. REMEDIES. If the Limited Warranty is applicable, Imagine Pools shall, at its option, either repair or replace the defective Pool, or may refund the Purchase Price, or a portion thereof, in its sole discretion, which repair, replacement or refund may be effected directly by Imagine Pools or through an Imagine Pools affiliate at the discretion of Imagine Pools. Any such warranty replacement or repair shall only be warranted until the conclusion of the original warranty term. In the event Imagine Pools chooses to repair the Pool, it will repair it so that it can retain water. Neither Imagine Pools nor its affiliates shall be responsible for any cost to refill the Pool or chemically condition the Pool water. The Retail Purchaser is responsible for draining and bracing the Pool, and for removing all hydrostatic (ground water) from around the Pool. Warranty repairs may (a) require modification to the Pool, including without limitation modification to the length, width, depth or texture of the Pool; (b) require the removal or sanding off of the non-skid finish of the Pool and the reapplication thereof; and/or (c) result in a different appearance of the repaired area from the original condition of the Pool, including without limitation gelcoat repairs resulting in a color or shade variance from the original gelcoat color. IN NO EVENT SHALL THE LIABILITY OF IMAGINE POOLS AND ITS AFFILIATES UNDER THE LIMITED WARRANTY EXCEED THE PURCHASE PRICE PAID TO IMAGINE POOLS OR ITS DESIGNATED SALES AFFILIATE, AS APPLICABLE, FOR THE POOL. FOR THE AVOIDANCE OF DOUBT, THE **"PURCHASE PRICE"** PAID TO IMAGINE POOLS OR ITS DESIGNATED SALES AFFILIATE FOR THE POOL MEANS EITHER (A) THE WHOLESALE PRICE PAID BY THE APPLICABLE IMAGINE POOLS DEALER IF THE RETAIL PURCHASER PURCHASED THE POOL FROM A DEALER OR (B) THE RETAIL PRICE PAID BY THE RETAIL PURCHASER TO IMAGINE POOLS OR ITS DESIGNATED SALES AFFILIATE IF THE RETAIL PURCHASER PURCHASED THE POOL DIRECTLY FROM IMAGINE POOLS OR ITS DESIGNATED SALES AFFILIATE, WITH THE PURCHASE PRICE IN EACH CASE BEING ONLY THAT PAID FOR THE SHELL OF THE POOL ITSELF AND NO OTHER RELATED PRODUCTS, EQUIPMENT, COPING, SURROUNDS, LANDSCAPING OR OTHER WORK OR ASSOCIATED PROJECT COSTS. THE REMEDIES SET FORTH HEREIN CONSTITUTE THE RETAIL PURCHASER'S SOLE AND EXCLUSIVE REMEDIES, AND THE SOLE OBLIGATION AND LIABILITY OF IMAGINE POOLS AND ITS AFFILIATES, FOR ANY BREACH OF THE LIMITED WARRANTY.

4. TRANSFER OF LIMITED WARRANTY. The Retail Purchaser may transfer the Limited Warranty within five (5) years of the date the Pool was originally purchased by notifying Imagine Pools in writing of the change in ownership and providing Imagine Pools with the name, address, telephone number and e-mail address of the new owner (the "**Authorized Transferee**"). Any such transfer must occur within one (1) month of the change in ownership and shall be effective when the Authorized Transferee has received the Imagine Pools swimming pool handbook and Limited Warranty from Imagine Pools.

5. THIRD PARTY PRODUCTS. Neither Imagine Pools nor its affiliates shall have any warranty or other obligations with respect to goods or materials manufactured by third parties, and the warranty (if any) of the respective third party manufacturer will instead apply. Buyer agrees that the disclaimers in Section (C)(2) above shall apply equally to such goods or materials manufactured by third parties.

6. APPLICATION OF STATE OR PROVINCIAL LAWS. This Limited Warranty gives the Retail Purchaser specific legal rights, and the Retail Purchaser may also have other rights which vary from state to state or among provinces.

7. SOLE AGREEMENT. This Limited Warranty is accepted by the Retail Purchaser with the understanding that it is the sole warranty offered by Imagine Pools or its affiliates applicable to the Pool and supersedes any prior understandings, agreements or representations, whether written or oral, by or among Imagine Pools and/or its affiliates and the Retail Purchaser regarding the subject matter herein.