## Powerex Limited Warranty - Applicable to Non-OEM Customers

Warranty and Remedies. (a) General. Powerex warrants each Compressor System, Vacuum System, Vacuum Pump, Compressor Air-End, or Powerex branded Accessory (collectively "Products", individually each a "Product") to be free from defects in material and workmanship ("Defects") at the date of shipment. This warranty shall apply only to Products that are purchased and used Worldwide. EXCEPT AS SET FORTH BELOW, NO OTHER WARRANTY, WHETHER EXPRESS OR IMPLIED, INCLUDING ANYWARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, SHALL EXIST IN CONNECTION WITH THE SALE OR USE OF SUCH PRODUCTS. TO THE EXTENT PERMITTED BY LAW, ANY AND ALL IMPLIED WARRANTIES ARE EXCLUDED. All warranty claims must be made in writing and delivered to Powerex in accordance with the procedures set forth on its website (www.powerexinc.com), or such claim shall be barred. Upon timely receipt of a warranty claim, Powerex shall inspect the Product claimed to have a Defect, and Powerex shall repair, or, at its option, replace, free of charge, any Product which it determines to have had a Defect; provided, however, that if circumstances are such as to preclude the remedying of Defect by repair or replacement, Powerex shall, upon return of the Product, refund to buyer any part of the purchase price of such Products paid to Powerex. Freight for returning Products to Powerex for inspection shall be paid by buyer. The warranties and remedies herein are the sole and exclusive remedy for any breach of warranty or for any other claim based on any Defect, or non-performance of the Products, whether based upon contract, warranty or negligence.

- (b) (i) <u>Standard Period of Warranty Parts and Labor</u> The purchase of any system includes our standard warranty. Powerex warrants and represents all Products shall be free from Defects for the first eighteen (18) months from the date of shipment by Powerex, or twelve (12) months from the documented date of startup, or five thousand (5,000) hours of use, whichever occurs first. During such warranty period, Powerex shall be fully liable for all Defects in the Products (the "Product Defects"), i.e., all costs of repair or replacement, which may include "in and out" charges, so long as the Products are reasonably located and accessible by service personnel for removal. "In and out" charges include the costs of removing a Product from buyer's equipment for repair or replacement.
- (ii) <u>Premium Period of Warranty Parts and Labor</u> In order to be eligible for premium warranty coverage, a premium warranty for each system must be purchased when order is placed. Powerex warrants and represents all Products shall be free from Defects for the first thirty (30) months from the date of shipment by Powerex, or twenty-four (24) months from the documented date of startup, or seven thousand five hundred (7,500) hours of use, whichever occurs first. During such warranty period, Powerex shall be fully liable for all Defects in the Products (the "Product Defects"), i.e., all costs of repair or replacement, which may include "in and out" charges, so long as the Products are reasonably located and accessible by service personnel for removal. "In and out" charges include the costs of removing a Product from buyer's equipment for repair or replacement.
- (c) <u>Additional Period of Warranty Parts Only (No Labor)</u>. In addition to the above, Powerex warrants each Powerex branded Compressor Air-End and Vacuum Pump shall be free of Defects for a period of forty-two (42) months from the date of shipment by Powerex, or thirty-six (36) months from the documented date of startup, or ten thousand (10,000) hours of use, whichever occurs first. Supplier's repair or replacement of any Product shall not extend the period of any warranty of any Product. This warranty applies to the exchange of part(s) found to be defective by an Authorized Powerex Service Representative only.
- (d) <u>Replacement Pumps Parts Only (No Labor)</u>. For any replacement Air-End or Vacuum Pumps installed on a Powerex manufactured system or unit after any initial warranty period has expired or where another warranty does not apply for any reason, Powerex warrants that the Air-End or Vacuum Pumps shall be free of Defects for a period of thirty-six (36) months from the date of shipment by Powerex or ten thousand (10,000)hours of use, whichever comes first. For any replacement Air-End or Vacuum Pumps installed on a system that was not manufactured by Powerex after any initial warranty period has expired or where another warranty does not apply for any reason, Powerex warrants that the Air-End or Vacuum Pumps shall be free of Defects for the first twelve (12) months from the date of shipment by Powerex. Supplier's repair or replacement of any Product shall not extend the period of any warranty of any Product. This warranty applies to the exchange of part(s) found to be defective by an Authorized Powerex Service Representative only.
- (e) <u>Replacement Motors Parts Only (No Labor)</u>. For any replacement motor installed on a Powerex manufactured system or unit after any initial warranty period has expired or where another warranty does not apply for any reason, Powerex warrants that the replacement motor shall be free of Defects for the first twelve (12) months from the date of shipment by Powerex. For any replacement motor installed on a system or unit that was not manufactured by Powerex after any initial warranty period has expired or where another warranty does not apply for any reason, Powerex warrants that the replacement motor shall be free of Defects for the first ninety (90) days from the date of shipment by Powerex. Supplier's repair or replacement of any Product shall not extend the period of any warranty of any Product. This warranty applies to the exchange of part(s) found to be defective by an Authorized Powerex Service Representative only.
- (f) Replacement Parts Parts Only (No Labor). For other replacement parts besides motors, Air-End or Vacuum Pumps installed on a Powerex manufactured system or unit after any initial warranty period has expired or where another warranty does not apply for any reason, Powerex warrants that such replacement parts will be free from Defects for the first twelve (12) months from the date of shipment by Powerex. For other replacement parts besides motors, Air-End or Vacuum Pumps installed on a system or unit that was not manufactured by Powerex after any initial warranty period has expired or where another warranty does not apply for any reason, Powerex makes no warranties. Supplier's repair or replacement of any Product shall not extend the period of any warranty of any Product. This warranty applies to the exchange of part(s) found to be defective by an Authorized Powerex Service Representative only.
- (g) <u>Coverage</u> The warranty provided herein applies to Powerex manufactured units or systems only.
- (h) Exceptions. Notwithstanding anything to the contrary herein, Powerex shall have no warranty obligations with respect to Products:
  - (i) that have not been installed in accordance with Powerex's written specifications and instructions;
  - (ii) that have not been maintained in accordance with Powerex's written instructions;
  - (iii) that have been materially modified without the prior written approval of Powerex; or
  - (iv) that experience failures resulting from operation, either intentional or otherwise, in excess of rated capacities or in an otherwise improper manner.
- (i) The warranty provided herein shall not apply to: (i) any defects arising from corrosion, abrasion, use of insoluble lubricants, or negligent attendance to or faulty operation of the Products; (ii) ordinary wear and tear of the Products; or (iii) defects arising from abnormal conditions of temperature, dirt or corrosive matter; (iv) any OEM component which is shipped by Powerex with the original manufacturer's warranty, which shall be the sole applicable warranty for such component.

<u>Limitation of Liability.</u> NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, TO THE EXTENT ALLOWABLE UNDER APPLICABLE LAW, UNDER NO CIRCUMSTANCES SHALL POWEREX BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTAL, PUNITIVE, SPECULATIVE OR INDIRECT LOSSES OR DAMAGES WHATSOEVER ARISING OUT OF OR IN ANY WAY RELATED TO ANY OF THE PRODUCTS OR GOODS SOLD OR AGREED TO BE SOLD BY POWEREX TO BUYER. TO THE EXTENT ALLOWABLE UNDER APPLICABLE LAW, POWEREX'S LIABILITY IN ALL EVENTS IS LIMITED TO, AND SHALL NOT EXCEED, THE PURCHASE PRICE PAID.

<u>Warranty Disclaimer.</u> Powerex has made a diligent effort to illustrate and describe the Products in its literature, including its Price Book,accurately; however, such illustrations and descriptions are for the sole purpose of identification, and do not express or imply a warranty that the Products are merchantable, or fit for a particular purpose, or that the Products will necessarily conform to the illustrations or descriptions.

<u>Product Suitability.</u> Many jurisdictions have codes and regulations governing sales, construction, installation, and/or use of Products for certain purposes, which may vary from those in neighboring areas. While Powerex attempts to assure that its Products comply with such codes, it cannot guarantee compliance, and cannot be responsible for how the product is installed or used. Before purchase and use of a Product, please review the Product applications, and national and local codes and regulations, and be sure that the Product, installation, and use will comply with them.

Claims. Any non-warranty claims pertaining to the Products must be filed with Powerex within 6 months of the invoice date, or they will not be honored. Prices, discounts, and terms are subject to change without notice or as stipulated in specific Product quotations. Powerex shall not be liable for any delay or failure arising out of acts of the public enemy, fire, flood, or any disaster, labor trouble, riot or disorder, delay in the supply of materials or any other cause, whether similar or dissimilar, beyond the control of Company. All shipments are carefully inspected and counted before leaving the factory. Please inspect carefully any receipt of Products noting any discrepancy or damage on the carrier's freight bill at the time of delivery. Discrepancies or damage which obviously occurred in transit are the carrier's responsibility and related claims should be made promptly directly to the carrier. Returned Products will not be accepted without prior written authorization by Powerex and deductions from invoices for shortage or damage claims will not be allowed. UNLESS OTHERWISE AGREED TO IN WRITING, THE TERMS AND CONDITIONS CONTAINED IN THIS LIMITED WARRANTY WILL CONTROL IN ANY TRANSACTION WITH POWEREX. Any different or conflicting terms as may appear on any order form now or later submitted by the buyer will not control. All orders are subject to acceptance by Powerex.