I. Warranty.

Northcoast Power Systems LLC ("NCPS") warrants, to the original purchaser ("Customer"), that NCPS may repair or replace defective or malfunctioning parts ("Failed Part"), if NCPS repaired or replaced the Failed Part, in accordance with the following conditions.

II. Warranty Scope, Period, and Execution.

A. Scope of Warranty.

1. <u>Machined Parts.</u> All Failed Parts machined by NCPS, or any of its suppliers, are only warranted for size at the time the machine work is performed. Failed Parts not detected by NCPS will not be warranted.

2. <u>Supplier's Warranty.</u> NCPS does not warrant products manufactured by its suppliers. Any warranties on the products distributed by NCPS are those made by the product manufacturer. NCPS hereby expressly disclaims all warranties, either expressed or implied, on the products NCPS distributes. NCPS neither assumes nor authorizes any person to assume for it, any liability in connection with the sale of said products.

3. <u>Operator's Negligence, etc.</u> NCPS shall not warrant any failure caused by: misuse, negligence, alteration, accident, or lack of maintenance. NCPS shall not warrant Failed Parts subsequently repaired by another party shall not be warranted by NCPS. NCPS shall not warrant the replacement of service supplies such as, but not limited to: oil, fuel, coolant, filters, belts, and hoses. NCPS shall not warrant loss of time, loss of use, inconvenience, and other consequential damages. NCPS shall not warrant progressive damage caused by an operator's failure to remove defective equipment from service, operator's such actions shall be considered negligence. NCPS shall not be held responsible for loss of life or injury resulting from equipment failure.

4. <u>Disclaimer of Other's Work.</u> NCPS shall not warrant labor supplied by anyone other than NCPS employees or subcontractors.

5. <u>Failure to Pay Invoices.</u> NCPS shall not warranty any Failed Parts, if Customer fails to pay any invoice in full by the invoice due date as indicated on the invoice. Non-acceptance of these terms voids the warranty.

B. Warranty Period.

1. <u>General Warranty</u>. This warranty shall be in effect for a period equal to the shorter of 1,200 service hours from the Warranty Start Date, as defined below, or 12 months from the Warranty Start Date.

2. <u>General Warranty Expiration</u>. This warranty shall expire upon the occurrence of either of the following events: (a) 1,200 service hours after the Warranty Start Date, or (b) 12 months after the Warranty Start Date.

3. <u>Warranty Start Date.</u> The Warranty Start Date shall be the close date of the original work order submitted by NCPS to Customer. If no original work order is delivered by NCPS to the Customer, then the Warranty Start Date shall be the date of the original invoice submitted by NCPS to Customer. If no original work order is delivered to Customer and no original invoice is submitted by NCPS to original purchaser, then there shall be no warranty.

4. <u>Warranty for Parts not In Service</u>. This warranty shall be in effect for a period equal to the shorter of 600 service hours from the Warranty Start Date, as defined above, or 6 months from the Warranty Start Date for all Failed Parts not put into immediate service. If the Failed Parts are not put into immediate service, the warranty will take effect when the component or engine is inspected and documented to be in service by NCPS personnel the first time. It is the customer's responsibility to contact NCPS for a pre-service inspection prior to placing the components or engines into service. Failure to obtain a pre-service inspection, renders this warranty invalid.

C. Warranty Execution.

1. <u>Duty to Contact.</u> Immediately following the occurrence of any warrantable failure, Customer shall contact NCPS for instructions and approval. Failure to contact NCPS shall be considered negligence and shall void the warranty.

2. <u>Warranty Repair Location & Subcontracting.</u> All warranty repairs will originate at NCPS facility. It is NCPS sole option to perform the warranty repair on site. If it is not possible to perform the warranty repair at an NCPS facility, a discount travel agreement will be made between the Customer and NCPS. It is NCPS sole option to elect to have an outside party perform warranty repairs at no expense to the Customer.

D. Final Agreement.

This warranty is the only warranty applicable to NCPS. NCPS shall not honor any other warranties, expressed or implied.