This warranty will prevail unless there is a product specific warranty in force.

The Quality Air Management (QAM) Dust Collection Product(s), when purchased and installed for industrial use, is warranted by QAM to the purchaser for one (1) year against defects in material or workmanship of the product. Any defective part in the product will be, at QAM's option, either repaired or replaced. <u>The purchaser must obtain a Returned Goods Authorization and return such defective part, with all transportation charges prepaid by said purchaser to a location specified by QAM's Customer Service Department. any other returns will be refused and <u>sent back to the sender</u>. The repaired or replacement part will, in turn, be shipped by QAM, to the purchaser, freight collect, with the purchaser to be responsible for all freight charges. The warranty on any repaired or replacement part shall be for duration of time no longer than the remaining or unexpired term of the original warranty. This warranty does not cover any labor or other service charges incurred by the purchaser. Warranty coverage begins on the date of shipment to the purchaser, or on the date of sale to the end-user customer if is sold by a distributor or value-added reseller.</u>

### Replacement Part Coverage

Any replacement part that is defective will be repaired or replaced for a period of up to 90 days, excluding "wear" and "consumable" parts, or for the remainder of the coverage for the original machine warranty, whichever is longer.

## **Distributor Warranty**

For a product(s) sold by QAM to a purchaser on a buy and resale basis, any warranty claims will be subrogated back to the manufacturer/supplier and be governed solely by said supplier's warranty, terms and conditions.

### DISCLAIMERS AND EXCLUSIONS

Following shall be applicable to products of QAM, described above which are purchased for an industrial use.

- 1. <u>Customer/purchaser waives any rights and seller shall have no obligations under this warranty if any portion of the purchase price remains unpaid or if customer's account with the seller is in arrears.</u>
- 2. <u>Complete jobsite and operating conditions must be provided</u>, by the purchaser, either on our job survey forms, with the quote request or with the purchase order. Otherwise the performance guarantee and/or warranty shall be void.
- 3. The warranty described hereinabove shall be IN LIEU of any other warranties, whether statutory, oral, expressed or implied. Except as set out hereinabove, there are NO other warranties, and, any statutory or implied warranty of MERCHANTABILITY or fitness for a particular purpose is EXCLUDED from this transaction and shall not apply.
- 4. In accepting the product or service, the purchaser agrees that his sole and exclusive remedy against QAM, shall be for the repair or replacement of defective parts as provided hereinabove. The purchaser agrees that NO OTHER REMEDY (including, but not limited to, incidental or consequential damages for lost profits, lost sales, injury to person or property, or any other incidental or consequential loss) shall be available to him. The sole purpose of the stipulated exclusive remedy provided for herein, shall be to provide the purchaser with repair and replacement of defective parts in the manner provided for hereinabove. This exclusive remedy shall not be deemed to have failed of its essential purpose so long as QAM, is willing and able to repair or replace defective parts in the prescribed manner. The purchaser shall not be required to deliver a defective part to QAM, if: The part was destroyed as a result of its defect or any defect in any part covered in this warranty; and QAM, is reasonably satisfied that the part was defective at the time of sale. If both of these conditions are met, QAM will replace the part in the same manner provided herein as if the purchaser had delivered it to QAM.
- 5. The purchaser acknowledges that no oral statements purporting to be warranties, representations, or guarantees of any kind about any product of QAM, have been made to the purchaser by QAM, or its dealer, which in any way expands, alters or modifies the terms of the warranty set out herein. Any such statements do not constitute warranties, shall not be relied on by the purchaser, and are not part of the contract of sale. This writing constitutes a complete and exclusive statement of the terms of any warranty, express or implied, of QAM.
- 6. There is NO WARRANTY for any defective part of a QAM product which has been removed from its original installation site or which arises from mishandling, neglect, fire, flood, lightning, corrosive atmosphere, improper installation of the product, unauthorized modification of the product, improper fuel or electrical supply to the product. There is NO WARRANTY for any defective part of a QAM product that arises from the failure of the purchaser to perform the normal and routine maintenance on the product as it is set out in the instruction booklet. There is NO WARRANTY for any defective part of a QAM product that arises from a change of application, or collected contaminant from that which was initially specified.

- 7. CONSUMABLE PARTS; items such as, but not limited to, membranes, heater elements, fuses, bag filters, bag cages, pleated bag filters, cartridge filters, abrasive media, abrasive wear plates or baffles are not covered by this warranty.
- 8. The foregoing does not apply to components which were not manufactured by QAM or its licensees, for example valves, filter elements, timer controllers and product(s) sold as a distributor.
- 9. This warranty and all rights granted herein under shall be void and of no force or effect if consumable elements (i.e. filters) are replaced with elements that are not approved or supplied by QAM.
- 10. QAM is not responsible for, and will not pay for, work performed or repairs made by any other party unless prior written approval is obtained from QAM.
- 11. Warranty coverage does not include labor, freight, duty or taxes, whether sold domestically or outside Canada and USA.
- 12. QAM expressly limits its warranty responsibility or liability to the terms contained in the foregoing warranty provisions and in the Terms and Conditions Policy which are part of the sales agreement. QAM expressly disclaims any liability for any compensatory or consequential damages, foreseeable or otherwise, arising from or related to any product failure.

### Warranty Claim Procedure

To initiate warranty service, contact the QAM customer service department or the distributor that sold the machine. Notice of any warranty claim for defective part must be received in writing within the warranty coverage time.

During the first year of the warranty, warranty parts weighing less than hundred 50 pounds or less than 108 inches in length will be shipped using standard UPS or FedEx ground service, or standard ground transportation if over the UPS size and weight restrictions. Parts requiring UPS expedited service, Federal Express or air freight will be shipped freight collect.

If a warranty determination cannot be made at the time replacement part is ordered or warranty claim is reported, the customer/purchaser must issue a purchase order and will be invoiced for the replacement part or warranty service. A Returned Goods Authorization (RGA) will be issued by QAM for the return of the original part. During the 90 day "no hassle" coverage, the part should be returned freight collect, after which all parts must be returned freight pre-paid. QAM will issue a credit memo when the original part is returned and found to be defective, provided it is received within 30 days of the original part shipment.

Parts returned without a Returned Goods Authorization (RGA) will not be accepted by QAM.

# Limits of Liability

Except as expressly set forth herein, QAM shall not be bound by any representation, promise or inducement made by its agent or employee.

The remedies of the buyer set forth in this limited warranty policy are the buyer's exclusive remedies. The aggregate liability of QAM for any claim of any kind for any loss or damage resulting from, arising out of or connected with this agreement or from the performance or breach thereof, or from the manufacture, sale, delivery, resale, repair or use of any product(s), whether based on contract, tort (including negligence), strict liability, indemnity, or otherwise, shall in no event exceed the price allocable to the product which gave rise to the claim. In no event shall QAM be liable to the buyer or any other party for special, incidental or consequential damages of any nature, including but not limited to: loss of profits, revenue or business opportunity; loss by reason of shutdown of facilities; loss because of inability to operate any machinery or facility at full capacity; damage to materials processed using the product(s); and delamination of or defect in any product produced using the product(s). The provisions of this paragraph shall supersede any inconsistent provisions in any document involving the buyer's purchase of product(s) or forming a part of the purchase contract.

Customer assumes the sole responsibility of determining whether any particular QAM product or system is suitable for the customer's contemplated use, whether or not such use is known to QAM. Customer assumes all risks and liabilities arising from the operation, performance and use of any QAM product or system.

The customer's exclusive remedy for breach of any QAM warranty is repair or replacement of the defective QAM item, whichever QAM elects. In the event that a court determines that the sole remedies stated in and incorporated in the Terms and Conditions in any sales agreement between the parties have failed of their essential purpose, then buyer's exclusive remedy for breach of any QAM warranty shall be the return of the product(s) freight prepaid for refund of the purchase price less any depreciation/restocking charge of 2% per month or a minimum of 15% whichever is greater. Any refurbishing required to restore the product(s) back to resalable as new condition will be deducted from the refund.