

WARRANTY
Two Harbors Machine Shop, Inc.



WARRANTY COVERAGE

Two Harbors Machine Shop, Inc, warrants to the Distributor and/or original Buyer that:

(i) All parts (except for hydraulic hoses, hydraulic fittings, and electrical wires) are covered by this warranty which proves to be defective in material or workmanship and must have been used, maintained, and serviced as intended, in compliance with /as directed in all applicable guidelines and instructions as set forth in the product manual. This warranty applies for a period of twelve (12) months or 2000 hours, from the in-service date, provided the first day of service is not later than six (6) months from the date of invoice.

(ii) The structural components of each new SERCO knuckleboom loader will be free from defects in material and workmanship under proper use, maintenance, and service for a period of 6000 hours of use or three (3) years from the in-service date, provided the first day of service is not later than six (6) months from the date of invoice.

(iii) All new SERCO attachments and grapples it manufactures (except for hydraulic hoses, hydraulic fittings, and electrical wires) will be free from defects in material and workmanship under proper use, maintenance, and service for a period of one (1) year and unlimited hours from the first day in service provided the first day of service is not later than six (6) months from the date of invoice.

(iv) The warranty includes the labor performed by Two Harbors Machine Shop or Two Harbors Machine Shop's Distributor. Proof of defect must be submitted within fourteen (14) business days from the date of failure or defect discovery and any claim must be submitted within thirty (30) days (labor and material itemized) from the date of submission of proof of failure/defect.

(v) In the event of any failure caused by a defect in material or in factory workmanship covered by this warranty, the Distributor and/or original Buyer will: (1) notify Two Harbors Machine Shop, Inc. of the problem without delay; (2) stop using or operating the product, unless authorized in writing by Two Harbors Machine Shop, Inc. ; and (3) follow guidelines related to the amount of hours and parts allowed for the claim received from Two Harbors Machine Shop service correspondence (written confirmation only).

(vi) All warranty service shall be performed at the point of purchase of the product either by Two Harbors Machine Shop, or by a Distributor using parts provided by Two Harbors Machine Shop, Inc.

(vii) All parts replaced under the warranty shall remain the property of Two Harbors Machine Shop, Inc.

WARRANTY EXCLUSIONS

EXCEPT AS EXPRESSLY SET FORTH HEREIN, TO THE FULLEST EXTENT PERMITTED BY LAW, TWO HARBORS MACHINE SHOP, INC. HEREBY DISCLAIMS ALL REPRESENTATIONS, WARRANTIES AND CONDITIONS, EXPRESS, IMPLIED, OR STATUTORY, INCLUDING BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OR THAT MAY ARISE FROM ANY COURSE OF DEALING, COURSE OF PERFORMANCE, OR USAGE IN THE TRADE. TWO HARBORS MACHINE SHOP, INC. DOES NOT EXTEND THE FOREGOING WARRANTY, AND BUYER MAY NOT TRANSFER IT, TO THIRD PARTIES. THE REMEDIES SET FORTH IN THIS SECTION 2 SHALL BE THE BUYER'S SOLE AND EXCLUSIVE REMEDY.

Any product alleged to be defective must be returned to Two Harbors Machine through an authorized Distributor with transportation charges prepaid for inspection by Two Harbors Machine to confirm the alleged warranty claim.

Two Harbors Machine warranty does not cover:

1. Normal maintenance and wear items to including but not limited to hydraulic hoses, hydraulic fittings, electrical wires, filters, oil, seals, bushings, etc.
2. Damage caused by abuse, neglect, overloading, inadequate maintenance, improper operation or use, or unauthorized alterations.
3. Damage or deterioration due to normal use, wear, tear, exposure or corrosion.
4. Freight charges, the cost of other non-defective parts which must be replaced in order to fix the defect (for example : hydraulic hoses, hydraulic fittings, electrical wires, filters, oil, seals, bushings, etc.), costs for a service technician to travel to the equipment location.
5. Components not manufactured by Two Harbors Machine Shop, Inc., The warranty of the respective manufacturers of these components shall apply and may differ from that of the SERCO product.
6. This warranty does not cover production losses or operating losses due to the time required to repair or replace the defective equipment or part.
7. Two Harbors Machine Shop reimburses, "in-house" charges only up to one hundred (\$100) per hour. They do not cover travel time, mileage, transportation or other charges, cost of installation, or any liability for direct, indirect, or consequential damages or delays resulting from the defect.

Liability or obligation on the part of Two Harbors Machine Shop, Inc., for losses, damages, or expenses of any kind arising from the design, manufacture or sale of the product covered by this warranty is limited to an amount not exceeding the cost of correcting the defect and at the end of the warranty period all liability shall terminate.

TWO HARBORS MACHINE SHALL IN NO EVENT BE LIABLE FOR INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES FOR LOSS OF USE OF THE SERCO PRODUCT, LOSS OR DAMAGE TO PROPERTY OTHER THAN THE SERCO PRODUCT, LOSS OF PROFITS OR OTHER COMMERCIAL LOSS, OR SPECIAL OR CONSEQUENTIAL DAMAGES (EXCEPT LIABILITY FOR CONSEQUENTIAL DAMAGES WHICH BY LAW MAY NOT BE DISCLAIMED).