

**PRODUCTS AND SERVICES LIMITED WARRANTY & DISCLAIMER
BY PETROPI INDUSTRIES LTD. (PPI)**

1. Provided that Customer subjects Equipment only to operating conditions specified by Customer when the order is placed, if any, and operates it in accordance with PPI's written operating instructions, if any, PPI warrants Equipment sold pursuant hereto to be free of defects in material and workmanship for a period of one year after the date Equipment is installed. The above warranty does not apply to:
 - a) Used Equipment or Equipment that has been repaired or worked over;
 - b) Equipment that has been modified or subjected to improper handling, storage, installation, operation or maintenance by Customer, including use of unauthorized replacement parts;
 - c) Component parts not manufactured by PPI, whether purchased by PPI or furnished by Customer, such parts being subject to any applicable manufacturer's warranty;
 - d) Parts requiring replacement because of normal wear and tear;
 - e) Design on those jobs where PPI prepared drawings, lists or bills of material from designs furnished by others; and
 - f) Models or samples furnished to Customer as illustrations only of general properties of equipment. This warranty will not apply if Customer, on request by PPI, does not return the defective part to PPI for inspection, freight prepaid.
2. PPI's liability for breach of this warranty is expressly limited to the repair or replacement, at its sole option, of any Equipment or parts of Equipment which prove to be defective during the warranty period. All parts repaired or replaced hereunder shall be repaired or replaced F.O.B. PPI's Plant (i.e. location from which Equipment is shipped.)
3. PPI'S OBLIGATION TO REPAIR OR REPLACE CONSTITUTES AGREED AND LIQUIDATED DAMAGES FOR ANY BREACH OF PPI'S WARRANTY. THIS LIMITED EXPRESS WARRANTY, AND THE STATED REMEDIES FOR BREACH THEREOF, SHALL BE IN LIEU OF ANY AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, WARRANTIES FOR MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, AND IN LIEU OF LIABILITY FOR PPI'S NEGLIGENCE OR FAULT. PPI WILL NOT BE RESPONSIBLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND.
4. Notice of defective products or services must be given in writing to PPI by the Customer. Customer or user of the products must keep the products in unaltered condition for examination by PPI representative. All warranty claims must be made within ten (10) days after discovery, or after such claims should have been discovered, or else be barred from any remedy.

Notwithstanding the preceding, used parts and assemblies – unless rebuilt by PPI and specifically stated otherwise on the quotation or invoice, will carry no warranty. Warranties will not apply and be void if the product or Service has been subjected to or suffered misuse, negligence, abuse, neglect, accident, or has not been installed or operated or repaired in accordance with applicable published instructions or has been installed in or operated under more severe conditions than those specified for the particular product or Service or has been altered so as to affect its ability or reliability (except where such alteration has been accomplished with the prior written consent of PPI). The liability of PPI for any loss or damage resulting to Customer or user or any third party from any defect in any product or Service will not, in any case, exceed the selling price which PPI received from Customer for that product or Service. PPI does not warrant that any of the products sold by it, if used or sold in combination with other equipment or used in the practice of methods or processes, will not, by virtue of such combination or use, infringe patents of others and PPI shall not be liable for any patent infringement arising from, or by reason of, any use or sale of any materials, Equipment or products not of PPI's manufacture or for the use or sale of any materials, Equipment or products or other goods specially made, in whole or in part, to Customer's design specifications.