

JAMES ELECTRIC – SUBMERSIBLE PUMP EXTENDED WARRANTY

JAMES ELECTRIC EXTENDED WARRANTY

James Electric Motor Services Ltd. (James Electric) warrants that new equipment sold by James Electric shall be free of defects in materials and workmanship under normal use and service for a period of two years from the date the equipment is initially started up ("Start Up"), not to exceed 2 ½ years from the date the equipment is shipped by James Electric to the customer (the "Warranty").

James Electric's obligation under this Warranty is limited to repair or replacement, as determined by James Electric, of any defective equipment found by James Electric to be defective in material or workmanship, FOB James Electric facility. James Electric's obligations do not include the cost of transportation charges, handling fees, or the cost of removing and re-installing the defective materials.

This Warranty applies only to new equipment.

This Warranty is provided by James Electric for the sole benefit of the purchasing customer and cannot be transferred or assigned, in whole or in part, to any other person.

LIMIT OF RESPONSIBILITY

Warranty claims will not be allowed unless James Electric is notified in writing at the time of failure and before the expiration of the warranty period set out above. Failed parts must be submitted or made available to James Electric for inspection before any Warranty claims will be allowed.

Warranty work will normally be done by James Electric or an approved technician (the "Repairer") during the regular working hours of the Repairer. Warranty work will be done during other than regular working hours upon request, but the customer will pay the difference between the Repairer's then current billing rates for overtime labour, if any, and its then current billing rates for straight time labour.

Service personnel's travelling expenses and travel time, premium freight charges on replacement parts and other expenses, apart from regular straight time labour required to repair or replace parts found to be defective in material or workmanship and the cost of such parts, will be paid for by the customer at then current regular billing rates.

It is a condition of this Warranty that:

- The Start Up of the equipment must be performed by a James Electric service technician;
- Before Start Up, the wet well must be clean and dry with all construction debris removed from the system;
- The equipment must be in new condition and not previously used during the course of construction or otherwise;
- Upon Start Up of the equipment, a James Electric service technician will inspect the installation and confirm equipment is working as per the product specifications;
- A Start Up report ("Start Up Report") will be prepared by the James Electric service technician for the customer noting any installation or product issues; and
- The customer shall properly maintain and operate the equipment and comply with all service requirements and recommendations of James Electric and the manufacturer of the equipment.

It will be the customer's responsibility to review the Start Up Report and make all recommended installation changes as needed to avoid potential equipment problems. Any damage resulting from a recommended change in the Start Up Report that is not implemented by the customer will not be covered under this Warranty as a product defect.

Labour or parts furnished to make repairs required as a result of improper or careless operating practices, lack of adequate operating maintenance (including daily operating maintenance, if required), willful or accidental damage or normal wear and tear are not covered by this Warranty and will be paid for by the customer at the Repairer's then current regular billing rates.

The liability of James Electric and the Repairer under this Warranty is limited to the repair or replacement of parts and labour as provided herein and James Electric, the Repairer, their respective employees, agents and contractors shall not under any circumstances be liable for personal injuries (including death) to any person (including the customer) or for any loss or damage to property or business either direct, indirect or consequential whether to the equipment or to

any other property caused or contributed to by the work performed by the Repairer hereunder or by the delivery, operation or possession of the equipment by the Repairer or any other person or by defects in parts or workmanship or by any default or negligence of James Electric, the Repairer, their respective employees, agents and contractors or by any other cause or reason whatsoever. In addition, in no case shall James Electric or the Repairer be liable for loss of profits, income or use of the equipment whether or not caused or contributed to by the negligence or fault of James Electric or the Repairer.

No warranty is made with respect to items made or assembled by others which may be supplied by James Electric or the Repairer.

In no event shall James Electric's total liability under this Warranty exceed the original purchase price of the equipment.

Any legal action arising from a warranty claim must be commenced within one (1) year of the date the claim arose and in no event later than one (1) year after expiration of the applicable warranty period.

EXCLUSIONS

This Warranty covers defects and does not cover use or application for any particular purpose. The above is the full extent of the responsibility of James Electric and in no event shall James Electric be liable for delay caused by defects, for consequential damages or any charges or expenses of any nature incurred without written consent.

James Electric will not be liable for repairs or alterations made outside the factory or authorized repair facility. No other guarantee either written, verbal, assumed or implied is authorized.

THIS EXTENDED WARRANTY IS THE EXCLUSIVE WARRANTY APPLICABLE TO THE EQUIPMENT COVERED BY THIS EXTENDED WARRANTY. EXCEPT AS EXPRESSLY PROVIDED HEREIN OR IN ANY OTHER APPLICABLE WRITTEN WARRANTY ISSUED BY JAMES ELECTRIC. JAMES ELECTRIC HEREBY EXPRESSLY DECLAINS AND BUYER WAIVES ALL OTHER WARRANTIES EXPRESSED, IMPLIED IN LAW OR IMPLIED IN FACT, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. James Electric's sole obligation under this Warranty shall be, at its option, to repair or replace any equipment (or its component parts) which has a defect covered by this Warranty. Under the terms of this Warranty, James Electric shall not be liable for (a) consequential, collateral, special or liquidated losses or damages; (b) equipment conditions caused by normal wear and tear, abnormal conditions of use, accident, neglect, or misuse of said equipment; (c) the expense of, and loss or damage caused by, repairs or alterations made by anyone other than James Electric; (d) damage caused by abrasive materials, chemicals, scale deposits, corrosion, lightning, improper voltage, mishandling or other similar conditions; (e) any loss, damage, or expense to or resulting from installation, removal or reinstallation of equipment; (f) any labour costs, travel time, travel expenses, removal, reinstallation, overtime labour, third-party contractor costs, or freight charges incurred in connection with repairing or replacing defective equipment, except for straight-time labour performed by James Electric or its authorized repair provider specifically covered under this Warranty; (g) any expense of shipment of equipment or repaired or replaced parts, or (h) any other loss, damage or expense of any nature.

IN THE EVENT OF A CONFLICT BETWEEN THIS EXTENDED WARRANTY AND THE SALES & SERVICE TERMS AND CONDITIONS, THIS EXTENDED WARRANTY SHALL GOVERN SOLELY WITH RESPECT TO WARRANTY COVERAGE AND CLAIMS. ALL OTHER MATTERS SHALL BE GOVERNED BY THE SALES & SERVICE TERMS AND CONDITIONS AND CREDIT APPLICATION TERMS AND CONDITIONS, WHERE APPLICABLE.