

LIMITED PRODUCT WARRANTY – VARIABLE FREQUENCY DRIVE

Subject to the terms and conditions of this Limited Product Warranty, Mitsubishi Electric Automation, Inc. ("MEAU") warrants to the original Purchaser (the "Customer") of any Products sold by MEAU that:

- A. For purposes of this Limited Product Warranty, a "Product" is defined as the Variable Frequency Drive sold by MEAU that is not more specifically covered by a different limited warranty provided by MEAU.
- B. The Variable Frequency Drives (VFD) models FR-S500-NA, FR-S500E-NA, FR-E500-NA, FR-D700-NA, FR-E700-NA series, and FR-E800 manufactured after August 1, 2004 are warranted for a period of sixty (60) months from the date of manufacture. VFDs commissioned (start-up) by MEAU or a certified DSPP partner are warranted for a period of sixty (60) months from the date of commissioning (start-up). All other Products are warranted for a period of twelve (12) months from the date of Product installation at the premises of the original end user or eighteen (18) months from the date of shipment from MEAU, whichever comes first (the "Warranty Period").
- C. NO LABOR. This Limited Product Warranty does NOT include labor or any other costs incurred for service, maintenance, repair, removing, replacing, installing, complying with local building and electric codes, shipping or handling, or replacement of the Products. For items that are designed to be maintained or replaced by the original owner, the original owner is solely responsible for all labor and other costs of maintaining, installing, replacing, disconnecting or dismantling the equipment in connection with owner-required maintenance.
- D. PROPER INSTALLATION. This Limited Product Warranty applies only to Products that are: (i) installed in compliance with applicable local and state law, (ii) installed properly in accordance with MEAU's installation and operation instructions, and (iii) are installed in compliance with good trade practices.
- E. This Limited Product Warranty does not apply to Products whose serial numbers have been altered, defaced or removed or to Products which have been subject to damage during shipment.
- F. This Limited Product Warranty does not cover: (i) Products that are damaged during shipment; (ii) failure of equipment or products not supplied by MEAU (including components or software); (iii) failure of or damage to Products due to misuse (including use in other than normal customary manner), neglect, accident, improper installation, or repair, alteration or modification not performed by MEAU personnel, excessive physical or electrical stress, or operation under abnormal or improper environmental conditions or the like; or (iv) damage caused by force majeure or other factors such as power surge damage caused by lightning and fluctuations in or interruptions of electrical power. Since the machine or system on which the Product is to operate is provided by third parties, MEAU is not responsible for the operation, availability or loss of use of the machine or system. In addition, this Limited Product Warranty does not cover normal preventive maintenance items such as fuse replacement, cleaning of the Product or problems caused by lack of preventative maintenance, improper cleaning, improper programming or improper operating procedures.
- G. THIS LIMITED Product WARRANTY ALSO EXCLUDES: (a) service requests where no defect is found; (b) equipment or Products installation or set-ups; or (c) adjustments of controls
- H. During the Warranty Period, Products determined by MEAU to be defective due to improper materials and/or workmanship shall, at MEAU's option, either be repaired at a location authorized by MEAU and returned free of labor, parts and shipping charges (one-way ground shipping) or replaced with an equivalent Product. Defective Products replaced by MEAU shall become the property of MEAU. Customer understands that repairs may include replacement of Product, parts or components thereof with functionally equivalent reconditioned Product, parts or components. MEAU reserves the right to make any or all Product changes it may deem necessary without prior notice to Customer. This Limited Product Warranty does not include on-site repair of Product. Customer must follow the warranty claim procedures below when notifying MEAU of any covered defect.
- I. THE FOREGOING SETS FORTH THE EXCLUSIVE REMEDY OF CUSTOMER AND THE SOLE LIABILITY OF MEAU FOR ANY AND ALL CLAIMS BASED ON FAILURE OR DEFECTS IN PRODUCTS COVERED UNDER THIS LIMITED product WARRANTY, WHETHER BASED ON CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE AND IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES WHETHER WRITTEN OR ORAL, IMPLIED OR STATUTORY. THE FOREGOING WARRANTY DOES NOT APPLY TO ANY PRODUCT OR SERVICE PROVIDED BY THIRD

parties.

- J. EXCEPT AS EXPRESSLY STATED IN THIS LIMITED product WARRANTY, MEAU MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE PRODUCTS OR SERVICES COVERED BY THIS LIMITED product WARRANTY. ALL IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A particular PURPOSE, ARE HEREBY EXPRESSLY EXCLUDED. IN NO EVENT, WHETHER IN CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, SHALL MEAU BE LIABLE TO CUSTOMER OR ANY THIRD parties FOR INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES OF ANY NATURE OR FOR ANY CAUSE WHATSOEVER, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, LOSS OF USE OF product, LOST PRODUCTION, LOSS OF BUSINESS, COST OF SUBSTITUTE EQUIPMENT, OR FACILITIES OR SERVICE DOWN TIME.
- K. This Limited Product Warranty shall not be enlarged, extended or affected by, and no obligation or liability shall arise or grow out of, MEAU providing, directly or indirectly, any technical advice, information and/or service to original owner in connection with the Product.
- L. UNDER NO CIRCUMSTANCES SHALL MEAU BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES INCLUDING, WITHOUT LIMITATION, INFRINGEMENT OF THIRD party RIGHTS, LOST GOODWILL, LOST REVENUES OR PROFITS, WORK STOPPAGE, product FAILURE, IMPAIRMENT OF OTHER GOODS, COSTS OF REMOVAL AND REINSTALLATION OF THE product, LOSS OF USE, INJURY TO PERSONS OR PROPERTY ARISING OUT OR RELATED TO THE product WHETHER BASED ON BREACH OF WARRANTY, BREACH OF CONTRACT, TORT OR OTHERWISE, EVEN IF MEUS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE. IN NO EVENT SHALL MEUS'S LIABILITY EXCEED THE ACTUAL PURCHASE PRICE OF THE product WITH RESPECT TO WHICH ANY CLAIM IS MADE.
- M. SOME STATES DO NOT ALLOW LIMITATIONS ON WARRANTIES OR EXCLUSIONS OR LIMITATION OF DAMAGES, SO THE ABOVE LIMITATIONS OR EXCLUSIONS MAY NOT APPLY.
- N. DISPUTE RESOLUTION. For any dispute with MEAU, Customer agrees to first contact MEAU by phone (847-478-2500 ext. 1) or e-mail (TSSParts@meau.com) or U.S. Mail at:

Mitsubishi Electric Automation, Inc.
500 Corporate Woods Parkway
Vernon Hills, IL 60061
Attn: Repair Department

and attempt to resolve the dispute with MEAU informally by providing Customer's name, address, and contact information and describing the nature of the dispute. In the unlikely event that MEAU has not been able to resolve a dispute with Customer within 60 days of Customer's original informal claim (or sooner if, in MEAU's opinion, a dispute is not likely to be resolved within 60 days), Customer and MEAU each agrees to resolve any claim, dispute, or controversy arising out of or in connection with or relating to this Limited Product Warranty, or the breach or alleged breach thereof (collectively, "Claims"), by binding arbitration before an arbitrator from Judicial Mediation and Arbitration Services ("JAMS") located in Chicago, Illinois. All claims must be brought in the parties' individual capacity, and not as a plaintiff or class member in any purported class or representative proceeding. This waiver applies to class arbitration unless such arbitration is necessary to effectuate the enforcement of the court class action waiver or in the event that class arbitration is expressly agreed to by MEAU. Customer agrees that Customer and MEAU are each waiving the right to a trial by jury or to participate in a class action. Customer may opt-out of the foregoing arbitration and class action/jury trial waiver provision of this Limited Product Warranty by notifying MEAU in writing within 30 days of purchase. Such written notification must be sent by email to (TSSParts@meau.com) or U.S. Mail at:

Mitsubishi Electric Automation, Inc.
500 Corporate Woods Parkway
Vernon Hills, IL 60061
Attn: Repair Department

and must include: (1) Customer's name, (2) Customer's address, (3) Customer's warranted Product serial

number, and (4) a clear statement indicating that Customer does not wish to resolve disputes through arbitration and demonstrating compliance with the 30-day time limit to opt-out.

- O. If any clause herein is found to be illegal or unenforceable, that clause will be severed from this Limited Product Warranty and the remainder of this Limited Product Warranty will be given full force and effect. As noted above, if a class action waiver of both court and arbitration class actions is found unenforceable, class arbitration will be expressly allowed under this Limited Product Warranty.
- P. This Limited Product Warranty gives the Customer specific legal rights and the Customer may also have other rights that vary from state to state.
- Q. **WARRANTY CLAIM PROCEDURES.** To initiate a warranty claim, Customer must contact MEAU by letter or fax and be instructed on how to proceed, as follows:

Mitsubishi Electric Automation, Inc.
Attn: Repair Department
500 Corporate Woods Parkway
Vernon Hills, IL 60061
Tel: (847) 478-2500
Fax: (847) 478-2503

Prior to returning any Products to MEAU, a pre-assigned return materials authorization number ("RMA") must be obtained from the Technical Service & Support Repair Department. Any item received by MEAU without an RMA will not be accepted and will be returned to sender at sender's expense. Customer is required to return defective Products to the location authorized by MEAU upon issuance of the RMA for a determination by MEAU as to the application of this Limited Product Warranty. The Products shall be shipped freight prepaid by the Customer. If MEAU determines that the Product defect is covered under this Limited Product Warranty, the Product will either be repaired or replaced and returned without charge to Customer, return freight prepaid. If MEAU determines that there is no defect found, or that the Product defect is not covered under this Limited Product Warranty, MEAU will advise the Customer of the reason and the cost of repairing the Product. MEAU's determination is final.

- R. No credit or other reimbursement shall be issued for any repair performed by third parties, including distributors and service centers, other than as specifically authorized by MEAU in writing.
- S. The procedures described in this Limited Product Warranty may be modified from time to time by MEAU without prior notice. No waiver or alteration of any of the provisions of this Limited Product Warranty and these procedures shall be binding upon MEAU, unless made in writing and signed by a duly authorized officer of MEAU.