

STAMFORD[®] TERMS AND CONDITIONS MARKON[®]

- 1 **DELIVERY AND RETURNS.** All orders are subject to acceptance by Seller, in its sole discretion, at its general office, even if received elsewhere by a Seller's Employee, selling agent, or other representative. Buyer can not cancel orders, nor can delivery of goods made up or in process be deferred or extended beyond the original delivery date, except with Seller's consent and upon terms which will indemnify it against loss. Buyer may return goods only after receiving written approval from Seller. Buyer will pay return transportation charges. All returns and/or cancellations will be subject to a restock fee of 25%.
- 2 **TECHNICAL ADVICE.** Seller assumes no liability for any technical advice, or results obtained there from, all such advice being given and accepted at Buyer's risk. Buyer will apply goods in accordance with applicable regulations, codes, industry standards and Seller's recommendations, and will defend, indemnify, and hold Seller harmless from all claims, damages and causes of action arising out of its failure to do so. Buyer shall assure that the original purchaser of goods for use receives all Sellers' manuals, instructions, warnings, printed Limited Warranty, and other literature accompanying or associated with the goods.
- 3 **WARRANTY, LIMITATION OF LIABILITY AND NOTICE OF CLAIMS.**

A. WARRANTY. Seller extends to the original purchaser of goods for use, Seller's current Limited Warranty, a copy of which has been provided to Buyer and a copy of which will accompany the product. THERE IS NO OTHER EXPRESS WARRANTY TO BUYER, OEM OR ORIGINAL PURCHASER OF GOODS FOR USE. TO THE EXTENT PERMITTED BY LAW, ANY AND ALL IMPLIED WARRANTIES INCLUDING MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE EXCLUDED. IF NOT EXCLUDED BY REASON OF LAW, IMPLIED WARRANTIES ARE LIMITED TO THE EXPRESS WARRANTY PERIOD.

B. LIMITATION OF LIABILITY. Seller's sole liability and the sole remedy available under the printed Limited Warranty or any implied warranty not excluded 3A above, for failure of goods to perform as warranted shall be limited to the repair or replacement of goods returned to Seller's factory, or to Seller's Authorized Distributor or its designated service representative, transportation prepaid.

C. NOTICE OF CLAIM. All claims must be brought to the attention of Seller or an Authorized Distributor or its designated service representative within thirty (30) days after discovery of breach of warranty. No person will be authorized to give any other warranties or to assume other liabilities on Seller's behalf, unless expressly made in writing by Seller.
- 4 **PRODUCT CHANGES.** Seller reserves the right to change specifications and/or designs without obligation to Buyer. Seller shall revise the purchase price to cover any increased cost arising from changes Buyer requests.
- 5 **FORCE MAJEURE.** Deliveries may be cancelled or delayed by either party without liability in case of an Act of Nature, war, riots, fire, explosion, flood, accident, machinery malfunction, acts of local, state or national government, or inability to obtain fuel, power, raw materials, labor or transportation, or any similar cause beyond the control of such party, which prevents the manufacture, shipment, acceptance or consumption of a shipment of the goods or of a material upon which the manufacturer of the goods is dependent. If, because of any such circumstances, Seller is unable to supply the total demand for the goods, Seller may allocate its available supply among itself and all of its customers, including those not under contract. Seller shall not be liable to Buyer under this contract for any damages or expenses caused by such circumstances.
- 6 **WAIVER.** No waiver or failure to assent any right or remedy, and no course of dealing shall be deemed to constitute a waiver of any other breach or default of any other right or remedy, unless such waiver is expressed in writing and signed by the party to be bound.
- 7 **ASSIGNMENT.** Buyer may not assign this contract or the obligations hereunder without Seller's prior written consent.
- 8 **SET OFFS.** Seller may set off against any amounts which may become payable by Seller to Buyer hereunder or otherwise, any amounts which Buyer may owe Seller, whether arising hereunder or otherwise.
- 9 **BUYER'S CREDIT.** Seller reserves the right among other remedies, either to terminate or suspend deliveries hereunder in the event Buyer fails to pay for any one shipment when payment becomes due. Should Buyer's financial responsibility or capability become unsatisfactory to Seller, Seller may require cash payments or satisfactory security for future deliveries and for goods therefore delivered. Seller reserves the right to request and review Buyer's financial information to establish credit terms and limits from time to time. Such terms and limits may be changed at Seller's discretion with or without notice to Buyer.
- 10 **TITLE AND RISK OF LOSS.** Title and Risk of Loss shall pass to Buyer on delivery of goods to a carrier selected by Seller. Buyer shall accept and inspect all shipments immediately upon arrival and shall file claims with or against the carrier for any losses, shortages or damages of any kind.
- 11 **PAYMENT.** If payment is not made when due, the Seller may charge the Buyer interest at the lesser of the highest legal rate or the rate charged pursuant to Seller's then-current policy. Unless otherwise expressly set out on the face hereof, Buyer shall pay the purchase price for all goods shipped net within thirty (30) days after delivery. No discounts may be taken except in accordance with Seller's then-current written policy, if any. In the case of international orders, (i) Buyer shall pay the full purchase price for all goods shipped immediately upon delivery; or (ii) if previously agreed to by Seller in writing, contemporaneously with order placement, Buyer shall establish in Seller's favor an irrevocable letter of credit issued or confirmed by a United States bank acceptable to the Seller, in an amount sufficient to cover the price of the goods and all related expenses which are for the Buyer's account but are initially incurred by Seller, and including such other terms and conditions as are acceptable to Seller, and shall permit shipment to be made by Seller from any United States port. Any and all bank financing charges, taxes or other expenses related to such letters of credit are for the Buyer's account; or (iii) with prior written approval of Seller's Credit Department, other payment terms may be arranged for payment at a predetermined number of days from either invoice date or date of delivery to a carrier of our choice by either open account, or other commercial debts instruments of international trade.
- 12 **COMPLIANCE WITH LAW.** Seller complies with all applicable laws, including the requirements of the Fair Labor Standards Act of 1938, as amended, Executive Order 11246, the Rehabilitation Act of 1973, the Vietnam Era Veterans Readjustment Act of 1974 and Executive Order 11625 and the rules, regulations and relevant orders promulgated hereunder if applicable.
- 13 **APPLICABLE LAW, ENTIRE AGREEMENT.** This contract is to be construed according to the laws of the State of Minnesota, and not the U.N.C.I.S.G. All disputes arising here from which the parties cannot amicably resolve shall be litigated in the State of Minnesota, and Buyer hereby submits to the jurisdiction of such courts. Any action for breach must be commenced within one (1) year after the cause of action has occurred. This document, including those regulations specifically incorporated by reference, constitutes the full understanding of the parties and no terms, conditions, understanding or agreement purporting to modify or vary the terms of this document shall be binding unless hereafter made in writing and signed by the party to be bound. Notwithstanding any different or additional terms or conditions that may be embodied in any purchase order or other documents submitted by Buyer, which terms and conditions are hereby objected to, Seller accepts the order described on the face hereof on the express condition that Buyer assents to these terms and conditions, and Buyer's acceptance of the initial delivery of goods shipped hereunder shall constitute assent to all such terms and conditions.
- 14 **TAXES AND IMPORT CHARGES.** Any tax or governmental charge or increase in same hereafter becoming effective increasing the cost to a Seller of producing, selling or delivering the goods or of procuring material used therein, and any tax now in effect or increase in same payable by Seller because of the sale of goods, such as Sales Tax, Use Tax, Retailer Occupational Tax, Turnover Tax, Value Added Tax, customs duties, consular fees, may, at Seller's option, be added to the price specified in this Contract. Buyer shall be responsible for obtaining clearance of the goods through customs.
- 15 **INSURANCE AND FREIGHT CHARGES.** Unless otherwise agreed to in writing, Seller may, but shall not be obligated to obtain insurance to the Buyer's warehouse or other designated point of destination against all risks "American Institute Cargo Clauses" or equivalent with a strike, riots, and civil commotions endorsement, and against war risks if obtainable. All such insurance charges are for the Buyer's account. Freight and insurance charges are merely estimates based on currently prevailing rates. As these charges are beyond the control of Seller, any variations existing at the time of shipments are for the account of Buyer.

CONTACT INFORMATION

To call for warranty support: 1-800-367-2764 or 1-763-528-7301, option (4). Email for warranty support: CGTA.Warranty@cummins.com

GENERAL

Cummins Generator Technologies warrant any products of manufacture to be free from defects in materials and workmanship for a period of time dependent upon service and application.

STAMFORD and Markon Generators are built in accordance with specific standards as indicated in our sales literature.

Conformance with these standards on Cummins Generator Technologies part requires that the products be used as intended and certain precautions be taken by the user and assembler.

AC Generators must be properly protected, ventilated, and mounted to ensure trouble-free running. The user should take precautions to ensure that the ingress of moisture, recirculating exhaust, dust, insects, rodents and debris are avoided.

Coastal and marine installations require protection against salt-laden spray. Anti-condensation heaters must be installed where temperature differentials and relative humidity promote condensation. Electrical system protection must be properly selected, rated, installed and functioning.

Cummins Generator Technologies shall be under no liability for defects on products that have been improperly used or stored or which have been repaired, adjusted or altered by any person except our authorised agents or ourselves.

We shall not be liable for any second-hand goods, proprietary articles or goods not of our manufacture although supplied by us, such articles and goods being covered by the warranty (if any) given by the manufacturers.

Cummins Generator Technologies warranty period does not extend beyond that offered by the original purchaser, and is voided by any resale to other than the first owner/user.

When a product is shipped by Cummins Generator Technologies the carrier assumes liability for loss and damages incurred during the transportation. Ownership of the goods transfer at shipment origination. Upon accepting the shipment it becomes the responsibility of the customer to file any claim for damage and loss directly with the carrier.

WARRANTY PERIODS

A. Emergency or Standby Duty

Standby generators must be permanently installed, properly enclosed and ventilated, and used as backup to the normal power source. Mobile or rental sets do not fit this category.

The warranty period is 24 months from date of installation by the first owner/user, or 30 months after date of shipment by Cummins Generator Technologies, whichever is the shorter; or 1000 hours of operation, limited to a maximum of 500 hours per year, for 2 years, whichever is the shorter.

B. Continuous or Prime Duty

Continuous or prime power service describes operation in a permanent or mobile application where no other source of power is generally available. Rental sets, and specific products for irrigation and refrigeration meet this criteria, irrespective of running hours. Cogeneration and peak shaving installations are considered prime power.

The warranty period is 12 months from date of start-up by the first owner/user, or 18 months after date of shipment by Cummins Generator Technologies, whichever is the shorter. Hours of operation are unrestricted, provided service is conducted as indicated in our Operation and Maintenance Manuals, and maintenance is performed per the manual.

CORRECTIVE ACTION

Warranty work can only be approved and initiated by Cummins Generator Technologies after receipt of the failure details by phone, email or fax. This will permit Cummins Generator Technologies to determine the best course of action. Cummins Generator Technologies will not participate in any claim where work has proceeded without prior knowledge being provided.

Cummins Generator Technologies will make good by repair, or at its option, by replacement, any fault which, under proper use, appears in the goods within the warranty period and is found on examination by Cummins Generator Technologies or its appointed representative to be solely due to defective materials or workmanship. The defective part or parts must be promptly returned, prepaid, with all identification numbers and marks intact to a Cummins Generator Technologies facility, representative or, if appropriate, to the dealer who supplied the goods. Where such a course of action is impossible or inappropriate, Cummins Generator Technologies will accept a set of photographs from its appointed representative permitting a visual analysis of the failure prior to any corrective action.

The repaired or replacement part will be delivered prepaid to the first destination within the 48 contiguous states and Canadian provinces, free of charge. This warranty does not cover the costs of removing/installing any defective replacement equipment, nor any costs associated with equipment as manufactured by others that may be impacted by the defect.

CONSEQUENTIAL DAMAGE AND LIABILITY

Cummins Generator Technologies disclaims any liability for consequential damages (personal and property), any direct or indirect costs of or from the buyer and/or its customers resulting from a defect within the warranty period. Cummins Generator Technologies maximum liability will not exceed the purchase price of the Cummins Generator Technologies product purchased by the first buyer and shall be limited to repair, replacement, or refund.

Cummins Generator Technologies liability under this warranty shall be in lieu of any warranty on condition implied by law as to the quality or fitness for any particular purpose of the goods, and save as expressly provided in the warranty. Cummins Generator Technologies shall not be under any liability, whether in contract, tort or otherwise, with respect to defects in goods delivered, or for any injury, damage or loss resulting from such defects, or from any work done in connection therewith.

JUDGEMENT

Cummins Generator Technologies judgement shall, in all cases, be final and conclusive, and claimant shall accept the Cummins Generator Technologies decision on all questions relating to defects and the exchange, repair, or replacement of a part or parts.