

SECTION 1 - PRIME DESIGN LIMITED WARRANTY

IEM, Inc. d/b/a Prime Design ("<u>Warrantor</u>") warrants to the original purchaser ("<u>Customer</u>") of the new (not used) equipment and parts manufactured and sold by such Warrantor to such Customer (collectively, the "<u>Products</u>") that each of such Products will be free from manufacturing defects for the applicable period set forth in Section 2 below, in each case commencing on the Warranty Start Date (as defined below), <u>provided</u> that such Product is used under conditions of normal use, that regular periodic maintenance and service is performed, and that such Product was installed in accordance with the instructions published by the Warrantor or any of its affiliates, and all in accordance with the Product Documentation (as defined below) and subject to the other terms and conditions set forth below (this "<u>Prime Design Limited Warranty</u>").

"Warranty Start Date" means (a) in the case of sales to distributor Customers, the date of installation of the applicable Product on the subject vehicle, as conclusively determined by Warrantor in its sole discretion based on relevant installation documentation, and (b) in the case of sales directly to end-user Customers, the date of delivery of the applicable Product.

This Prime Design Limited Warranty is not transferable for any reason, including in the event the applicable Product is sold, traded, transferred or otherwise disposed of in any manner by the original purchaser to another party.

SECTION 2 - APPLICABLE WARRANTY PERIODS

- **2.1 All Prime Design Products** 3 years.
- **2.2** Notwithstanding the foregoing, and further subject to Section 2.3 below, in no event shall the warranty period exceed 3 years for the cost of any labor performed with respect to any claim for a Product still under warranty.
- 2.3 When Warrantor replaces any part which is a component of a product listed above in this Section 2, the warranty period for such replacement part equals the warranty period remaining on such product at the time of such part replacement (i.e., furnishing the replacement part does not extend the original warranty period or start a new warranty period), but in no event extending beyond 90 days after the delivery date of such part, and is subject to all other terms and conditions of this Prime Design Limited Warranty.

SECTION 3 - CERTAIN EXCLUSIONS FROM WARRANTY

- 3.1 This Prime Design Limited Warranty does not cover normal maintenance, service or adjustments, nor does it cover damage to Products relating to:
 - a. Accident, alteration, misuse, negligence, abuse, vandalism or physical damage;
 - b. Any repair, replacement or alteration by a facility not approved in advance by Warrantor;
 - c. Improper installation (including electrical damage caused by improper installation) or failure to follow installation instructions provided by Warrantor;
 - d. Use inconsistent with the instruction manual, safety warnings, product labeling, datasheets, specification sheets and/or other installation, use, operation and technical documentation provided and/or published by the Warrantor or its affiliate (collectively, "Product Documentation");
 - e. Use of equipment or parts not manufactured by Warrantor;
 - f. Fire, explosion, implosion, flood, earthquake, lightning strike, acid rain, chemical fallout, catastrophic event, or other act of God or nature;
 - g. Exposure to excessive heat, other severe environmental conditions, or unintended uses and/or substances;
 - h. Exposure to chemicals or other substances (other than cleaning agents specifically recommended in the Product Documentation);
 - i. Acts or omissions of any carrier delivering any Products:
 - j. Any failure to care for or maintain any Product in accordance with the Product Documentation;



SECTION 4 - CERTAIN ADDITIONAL CONDITIONS OF WARRANTY

- 4.1 In addition to the other exclusions, limitations, exceptions, qualifications and conditions set forth herein, this Prime Design Limited Warranty is conditioned upon, and will be invalidated by failure to comply with any of, the following conditions:
 - a. All Products, and all ancillary equipment, components and parts, must be installed in accordance with the Product Documentation.
 - b. Regular maintenance and service must be performed on all Products, in accordance with the Product Documentation.
 - c. Products must be put to their intended use, in accordance with the Product Documentation.
 - d. Replacement parts must be manufactured by Warrantor.
 - e. Complete compliance with the claims procedure set forth in Section 5 below.
 - f. Warrantor must have received full and timely payment of all invoices issued to Customer.

SECTION 5 - NOTICE OF CLAIMS AND REPLACEMENT POLICY

- 5.1 Claims under this Prime Design Limited Warranty must be in writing and presented to and received by Prime Design at 1689 Oakdale Ave., Suite 102, West St. Paul, MN 55118, within the applicable warranty period set forth in Sections 1 and 2 above. All claims must include the serial number of the applicable Product, the name of the Customer (which must be the original purchaser), and the date (as to which Warrantor may require written evidence) the alleged defect was discovered. Within 30 business days of receiving a written claim pursuant to this Section 5.1, a member of Warrantor's staff will contact Customer and arrange for a time and place for a Warrantor representative to inspect the applicable Product, if necessary, and/or Warrantor may require the return of the applicable Product. For clarity, in addition to the other provisions of this Section 5, <u>all</u> Prime Design Limited Warranty claims <u>MUST</u> be fully approved by Warrantor, in its sole discretion, prior to the commencement of <u>any</u> repair or replacement work in respect of such claims. If Warrantor instructs Customer to return any Product to Warrantor, the item will be assigned a Return Material Authorization ("<u>RMA"</u>") number and must be returned to Warrantor, with transportation charges prepaid, within 30 days of the RMA number being assigned. If the item is not returned within such 30-day period, this Prime Design Limited Warranty automatically will terminate (and Warrantor will have no further liability or obligation) with respect to that Product.
- **5.2** After a representative of Warrantor inspects the applicable Product or otherwise assesses the problem, Warrantor will determine and take appropriate action (if any), in its sole discretion, to remedy the alleged problem. If the claim is for a manufacturing defect, Warrantor must be satisfied, in its sole discretion, that such Product was defective at the time it left Warrantor's factory.
- 5.3 If Warrantor ships a replacement part prior to receipt of the allegedly defective part it is intended to replace, such replacement part at Warrantor's discretion will be invoiced FOB West St. Paul, MN, and upon receipt of such allegedly defective part, Warrantor will credit Customer's account if Warrantor determines, in its sole discretion, that such returned part is covered by this Prime Design Limited Warranty. Warrantor may, in its sole discretion, use new or refurbished replacement parts for repairs and/or replace affected Products or parts with Products or parts that are materially functionally equivalent to the replaced Products or parts.
- 5.4 Further subject to the time limitations provided in Sections 2.2 and 2.3 above, Warrantor will determine, in its sole discretion, the amount of time that it will reimburse for any labor associated with this Prime Design Limited Warranty, depending on the nature of the claim. Warrantor will not reimburse any labor connected with the removal or reinstallation of adhesives, decals, stickers, tapes, etc. Subject to this Section 5.4, Warrantor may reimburse for labor (covering removal, replacement and reinstallation with respect to the applicable allegedly defective Product) with prior approval from an authorized Warrantor representative, but strictly adhering to the maximum reimbursement rate and time allowance parameters then in effect for Warrantor, which may be obtained by calling Prime Design at 1.8.PRIME.RACK. Warranty coverage applies only to original equipment supplied by Warrantor. In all cases, any authorized reimbursement is for actual repair time only; travel to and from vehicle location is not covered.



SECTION 6 - REMEDY

6.1 Customer's sole and exclusive remedy under this Prime Design Limited Warranty is the repair or replacement of Products, as determined by Warrantor in its sole discretion, subject to the terms and conditions of this Prime Design Limited Warranty.

SECTION 7 - INTERNATIONAL SHIPMENTS

- **7.1** For all repaired and replacement Products shipped outside of the United States under this Prime Design Limited Warranty:
 - a. Customer / recipient is responsible for all taxes, levies, customs fees, import duties and the like imposed by the destination country.
 - b. Customer / recipient is responsible for assuring lawful importation into the destination country.
 - c. Recipient is the importer of record and must comply with all laws and regulations of the destination country.
 - d. Product Documentation may not be in destination country languages.
 - e. Products, Product Documentation and other accompanying materials may not be designed in accordance with destination country standards, specifications, and labeling or other requirements.
 - f. Service / labor to repair or replace any Product or part thereof (whether configured or non-configured) is not covered (except that it is covered solely in Canada and solely in the case of configured parts).

SECTION 8 - LIMITATION OF LIABILITY

- 8.1 THIS PRIME DESIGN LIMITED WARRANTY IS THE SOLE AND EXCLUSIVE WARRANTY OF ANY KIND WITH RESPECT TO PRODUCTS AND SHALL BE IN LIEU OF ANY OTHER WARRANTY, EXPRESS OR IMPLIED, IN ANY MANNER RELATED TO ANY PRODUCTS, WHETHER ORAL, WRITTEN, OR ARISING BY COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY, NON-INFRINGEMENT, OR FITNESS FOR A PARTICULAR PURPOSE. THERE ARE NO WARRANTIES THAT EXTEND BEYOND THE DESCRIPTION ON THE FACE HEREOF, AND NO DEALER, DISTRIBUTOR OR OTHER SUPPLIER OF PRODUCTS OR ANY OTHER PARTY HAS THE AUTHORITY TO MODIFY OR AMEND THIS PRIME DESIGN LIMITED WARRANTY IN ANY RESPECT WITHOUT THE EXPRESS PRIOR WRITTEN CONSENT OF WARRANTOR (WHICH WARRANTOR MAY WITHHOLD AT ANY TIME AND FOR ANY REASON IN ITS SOLE DISCRETION).
- 8.2 IN NO EVENT SHALL WARRANTOR BE LIABLE FOR ANY OTHER DAMAGE OF ANY KIND, INCLUDING, BUT NOT LIMITED TO, INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES, WHETHER OR NOT SUCH DAMAGE WAS FORESEEABLE, AND EVEN IF INFORMED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE, IN ALL CASES WHETHER AS THE RESULT OF OR BASED ON ACTUAL OR ALLEGED BREACH OF CONTRACT, WARRANTY, TORT (INCLUDING ANY FORM OF NEGLIGENCE), STRICT LIABILITY, OR ANY OTHER THEORY, INCLUDING, WITHOUT LIMITATION, LABOR OR EQUIPMENT REQUIRED TO REMOVE AND/OR REINSTALL ORIGINAL OR REPLACEMENT PRODUCT(S) OR PARTS, LOSS OF TIME, PROFITS, SALES OR REVENUES, LACK OR LOSS OF PRODUCTIVITY, INTEREST CHARGES OR COST OF CAPITAL, COST OF SUBSTITUTE EQUIPMENT, SYSTEMS, SERVICES OR DOWNTIME COSTS, DEATH OR PERSONAL INJURY, DAMAGE TO OR LOSS OF USE OF PROPERTY OR EQUIPMENT, OR ANY INCONVENIENCE ARISING OUT OF ANY BREACH OF THIS PRIME DESIGN LIMITED WARRANTY OR ANY OBLIGATIONS HEREUNDER.
- 8.3 NO STATEMENT MADE BY ANY PERSON WITH RESPECT TO ANY PRODUCT SHALL CONSTITUTE A WARRANTY, BE RELIED UPON BY ANY CUSTOMER OR ANY OTHER PARTY, OR BE DEEMED PART OF THIS PRIME DESIGN LIMITED WARRANTY OR ANY SALE AGREEMENT BETWEEN WARRANTOR AND ANY CUSTOMER.



8.4 WARRANTOR RESERVES THE RIGHT TO MODIFY OR DISCONTINUE THIS PRIME DESIGN LIMITED WARRANTY AT ANY TIME AND FOR ANY REASON IN ITS SOLE DISCRETION, WITH OR WITHOUT NOTICE, PROVIDED THAT ANY SUCH MODIFICATION OR DISCONTINUANCE WILL BE EFFECTIVE ONLY WITH RESPECT TO ANY PRODUCT PURCHASED AFTER SUCH MODIFICATION OR DISCONTINUANCE HAS OCCURRED. IN ADDITION, WARRANTOR RESERVES THE RIGHT TO CHANGE ITS PRODUCTS (INCLUDING BUT NOT LIMITED TO THEIR DESIGN, MATERIAL COMPOSITION AND/OR COMPONENTS) FROM TIME TO TIME WITHOUT NOTICE AND WITH NO OBLIGATION TO MAINTAIN SPECIFIC SPARE PARTS OR TO MAKE CORRESPONDING CHANGES IN WARRANTOR'S PREVIOUSLY MANUFACTURED PRODUCTS.