



SILHOUETTE ENCLOSURES LTD. ("Silhouette") - WARRANTY TERMS

MANUFACTURED ENCLOSURE AND TANK PACKAGES

All Silhouette Manufactured Enclosure and Tank packages are warranted for the following terms:

- If used for Prime Power applications, **ONE YEAR** from the date of shipping, or **18 months** from the date of completion, whichever comes first. No restriction on hours of operation.
- If used for industrial / commercial applications, **TWO YEARS** from the ready to ship date. No restriction on hours of operation.
- If used for Standby Power applications, **TWO YEARS** from the date of shipping, or **30 months** from the date of completion, or **2,000 hours** of operation, whichever occurs first. All terms begin upon date of delivery to first user.

COMPONENTS

Major components used to manufacture Silhouette products are covered by the component manufacturers' warranty. Terms and conditions of these "original" warranties, including warranty statements and registration forms, are supplied with the generating system shipment from Silhouette. In some cases, warranty repairs cannot be performed unless the completed registration forms are returned to Silhouette.

SILHOUETTE'S RESPONSIBILITIES

Silhouette will repair or replace defective parts during the warranty period, if in the opinion of Silhouette, failure is due to defective material or workmanship. Silhouette's only liability shall be the repair or replacement of parts as stated above. In no event shall Silhouette be liable for any incidental or consequential damages, even if such damages are a direct result of Silhouette's negligence. Buyer agrees to make no claims against Silhouette based on negligence.

Silhouette will at the customer's request effect warranty repairs on site, and absorb all related travel expenses, if the site is within 150 km and two hours driving time from Silhouette's facility in Langley, B.C. Any travel costs in excess of these limits will be for the customer's account.

CUSTOMERS RESPONSIBILITIES

The owner is obligated to install, operate, and maintain the Enclosure package in accordance with the recommendations published by Silhouette including, without limitation, operating within the design specification. The owner is responsible for the costs associated with such maintenance and any adjustments which may be required.

Silhouette strongly recommends a start-up and commissioning inspection to be performed by a Silhouette representative prior to use.

The Enclosure System must be registered by completing the warranty registration card and returning it to Silhouette within 30 days of the site commissioning.

The owner must provide proof of an approved Planned Maintenance Program for any Enclosure system covered by the warranty.

The owner is responsible for payment of any of the following expenses that might be incurred as a result of a failure under the terms of this warranty.

1. Rental equipment used to replace the equipment being repaired, other downtime expenses, and all business costs and losses.
2. Costs of normal maintenance, adjustments, installation, and start-up.
3. Any incidental, consequential, or indirect damages caused by defects in materials or workmanship, or any delay in repair or replacement of the defective parts.
4. Failure due to (a) normal wear and tear, or (b) accident, misuse, abuse, negligence, improper installation or misapplication; or (c) failure to have an approved Planned Maintenance Program.
5. Telephone, communication, living and travel expenses incurred by owner.
6. The cost of overtime labour requested by the owner.
7. The cost of transportation required to transport service technicians to and from the site.
8. The cost of labour and travel due to weather related delays (i.e. flight cancellations).
9. The cost of air freight or other extraordinary expenses for shipment of parts over and above premium surface transportation.

LIMITATIONS

Silhouette is not responsible for any repair or replacement due to normal wear, accident, misuse, abuse, improper installation, lack of maintenance, unauthorized modifications, improper storage, negligence, improper or contaminated fuel, or use of parts that do not meet Silhouette specifications.

There are no express or implied warranties except as set forth herein, and no person is authorized to give any other warranties or to assume any other liabilities on Silhouette's behalf unless made or assumed in writing by an officer of Silhouette.

All warranty claims must be reported within the applicable warranty period to be valid.