

WARRANTY INFORMATION

The warranty obligations of DAE Industries ("DAE") are limited to the terms as described below.

ONE YEAR LIMITED WARRANTY OF DAE

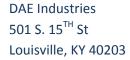
DAE warrants the equipment manufactured or assembled by DAE and sold to the purchaser against defects in workmanship of DAE for a period of one year from the date of delivery of the equipment pursuant to the contract or purchase order or the date of installation if DAE is to install the equipment. If a defect exists or becomes apparent within that one year period (and DAE is timely notified as required below), DAE will, at its option, (1) repair the equipment at no charge, using new or refurbished replacement parts, (2) exchange the equipment with new or refurbished equipment which is at least functionally equivalent to the original equipment, or (3) refund the purchase price of the product in exchange for the return of the equipment. The replacement equipment provided under this warranty assumes the remaining warranty of the original equipment.

EXCLUSIONS TO DAE LIMITED WARRANTY

The terms of this limited warranty of DAE shall not apply to damage to the equipment that is caused by the customer's improper use, handling, maintenance, or storage of the equipment. The terms of this limited warranty of DAE shall also not apply to damage caused by any modification of the equipment made by the customer. The terms of this limited warranty of DAE shall also not apply to any parts incorporated into the equipment manufactured or assembled by DAE or any collateral tools, parts, or equipment not manufactured or assembled by DAE which are delivered in connection with the equipment manufactured or assembled by DAE. Any warranty with respect to such component parts or collateral tools, parts or equipment shall be limited to the assignment of any applicable warranties described below.

ASSIGNMENT OF OTHER WARRANTIES

To the extent that of any of the component parts of the equipment manufactured or assembled by DAE or any collateral tools, parts, or equipment not manufactured or assembled by DAE which are delivered in connection with the equipment manufactured or assembled by DAE are covered by a warranty from the manufacturer or supplier of such component parts or collateral parts, tools, and equipment, which warranty by its terms is assignable to the purchaser of the equipment in which such parts are installed or a purchaser of such collateral parts, tools or equipment, DAE hereby assigns such warranty to the purchaser and agrees, for a period of one year from the date of delivery of the equipment pursuant to the contract or purchase order or the date of installation if DAE is to install the equipment, to reasonably cooperate with purchaser in enforcing its rights under any such assigned warranties. DAE will provide purchaser upon written request with copies of any warranties which are assigned hereunder.





DISCLAIMER OF WARRANTIES

The limited warranty of DAE and the assignment of other warranties set forth above are exclusive and are made in lieu of all other warranties, whether expressed or implied, oral or written. There are no warranties which extend beyond the description on the face hereof.

DAE SPECIFICALLY DISCLAIMS ANY AND ALL IMPLIED WARRANTIES, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND AGAINST INFRINGEMENT.

LIMITATION OF DAMAGES

The sole remedy under the limited warranty of DAE shall be the offer of repair, replacement, or refund as outlined above. The sole remedy under the assignment of other warranties shall be the offer of reasonable cooperation with purchaser in enforcing any rights under such assigned warranties as outlined above. DAE IS NOT RESPONSIBLE FOR SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES RESULTING FROM ANY BREACH OF WARRANTY OR OTHER CLAIM MADE UNDER ANY LEGAL THEORY INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, DOWNTIME, LOSS OF GOODWILL, AND DAMAGE TO ANY PROPERTY OF THE CUSTOMER.

NOTICE OF CLAIMS

Purchaser must notify DAE in writing within ten (10) days of discovery of the event or condition constituting the basis for any claim purchaser wishes to make under this warranty. All notices should be sent to DAE at the following address:

DAE Industries

501 South 15th Street

Louisville, Kentucky 40203