

Service Warranty

Interstate Companies, Inc. and its Subsidiaries; Interstate Power Systems, Inc., Interstate Bearing Systems, Inc. IState Truck, Inc., and Interstate Assembly Systems, Inc. warrants to the Buyer under the terms of this Warranty that the Services provided are free of defects in workmanship at the time delivered to the Buyer. The limitation period for defect claims is 60 (sixty) days from the date the work is done by Interstate. Interstate's only obligation with respect to such warranty shall be to repair or replace the work done at Interstate's option. For services that have been repaired or replaced, a new warranty shall be provided until the expiration of the original limitation period for defect claims applicable to the services supplied. A reasonable time must be allowed to perform the warranty repair. Repairs will be performed during normal business hours. Mechanic travel expenses for the repairing mechanic to travel to and from the repair site will be covered only if the claim is a warranted claim.

Interstate's service warranty does not include claims where: (a) defects that are obvious or identifiable by straightforward inspection are not reported within 3 days of discovery by the Buyer; (b) product requirements related to the services including installation, commissioning, operation, maintenance, servicing, repair, inspection and consumables specifications are not observed and defects/damage occur/occurs as a result; (c) damage/defects is/are caused by parts from third-party sources or work carried out by persons not authorized in writing by Interstate; (d) damage/defects is/are based on natural wear and tear, accidents, incorrect use, handling, storage or corrosion-proofing, incorrect installation or modification of the goods or services supplied outside recommended specifications; (e) the claim results from a defect in a product manufactured by someone other than Interstate (such items may be covered by warranties issued by the manufacturer).

All warranties on products, parts and/or materials utilized in or incorporated into any services provided by Interstate shall be only the warranty provided by the applicable manufacturer of such products, parts or materials and such warranties may be and hereby are passed through from Interstate to Buyer. Interstate will advocate on behalf of Buyer with the applicable manufacturer with respect to any pending warranty claims. The final decision on product, parts or materials warranty liability remains with the manufacturer, and Interstate does not provide any independent warranties on products or materials.

Interstate is not responsible for incidental or consequential costs or expenses which the owner may incur as a result of any claim, malfunction or failure covered by this warranty, such as communication expenses, meals, lodging, overtime, towing, loss of use of the product or equipment ("downtime"), loss of time, inconvenience, cargo loss or damage and other similar costs and expenses. Interstate shall not reimburse defect-related financial losses - in particular such as but not limited to loss of use or loss of profit.

The performance of the repairs described in this document is the exclusive Buyer's remedy under this warranty. Interstate does not authorize any person to assume or create for it any other obligation or liability in connection with its workmanship. **THIS LIMITED WARRANTY IS THE ONLY WARRANTY APPLICABLE TO INTERSTATE'S WORKMANSHIP OR ANY PRODUCTS, PARTS OR MATERIALS UTILIZED BY INTERSTATE IN PERFORMING THE SERVICES. INTERSTATE POWER SYSTEMS, INC. MAKES NO OTHER WARRANTIES EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. INTERSTATE POWERSYSTEMS, INC. SHALL NOT BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES AS DESCRIBED ABOVE.**