

Select Machinery Warranty

Issued by
«DEALER NAME»
("seller")

Underwritten and Administered by
The Hartford Steam Boiler Inspection and Insurance Company
("Warranty Administrator")

Issue Date:

A. SPECIFIC PROVISIONS

- | | | | |
|---|-----------------------------|-----------------------|-----------|
| 1. Dealer ID Number: | «Policy #» | | |
| 2. Warranty Holder: | «Owner Name» | | |
| 3. Warranty Holder Contact: | «Contact Name» | «Contact Telephone #» | |
| | «Street» | | |
| | «City» | «State» | «Country» |
| Machine Manufacturer: | «Manufacturer» | | |
| Machine Model: | «Model» | | |
| Year Manufactured: | «Year» | | |
| Serial Number: | «Serial Number» | | |
| Machine Type: | «Machine Type» | | |
| Control Type: | «Control Type» | | |
| Controller Information: | «Controller Make and Model» | | |
| Date of Sale: | «Date of Sale» | | |
| Full Sales Price: | «Sales Price» | | |
| Date of Shipment: | «Ship Date» | | |
| 4. Warranty Number: | «Warranty ID» | | |
| 5. Warranty Limit of Liability: ¹ | | | |
| 6. Warranty Deductible: ² | | | |
| 7. Warranty Effective Date: ³ | | | |
| 8. Warranty Expiration Date: ⁴ | | | |
| 9. Other Conditions: ⁵ | | | |

¹ Warranty "limit of liability" to be stated here is normally the "full sales price" on the "warranty holder's" sales invoice of the "covered equipment", but not to exceed \$1,000,000.

² Standard warranty "deductible" to be stated here is 20% of the "reasonable cost" of the repair or replacement of any "covered equipment", with a minimum "deductible" disclosed to the "warranty holder" prior to purchase of the machinery. A non-standard "deductible" may apply and will be disclosed to the "warranty holder" prior to purchase of the machinery.

³ Standard "warranty effective date" to be stated here must be after the date of sale appearing on the "warranty holder's" sales invoice and at least 30 days after the date of shipment.

⁴ Standard "warranty expiration date" to be stated here is 12 months from the "warranty effective date".

⁵ Other Conditions may apply to this warranty depending upon the type of machinery covered and/or its condition. These conditions will be disclosed to the "warranty holder" prior to purchase of the machinery.

Various provisions in this warranty restrict coverage. Read the entire warranty carefully to determine rights, duties, and what is and is not covered. Throughout this warranty, the words “you” and “your” refer to the “warranty holder”. The words “we,” “us” and “our” refer to the “warranty administrator”. Other words and phrases that appear in quotation marks have special meaning. Refer to the headings of major sections shown below; and also to Section L– DEFINITIONS.

B. GENERAL PROVISIONS

1. This warranty provides for reimbursement to the “warranty holder” for the “reasonable cost” of the repair or replacement of any “covered equipment” if required due to an “accident” during the “warranty period”, subject to the Exclusions – What is Not Covered (Section K), “limit of liability” and other conditions stated below.
2. Coverage provided by this warranty only applies during the “warranty period” and within the “warranty territory”.
3. Coverage provided by this warranty is subject to a “limit of liability” and “deductible”.
4. Coverage for the “reasonable cost” of repairs or replacements under this warranty requires our prior approval.
5. This warranty does NOT warrant the tolerances, throughput, quality, safety, efficiency, utility or any other capability of the “covered equipment”.
6. The “covered equipment” must be in serviceable operating condition before it is eligible for coverage under this warranty.
7. This warranty will not pay to repair or replace breakdowns, defects or any other damage that occurred prior to the “warranty effective date”.

C. COVERAGE

This warranty provides coverage for an “accident” to “covered equipment”. Without an “accident,” there is no coverage under this warranty.

1. **“Accident”** means a fortuitous event that causes direct physical damage to “covered equipment.” The event must be one of the following:
 - a. Mechanical breakdown, including rupture or bursting caused by centrifugal force;
 - b. Artificially generated electrical current, including electrical arcing, that damages electrical devices, appliances or wires;
 - c. Explosion, other than combustion explosion, of steam boilers, steam piping, steam engines or steam turbines;
 - d. An event inside steam boilers, steam pipes, steam engines or steam turbines that damages such equipment;
 - e. An event inside hot water boilers or other water heating equipment that damages such equipment; or
 - f. Bursting, cracking or splitting.
2. **“Covered equipment”** means the machinery purchased by you from “seller” for which this warranty was issued. None of the following is “covered equipment”:
 - a. Structure, including but not limited to the structural portions of buildings and towers, scaffolding, and any air supported enclosure;
 - b. Foundation;
 - c. Cabinet, compartment, conduit or ductwork;
 - d. Insulating or refractory material;
 - e. Buried vessels or piping;
 - f. Waste, drainage or sewer piping;
 - g. Piping, valves or fittings forming a part of a sprinkler or fire suppression system;
 - h. Water piping that is not part of a closed loop used to conduct heat or cooling from a boiler or a refrigeration or air conditioning system;
 - i. “Vehicle” or any equipment mounted on a “vehicle”; or
 - j. “Data.”

D. SUBMITTING A WARRANTY CLAIM

1. To obtain coverage under this warranty, contact our claims reporting facility at any of the following numbers for assistance and instructions prior to any work being performed. Coverage under this warranty will be void if you do not notify us **within four days** of the “accident”.

Voice	(800) 321-3989
Fax	(860) 722-5463
2. In order to qualify for any payment under this warranty, you will need to provide us with documentation proving the eligibility of the “covered equipment” and the actual amount of the covered loss. Specifically:

- a. Retain a copy of the “covered equipment” bill of sale.
 - b. Provide us with the name of “seller”, the date of sale, the date of shipment, and the serial number or other identifier for the “covered equipment”.
 - c. Other documentation as requested by us.
3. At our sole option, the “covered equipment” must be repaired using a repair firm specified by us. At our sole option, the “covered equipment” may be replaced with equipment providing similar functionality.

E. WARRANTY PERIOD

- a. The “warranty period” begins at 12:01 a.m. local time at the location of the “covered equipment” on the “warranty effective date” (Section A.7). This date is no earlier than 30 days after the date of shipment to you from the stocking location maintained by “seller” and ends 12 months thereafter.
- b. This warranty will expire whether or not the “covered equipment” is installed or used during the “warranty period”.
- c. The warranty shall not be effective unless you have fully paid for the “covered equipment”.
- d. If you have financed the purchase of the “covered equipment”, you will be considered the owner of the “covered equipment” with respect to the terms of this Warranty. Timely payments made by a bank or other finance company on your behalf will meet the requirement that “covered equipment” be paid for by you.

F. WARRANTY TERRITORY

- a. The “warranty territory” includes:
 - (1) The United States of America;
 - (2) Mexico,
 - (3) Puerto Rico; and
 - (4) Canada.
- b. The “covered equipment” must be located within the “warranty territory”.

G. WARRANTY HOLDER

1. This warranty is issued by “seller” to the “warranty holder” associated with purchase of “covered equipment” from such “seller”. Except as noted below, the rights and interests under this warranty may not be transferred to any other party.
2. If the “warranty holder” is an individual or a department within a company or organization, the rights under this warranty are extended to the “warranty holder’s” company or organization.

H. WARRANTY HOLDER RESPONSIBILITIES

1. In order to keep this warranty in force during the full “warranty period”, the “covered equipment” must be installed, used and maintained in accordance with the manufacturer’s requirements. This includes providing appropriate shelter, rotation and lubrication prior to installation.
2. The “covered equipment” must not be used at any time for any purpose other than its intended, normal and customary purpose.
3. In the event of an “accident”, you must use all reasonable means to protect the “covered equipment” from further damage.
4. When requested, you must allow us to inspect damaged parts or equipment.

I. DEDUCTIBLE

1. Coverage provided by this warranty is subject to a “deductible”. This “deductible” applies separately to any “one accident”. If costs covered under this warranty do not exceed the “minimum deductible”, there will be no payment under this warranty. If covered costs do exceed the “minimum deductible”, this warranty will only pay for that portion of the costs that exceeds greater of the “minimum deductible” or the “deductible” up to the “limit of liability”.
2. The “deductible” for each “accident” is the “warranty deductible” listed in Section A.6.

J. LIMIT OF LIABILITY

1. The “limit of liability” is the “warranty limit of liability” listed in Section A.5.
2. Total payments under this warranty for any “one accident” will never exceed the “limit of liability”.
3. The warranty Holder is solely responsible for any costs that exceed this “limit of liability”.
4. The total payments under this warranty for all “accidents” during the “warranty period” will never exceed the “limit of liability”.
5. If the warranty Administrator chooses to replace the “covered equipment”, this warranty will be terminated upon your receipt of the replacement equipment.

K. EXCLUSIONS – WHAT IS NOT COVERED

Reimbursement for the “reasonable cost” of a repair or replacement is excluded for any and all of the following:

1. Damage during decommissioning, storage, and transit.
2. Any damages to the “covered equipment” as a result of installation, commissioning, and testing prior to the “covered equipment” being used for normal production.
3. Any damage from a cause outside of the “covered equipment” after the “covered equipment” was purchased by you.
4. Loss or damage caused by an intentional act, willful neglect, intentional overloading, improper testing, or the imposition of abnormal conditions.
5. Any cost for the repair of pre-existing damage known to you or the “seller” prior to the “warranty effective date”, or an “accident” that ensues from said pre-existing damage.
6. Loss or damage resulting from repairs made by you or the "seller" or others prior to the "warranty effective date".
7. Any “accident” that is not reported to us within four days of its occurrence.
8. Any cost for repair or replacement undertaken without prior notice to, and approval from, us.
9. The expenses of in-house labor or materials of the “warranty holder”, unless specifically approved by us.
10. Any “accident” involving a part or component that has been added, substituted or modified subsequent to the sale of the “covered equipment” to you, unless the work was authorized by us.
11. Loss or damage caused by the failure to use all reasonable means to protect “covered equipment” from damage following an “accident”.
12. The costs to repair or replace the “covered equipment” or parts of the “covered equipment” due to wear and tear, gradual deterioration, rust, corrosion, erosion, or settling.
13. Any costs related to misalignment, mis-calibration, tripping off line, or any other condition that can be corrected by resetting, tightening, adjusting, cleaning, or by the performance of maintenance.
14. Loss or damage resulting from failure to correct known wear and tear, inadequate lubrication, alignment, or any known condition(s) capable of being corrected by adjustment, alignment, lubrication, calibration or routine maintenance or repair or replacement of parts.
15. Loss or damage arising out of the failure to maintain the “covered equipment” in accordance with manufacturers’ recommendations.
16. Any loss or damages to “covered equipment” parts that require periodic replacement or renewal. This includes, but is not limited to, the following: cutting edges, tooling, accessories, molds, dies, seals, felts, rub strips, screens, bulbs, blades, chains, belts, brakes, fuses, or operating media.
17. Any cost of upgrades or improvements.
18. Any cost for cosmetic restoration or repair of conditions, which are not related to the effective operation of the “covered equipment.”
19. Loss or damage caused by any defect, programming error, programming limitation, computer virus, malicious code, loss of “data,” loss of access, loss of use, loss of functionality or other condition within or involving “data” or “media” of any kind;
20. Any costs to test, correct or replace software.
21. Damages to lasers, resonators, and associated optical components.
22. Damages to refractory linings, vessels, and brickwork.
23. Damages caused by or arising from solidification of any material.
24. Damage to any property other than the “covered equipment” specified under this warranty.
25. Loss of business, additional expenses or any other incidental or consequential loss.
26. “Covered equipment” not owned by you at the time of the “accident.”
27. “Covered equipment” rented, leased or loaned to any third party or operated by any third party outside of the “contractual obligation holder’s” control.
28. Any “accident” due to: fire; smoke; lightning; power surge, power quality, explosion; windstorm or hail; collision; riot; water damage; mold; mudslide; earth movement; volcanic action; flood; leakage or discharge from automatic sprinkler systems; falling objects; weight of snow, ice or sleet; collapse; breakage of glass; freezing caused by cold weather, discharge of molten materials from equipment, war; nuclear reaction, radiation or contamination.
29. Loss or damage caused by any contamination by a “hazardous substance”; or
30. Theft.

L. DEFINITIONS

1. "Accident" is defined in C.1.
2. "Covered equipment" is defined in C.2.
3. "Data" means information or instructions stored in digital code capable of being processed by machinery.
4. "Media" means material on which "data" is recorded, such as magnetic tapes, hard disks, optical disks or floppy disks.
5. "One accident" means all "accidents" occurring at the same time from the same event. If an "accident" causes other "accidents," all will be considered "one accident."
6. "Reasonable cost" is defined as the lesser of the charges for the repair or replacement of covered parts at prevailing labor rates, using parts of like kind and quality, which may include remanufactured parts as customarily used in the industry. At our sole option, the "covered equipment" must be repaired using a repair firm specified by us. At our sole option, the "covered equipment" may be replaced with equipment providing similar functionality.
7. "Full sales price" is defined as the price paid by you to the "seller" for the "covered equipment" and does not include tax payments, shipping costs, or other services provided by the "seller".
8. "Vehicle" means any machine or apparatus that is used for transportation or moves under its own power. "Vehicle" includes, but is not limited to, car, truck, bus, trailer, train, aircraft, watercraft, forklift, bulldozer, tractor or harvester.
9. "Hazardous Substance" means any substance that is hazardous to health or has been declared to be hazardous to health by a governmental agency.

M. ADDITIONAL CONDITIONS

1. **Transfer of Rights of Recovery Against Others to Us**

You may be able to recover all or part of a loss from someone other than us. You, therefore, shall do all that is possible to preserve any such right of recovery. If we make a payment under this warranty, that right of recovery shall belong to us, to the extent of our payment. You shall do whatever is necessary, including signing documents, to help us obtain that recovery.

2. **Other Insurance**

If there is other insurance that applies to the same loss, damage or expense, this warranty shall apply only as excess insurance after all other applicable insurance has been exhausted.

3. **Legal Action Against Us**

Any cause of action arising under this warranty must be brought within twelve (12) months of the expiration of the "warranty period". This warranty shall be governed by and construed in accordance with the laws of the state of Connecticut, without giving effect to conflict of laws principles.

4. **Exclusive Obligation**

Your sole and exclusive remedy, and our sole and exclusive obligation under this warranty, is for the repair or replacement of the damaged "covered equipment" in the manner and for the period specified. We and the "seller" have no other obligation under this warranty, whether based in contract, tort, strict liability or otherwise. Under no circumstances, whether based on this warranty or otherwise, shall "seller" or we be liable for incidental, special or consequential damages.

5. **Limitations**

This warranty is in lieu of all other warranties express or implied. No warranty is made as to the merchantability or fitness of the "covered equipment" for any particular purpose. The "warranty holder's" only remedies are expressly limited to the lesser of the cost to repair or replace the "covered equipment" subject to the "limit of liability" and other conditions stated herein. This limit is regardless of whether you elect to undertake the more expensive alternative. This warranty in no way provides for any other losses, damage or expense claimed by you.

6. **Other Statements**

No statement, oral or written, outside of this warranty document constitutes a warranty. No employee of "seller" or us has the authority to change or amend this warranty.

7. **Other Conditions**

Conditions as provided in Section A.9.