

WARRANTY POLICY

PAI - REPLACEMENT PARTS AND COMPONENTS

This WARRANTY POLICY applies to all PAI INDUSTRIES, INC. (PAI) parts and components sold directly to AUTHORIZED PAI distributors and dealers (herein referred to as 'distributor'). All warranty claims must be processed through an authorized PAI distributor. It is the responsibility of the authorized distributor to see that all parts and paperwork are submitted. PAI distributors must submit all claim charges, with the initial request, for warranty consideration. This includes obtaining a Warranty Claim/Return authorization number from the PAI Warranty Department.

All parts being claimed and/or all supporting evidence requested by PAI to process your claim are required to be submitted to the PAI Warranty Department within 45 days of receiving your claim number. Failure to comply will result in the cancellation of your warranty claim request.

All PAI parts and components are warranted to be free from defects in materials or workmanship under normal use and service as follows:

- Excel - 1 year/unlimited mileage
- PAI – 2 years/unlimited mileage
- HP – High Performance – 3 years/unlimited mileage

Vehicle components not manufactured by PAI may have warranty coverage different from the above as they are covered by the manufacturer's warranty. Consult your PAI AUTHORIZED distributor for details.

PAI must be notified of any catastrophic failure immediately. No repairs should be made prior to authorization by the PAI Warranty Department. PAI may request some or all parts in such failures to be returned for analysis.

It is the responsibility of the distributor to pay for all freight charges to return parts back to PAI. Freight charges may be reclaimed if the returned parts are deemed to be defective by PAI and a copy of the freight bill is provided.

As a courtesy to its distributors and in order to expedite warranty claims, PAI may grant a no hassle Fast Track credit or replacement. In such instances, warranty analysis of the returned parts may be limited. PAI is NOT acknowledging a defect, but merely trying to help the distributor recover the cost of the warranty part quickly. By accepting the no hassle credit or replacement, the distributor agrees that no further labor, damages, freight or any other expenses relating to the returned failed part will be filed against PAI. Should the distributor want to appeal the Fast Track credit or replacement, PAI will conduct a complete warranty analysis of the returned part for additional considerations.

Owner is responsible for proper operation and maintenance of engine, transmission and differential in accordance with the manufacturer's published operation and maintenance manuals. It shall be the obligation of the owner to provide all details to the PAI distributor responsible for the sell of the parts within 30 days of any failure suspected to be warrantable; otherwise, any claim the owner may have shall be forfeited.

It is understood that the end user or mechanic has an ongoing responsibility to examine a part as to its suitability to the repair undertaken. It is expected that all parts will be installed by a professional mechanic with experience.

PAI engine parts are intended to be used on truck engines. Although many of these applications are the same as marine, construction, generator or other non-truck applications, warranty consideration will be based on the truck application guidelines.

Owner is responsible for any towing or storage charges. Owner is responsible for lodging, meals and incidental expenses incurred by owner or their agents occurring as a result of a warrantable failure. Owner is responsible for all downtime and business costs or losses resulting from a warrantable failure.

PAI pays labor at cost value; \$35.00/hr. not retail billing. Labor Hours are calculated according to the OEM labor standards as printed in the service manual.

The following are not covered under the PAI Warranty Policy: diagnostic labor, downtime, towing and other expenses to repair or modify PAI parts without PAI's authorization. PAI will not pay for expenses related to obtaining third party parts including OEM parts unless authorized by PAI. All repairs must be preapproved by PAI Warranty given prior to doing the work. PAI Warranty does not cover Fuel Pumps and related fueling issues, shop supplies, fluids or core charges.

Questions, comments and appeals regarding the outcome of the claim are required to be submitted in writing within 10 days of receiving the claim disposition.

When PAI denies a warranty claim, the parts will be held at PAI for 15 days. Should the distributor want the parts returned, PAI requires a written request. The parts will then be returned to the distributor with their next stock order. If this is not acceptable to the distributor, PAI requires the distributor provide shipping instructions. After 15 days, the parts will be scrapped.

The obligation under this warranty is limited to repair or replacement of the part or component found to be defective upon examination by PAI Industries, Inc. PAI is not responsible for failures resulting from any replacement part or component which has been subject to misuse; negligence; inadequate lubricant or coolant; over or under fueling; over speeding; overloading; lack of proper maintenance; or accident. PAI is not responsible for the failure of any part that has been altered or repaired in anyway which in judgment of PAI might affect its stability or reliability. PAI is not responsible for failure resulting from improper installation, repair procedures, alteration or misapplication of parts.

All warranties implied by State Law including implied warranties of merchantability and fitness for use are expressly limited to the duration of the limited warranties set forth above. The foregoing express warranty is exclusive and in lieu of all other warranties, guarantees or agreements with respect to repair or replacement of any PAI products. In no event shall PAI be liable for indirect, incidental or consequential damage.

No person, distributor, agent, employee or company is authorized to modify in any manner or extend the terms of these warranties.

This Warranty Policy is subject to change. Please check with the PAI Warranty Department to obtain the latest warranty policy revision.