

1175 Unit C2 Burlington Ontario L7L 5H9 Tel: (905) 332-3271 Fax: (905) 332-9497 Toll: (800-267-2082 Website: www.phqglobal.com

ALL SALES OF PHQ GLOBAL INC. PRODUCTS OFFERED AND SOLD BY OUR COMPANY SHALL BE SUBJECT TO THE FOLLOWING CONDITIONS WHICH SHALL BE DEEMED INCORPORATED INTO ALL QUOTATIONS, PURCHASE ORDERS AND OFFERS TO PURCHASE SUBMITTED TO PHQ GLOBAL INC. FOR ACCEPTANCE AND CONTRACT OF SALE.

DISCLAIMER OF LIABILITY FOR CONSEQUENTIAL DAMAGE

ANY IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF SUITABLILITY AND FITNESS FOR A PARTICULAR PURPOSE, SHALL BE LIMITED TO THE DURATION OF THIS LIMITED WARRANTY, OTHERWISE THE REPAIR, OR REPLACEMENT AS PROVIDED UNDER THIS EXPRESS LIMITED WARRANTY IS THE EXCLUSIVE REMEDY OF THE CUSTOMER, AND IS PROVIDED IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OF IMPLIED. IN NO EVENT SHALL PHQ GLOBAL INC. BE LIABLE, WHETHER IN CONTRACT OR TORT (INCLUDING NEGLIGENCE) FOR DAMAGES IN EXCESS OF THE PURCHASE PRICE OF THE PRODUCT, ACCESSORY OR FOR ANY INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES OF ANY KIND, OR LOSS OF REVENUE OR PROFITS, LOSS OF BUSINESS, LOSS OF PRODUCTION, OR OTHER FINANCIAL LOSS ARISING OUT OF OR IN CONNECTION WITH THE ABILITY OR INABILITY TO USE THE PRODUCTS OR ACCESSORIES TO THE FULL EXTENT THESE DAMAGES MAY BE DISCLAIMED BY LAW.

MISUSE & ABUSE. DEFECTS OR DAMAGE THAT RESULT FROM IMPROPER OPERATION, STORAGE, MISUSE OR ABUSE, ACCIDENT OR NEGLECT, SUCH AS PHYSICAL DAMAGE (CRACKS, SCRATCHES, ETC.) TO THE SURFACE OF THE PRODUCT RESULTING FROM MISUSE, CONTACT WITH LIQUID, CORROSIVE WATER OR CHEMICAL, EXTREME HUMIDITY, SAND, DIRT, ROCKS OR THE LIKE, EXTREME HEAT CAUSED BY LACK OF LUBRICATION OR SUBJECTING THE PRODUCT OR ACCESSORY TO ABNORMAL USAGE OR CONDITIONS, ARE EXCLUDED FROM COVERAGE.

<u>USE OF COMPONENTS NOT MANUFACTURED BY PHQ GLOBAL INC.</u>

DEFECTS OR DAMAGE ATTRIBUTED TO USAGE OF COMPETITIVE BRANDED PRODUCTS IN CLOSE CONTACT WITH PHQ GLOBAL INC. PRODUCTS INVALIDATES ANY WARRANTY CLAIM REGARDLESS OF THE EXTENT OF DAMAGE.

<u>UNAUTHORIZED SERVICE OR MODIFICATION</u>. DEFECTS OR DAMAGES RESULTING FROM SERVICING, TESTING, ADJUSTMENT, INSTALLATION, MAINTENANCE, ALTERATION, INCLUDING WITHOUT LIMITATION, MODIFICATION IN ANY WAY BY SOMEONE OTHER THAN PHQ GLOBAL INC., ARE EXCLUDED FROM COVERAGE.





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WARRANTIES

- THERE ARE NO WARRANTIES EXPRESSED OR IMPLIED BY PHQ GLOBAL INC. EXCEPT FOR THE FOLLOWING STANDARD WARRANTY.
- PHQ GLOBAL INC. WARRANTS NEW AND UNUSED DRILLING MACHINES, DRILL FEEDS, REMOTE CONTROLS, PRESSURE PUMPS AS WELL AS PARTS, COMPONENTS AND ACCESSORY EQUIPMENT OF OUR OWN MANUFACTURE AGAINST DEFECTS IN MATERIAL AND WORKMANSHIP IN MANUFACTURING AND PREMATURE FAILURE OF PRODUCT CAUSED IN NORMAL USE AND SERVICE FOR A PERIOD OF ONE YEAR (365 DAYS) FROM DATE OF ORIGINAL USE, OR THIRTEEN MONTHS (395 DAYS) FROM DATE OF SHIPMENT FROM PHQ GLOBAL INC. PREMISES.
- PHQ GLOBAL INC. OBLIGATION UNDER THIS WARRANTY IS LIMITED TO THE REPLACEMENT OR REPAIR OF SUCH PARTS DEEMED BY PHQ GLOBAL INC. TO HAVE BEEN DEFECTIVE AT THE TIME OF SALE.
- ANY ALTERATIONS, ADDITIONS TO OR CHANGES IN THE PRODUCT NOT CONDUSIVE TO THE DESIGN OF THE PRODUCT THAT ARE PERFORMED BY THE CUSTOMER INVALIDATES ANY WARRANTY CLAIMS.
- PHQ GLOBAL INC. RESERVES THE RIGHT TO INSPECT ANY AND ALL DEFECTIVE PARTS AND COMPONENTS SUBMITTED UNDER A WARRANTY CLAIM.
- BEFORE SUCH PARTS AND COMPONENTS ARE RETURNED TO PHQ GLOBAL INC. WRITTEN APPROVAL MUST BE OBTAINED BY THE CUSTOMER FROM PHQ GLOBAL INC. PARTS RETURNED FOR WARRANTY CLAIMS MUST BE SHIPPED TO PHQ GLOBAL INC. PREMISES AT THE CUSTOMER'S EXPENSE PENDING THE OUTCOME OF INVESTIGATION OF THE FAILED PARTS.
- PHQ GLOBAL INC. IS NOT BOUND TO PROVIDE FINANCIAL RESTITUTION IN CASH FOR FAULTY PRODUCT HOWEVER RESERVES THE RIGHT TO REPAIR FAULTY PRODUCT OR TO REPLACE FAULTY PRODUCT WITH NEW PRODUCT MANUFACTURED TO THE PROPER SPECIFICATIONS.
- PHQ GLOBAL INC. RESERVES THE RIGHT AT OUR DISCRETION TO REPLACE OR REPAIR ONLY THOSE PARTS AND COMPONENTS SUBMITTED FOR INSPECTION AND ARE NOT LIABLE TO REPLACE OR REPAIR ANY PRODUCT THOUGHT TO BE DEFECTIVE THAT IS NOT SENT TO PHQ GLOBAL INC. FOR INSPECTION REGARDLESS OF THE QUANTITY.

