

Warranty Statement

LIMITED WARRANTY For StacoVAR Series, POWER FACTOR CORRECTION and StacoSine Series, ACTIVE HARMONIC FILTER PRODUCTS
This Warranty, given ONLY to purchasers buying for commercial / industrial use in the ordinary course of purchaser's business: USA & Canada

General:

Staco Energy Products Co. ("Staco") products and systems are in our opinion the finest available. We take pride in our products and are pleased that you have chosen them. Under certain circumstances we offer with our products the following Warranty Against Defects in Material and Workmanship. **Warranty period is twelve (12) months from the ship date or twelve (12) months from the date the equipment is first energized by an authorized Staco service engineer (maximum 18 months from ship date) for StacoVAR and StacoSine products.** Only Low voltage capacitor components (less discharge resistors) used for automatically switched power factor correction and contained in the finished product, used under normal service, properly installed, operated, electrically protected, maintained and stored, shall be warranted for 60 months (5 years) from the date of shipment, all Medium voltage will be 12 months as stated above. Read your Warranty carefully as it sets forth our responsibilities in the unlikely event of defect and tells you how to obtain performance under this Warranty.

Terms of Warranty:

As provided herein, the Staco product is warranted to be free of defects in material and workmanship for a period defined above. If any part or portion of the Staco product fails to conform to the warranty within the warranty period, Staco, at its option, will furnish new or factory remanufactured part(s) for repair or replacement of that portion or part.

Warranty Extends to First Purchaser for Use, Non-transferable:

This Warranty is extended to the first person, firm, association or corporation for whom the Staco product specified herein is originally installed for use in the United States (the "User"). This Warranty is not transferable or assignable without the prior written permission of Staco.

Assignment of Warranties:

Staco assigns to User any warranties which are made by manufacturers and suppliers of components of the Staco product and which are assignable, but Staco makes NO REPRESENTATIONS as to the effectiveness or extent of such warranties, assumes NO RESPONSIBILITY for any matters which may be warranted by such manufacturers or suppliers and extends no coverage under this warranty to such components.

Drawings, Descriptions:

Staco warrants for the period and on the terms of the Warranty set forth herein that the Staco product will conform to the descriptions contained in the certified drawings, if any, applicable thereto, and to Staco's final invoices, orders, proposals (as modified) and other Staco descriptive documents ("Descriptions"). Staco does not control the use of any Staco product. Accordingly, it is understood that the Descriptions are NOT WARRANTIES OF PERFORMANCE and NOT WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE.

Warranty Claims Procedure:

Within a reasonable time, but in no case to exceed sixty (60) days, after User's discovery of a defect, User shall contact Staco Field Services at 1-866-261-1191. Subject to the limitations specified herein, the nonconforming Staco product may be returned to Staco for repair or replacement without charge for material. User may elect to perform the necessary labor at User's own expense using materials provided by Staco. All returns must be authorized by Staco and shipped freight prepaid to Staco Energy products Co. Staco will pay freight charges from factory to customer domestic (US and Canada) location. In the event that the nonconforming unit is not returned, User may be billed for new unit replacement cost. If replacement parts or components are shipped or caused to be shipped by Staco prior to inspection of the product claimed to be defective, the replacement part or portion shall be invoiced in the full current price amount and shipped freight collect F.O.B. the Staco facility. Warranty coverage will be extended only after Staco's inspection discloses the claimed defect and shows no signs of treatment or use which would void the coverage of this Warranty. Staco, at its option, may accept written reports and photographs supplied by User detailing a claimed defect as evidence to extend warranty coverage.

Warranty Performance of Component Manufacturers:

It is Staco's practice, consistent with its desire to remedy warranty defects in the most prompt and effective manner possible, to cooperate with and utilize the services of component manufacturers and their authorized representatives in the performance of work to correct defects in the Staco products. Accordingly, Staco may utilize third parties in the performance of warranty work, including repair or replacement hereunder, where, in Staco's opinion, such work can be performed in less time, with less expense and in closer proximity to the Staco product.

Items Not Covered By Warranty:

THIS WARRANTY DOES NOT COVER DAMAGE OR DEFECT CAUSED BY misuse, improper application, wrong or inadequate electrical current or connection, inadequate water or drain services, negligence, repair by non-Staco designated personnel, accident in transit, tampering, alterations, a change in location or operating use, exposure to the elements, acts of nature, theft or installation contrary to Staco's recommendations, or in any event if the Staco serial number label or tag has been altered, defaced, or removed.

THIS WARRANTY DOES NOT COVER shipping costs, installation costs, circuit breaker resetting or maintenance or service items and further, except as may be provided herein, does NOT include labor costs or transportation charges arising from the replacement of the Staco product or any part thereof or charges to remove the same from premises of User.

REPAIR OR REPLACEMENT OF A DEFECTIVE PRODUCT OR PART THEREOF DOES NOT EXTEND THE ORIGINAL WARRANTY PERIOD.

Limitations:

- THIS WARRANTY IS IN LIEU OF AND EXCLUDES ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.
- USER'S SOLE AND EXCLUSIVE REMEDY IS REPAIR OR REPLACEMENT OF THE STACO PRODUCT AS SET FORTH HEREIN.
- IF USER'S REMEDY IS DEEMED TO FAIL OF ITS ESSENTIAL PURPOSE BY A COURT OF COMPETENT JURISDICTION, STACO'S RESPONSIBILITY FOR PROPERTY LOSS OR DAMAGE SHALL NOT EXCEED ONE TIMES THE NET PRODUCT PURCHASE PRICE.
- IN NO EVENT SHALL STACO ASSUME ANY LIABILITY FOR INDIRECT, SPECIAL, INCIDENTAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES OF ANY KIND WHATSOEVER, INCLUDING WITHOUT LIMITATION LOST PROFITS, BUSINESS INTERRUPTION OR LOSS OF DATA, WHETHER ANY CLAIM IS BASED UPON THEORIES OF CONTRACT, NEGLIGENCE, STRICT LIABILITY, TORT, OR OTHERWISE.

Miscellaneous:

- NO SALESPERSON, EMPLOYEE OR AGENT OF STACO IS AUTHORIZED TO ADD TO OR VARY THE TERMS OF THIS WARRANTY.
- Staco obligations under this warranty are conditioned upon proper installation and system start-up and timely receipt of full payment and supersedes all previous warranties. Staco reserves the right to supplement or change the terms of this Warranty in any subsequent warranty offering to User or others.
- In the event that any provision of this Warranty should be or becomes invalid and/or unenforceable during the warranty period, the remaining terms and provisions shall continue in full force and effect.
- This Warranty is given in and performance hereunder is to be construed under the laws of the State of Ohio.
- This Warranty represents the entire agreement between Staco and User with respect to the subject matter herein and supersedes all prior or contemporaneous oral or written communications, representations, understandings or agreements relating to this subject.

International:

Staco Energy Products Co. (Staco), Dayton, Ohio, warrants this equipment, with all applicable terms and conditions stated above, to be free of defects in material and workmanship for a **period of twelve (12) months from the ship date or twelve (12) months from the date the equipment is first energized by an authorized Staco service engineer (maximum 18 months from shipment date from a Staco warehouse).** For equipment physically located outside the USA or Canada this warranty covers defective parts only.