

Limited Warranty – CTP Rubber Tracks

- 1. The Products, rubber tracks, are specifically made and designed for use on construction equipment, such as excavators, compact track loaders, carriers and dumpers, etc.
 - 1) Rubber Track for general machines

The rubber tracks, which are used for micro, mini & midi excavator, and lifting platform, it is guaranteed against failure or defects due to faulty materials or faulty workmanship becoming apparent within a period of 18 months or 1,500 working hours from the date of invoice, whichever comes earlier, with the following pro rata; $0\sim300$ hours = 100%, $301\sim600$ h = 80%, $601\sim900$ h = 60%, $901\sim1200$ h = 40%, $1201\sim1500$ h

= 20%, > 1501 h = 0% warranty. And Supplier reserves the right to determine the percentage of warranty acceptance on the basis of Supplier's technical expertise.

Exception

However when our non rail type rubber tracks are installed to the machineries with R5 type track rollers (=guiding rollers), which are designed to run on the base of rubber track, the early abrasion or so called punching problem on the base of rubber track might occur. In the progress of this early abrasion, if rubber track is failed directly caused by this early abrasion, the warranty shall be applied with the following pro-rata; Within 1 year or 1000 working hours range, 0 \sim 250 hours = 100% warranty, 251 \sim 500 h = 75%, 501 \sim 750 h = 50%, 751 \sim 1000 h = 25%, >1000h = 0%. This condition is indicated with * mark in the application guide. And Supplier reserves the right to determine the percentage of warranty acceptance on the basis of Supplier's technical expertise.

Definition of Early Abrasion, and Rail Type Rubber Track

When non rail type rubber tracks are installed to the machineries with R5 type rollers (Flange Roller Type), the rubber surface on the track base where track rollers run can be gradually abraded and it might end in the exposure of the embedded metal cores - this is defined as `Early Abrasion' problem or sometimes it is expressed as `Punching Problem'. However the degree and progress of abrasion can be various depending on the work environment, operator's driving behavior, overall terrain conditions and/or maintenance schedule. In order to reduce this kind of risk, it is strongly recommended to follow the Handling Recommendations. And for the machineries with R5 type rollers, our rail type rubber tracks are recommended. And when rail type rubber track(s) are installed to the machineries with R5 rollers, the warranty shall be in effect as 18 months or 1,500 working hours from the date of invoice, whichever comes earlier, with the above pro rata.

2) Rubber Track for Heavy Duty Machines

The rubber tracks which are installed and used for heavy duty machines, like compact track loader, dumper, carrier, trencher, directional drill, sawing machine, dozer, etc., it is warranted against failure or defects due to faulty materials or faulty workmanship becoming apparent within a period of 12 months or 1000 working hours from the date of invoice, whichever comes first, with the following pro rata; $0 \sim 250$ hours = 100%, $251 \sim 500$ h = 75%, $501 \sim 750$ h = 50%, $751 \sim 1000$ h = 25%, >1000h = 0%. And Supplier reserves the right to determine the percentage of warranty acceptance on the basis of supplier's technical expertise.

- 2. This warranty is conditional upon the following terms, which must be kept at all times:
 - (A) That the Product is used in accordance with Handling Recommendations.
 - (B) That the Product must be installed, operated, and properly maintained in accordance with the machine manufacturer's instructions.
 - (C) That the Product should be installed upon delivery or a reasonable explanation must be given to the Supplier concerning the delay within an appropriate period of time.
 - (D) In case customer intents to claim about the defect and/or failure of the product, customer must report in writing within 15 days after the discovery of any defect or failure of the product.
 - (E) Supplier's responsibility under this warranty shall not include any transportation charges, or cost of installation, or any liability for direct and indirect consequential damage or delay due to the failure.
- 3. The term "failure" as used in this warranty means the Product or any portion of Product has become unable to perform originally intended purpose and cannot be repaired by normal servicing methods.
- 4. Failure of the Products or any damage thereto arising from external causes including, but not restricted to, inadequate maintenance, negligence, collision, sabotage, fire, and/or natural disasters are/is excluded from the terms of this warranty.
- 5. In the event of the discovery, prior to the expiration of the warranty period, of a defect in, or failure of the Product, if the Supplier judges such a defect or failure to be due to its faulty workmanship or faulty materials, the Supplier reserves the right to choose warranty settlement method, such as (but not limited) repairing the defect or the failed portion of the product, supply a replacement quantity, credit memo, or make an allowance in respect thereof. In assessing the value of the allowance or replacement, which it may decide to make, the Supplier will take into account the extent and nature of the defect or failure, the service already given or which is likely to be given on the Product, and all other circumstances of the case. In any event, the Supplier's liability hereunder will not exceed the value of Product for the remaining portion of the warranty period, as calculated on the basis of the net invoice price of the portion of the Product under complaint and the period, which has elapsed since the installation, or delivery of the Product. The Supplier will not be responsible for consequential or incidental damages or expenses of any kind or nature, regardless of the cause, even if advised of the possibility thereof, including but not limited to lost profits or lost revenues.
- 6. The warranties hereinabove are in lieu of all other warranties express and implied, including but not limited to any implied warranties of merchantability and fitness for a particular purpose.
- 7. All disputes, controversies or differences which may arise between the parties, out of, or in relation to, or in connection with this warranty, or for the breach there of, shall be finally settled by arbitration in Miami, Florida in accordance with the Commercial Arbitration Rules of the USA Commercial Arbitration Board, and the Laws of the state of Florida. The award rendered by the arbitrator(s) shall be final and binding upon both parties concerned.