

Limited Warranty For Remanufactured / Reconditioned Dry-Type Transformers

1. What does this Limited Warranty cover and for how long:

JCL Energy, LLC ("JCL") warrants to customer ("Customer") that any Remanufactured/Reconditioned Dry Type Transformers (the "Transformer") supplied by JCL shall be free from defects and operate in accordance with its nameplate when operated under normal load, usage, conditions and with proper care, installation and supervision. This Limited Warranty shall be effective for a period of eighteen (18) months from the date of shipment or one (1) year from the date of energization of the Transformer, whichever occurs first (the "Warranty Period"). If within the Warranty Period, a Transformer shall be determined to be defective, JCL will provide repairs or a replacement of Transformer to Customer within thirty (30) days of written notice of such defect.

Any mechanical or electrical parts proving defective under such normal operation and installation will be repaired or replaced at JCL's option. JCL shall repair in the field all items for which field repair is feasible. Should the Transformer require repair at the JCL's facilities, JCL shall arrange and pay freight to and from the Customer's site anywhere in the continental U.S.

2. What this Limited Warranty does not cover:

JCL shall have no liability for damage resulting from improper installation or operation of the Transformer, voltage surges, negligence of others, accidents, natural forces, and operations beyond rated capacities, or misuse. JCL does not warrant that the equipment will meet or comply with the requirements of any safety code or regulation of any state, municipality, or other jurisdiction. JCL's obligations under this Limited Warranty shall not, in any event, exceed the amount of the original purchase price of the equipment. In the event that the costs of the repair or replacement would exceed the original purchase price, the JCL's obligations under this Limited Warranty shall be satisfied by a return of the purchase price. The Transformer has been sold based upon the Customer's independent determination that it is appropriate for Customer's intended application. The giving or failure to give any advice or recommendation by JCL shall not constitute any warranty or impose any liability upon JCL.

3. Warranty Limitation and Other Terms:

THIS WARRANTY IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, CONCERNING THE TRANSFORMER, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE. IN NO EVENT SHALL JCL BE LIABLE TO CUSTOMER, ANY USER OF THE TRANSFORMER OR ANY THIRD PARTY FOR LOST PROFITS, LOSS OF BUSINESS, INCIDENTAL, CONSEQUENTIAL, SPECIAL, PUNITIVE, OR OTHER DAMAGES WHATSOEVER ARISING FROM THE USE OR PERFORMANCE OF THE TRANSFORMER, OR FROM THE NON-DELIVERY, DELAYED DELIVERY, DAMAGE OF THE TRANSFORMER OR OTHERWISE, EVEN IF JCL HAS BEEN ADVISED OF THE POSSIBILITY THEREOF. ANY TECHNICAL INFORMATION, PRODUCT LITERATURE, JCL TECHNICAL ASSISTANCE OR OTHER INFORMATION IS GIVEN TO AND ACCEPTED BY CUSTOMER AT ITS OWN RISK.

No salesperson, distributor or other individual is authorized to amend, modify, or extend this Limited Warranty in any way. Accordingly, additional statements from salespersons or other individuals, whether oral or written, do not constitute warranties by JCL and should not be relied upon. This Limited Warranty and the purchase of the Transformer are subject to JCL's Standard Terms and Conditions, which are incorporated herein.

2271192.v2