

## Products and Components Warranty Agreement – CHINA

(1) What Is Covered By This Commercial Warranty?

AxleTech™ warrants directly to the buyer ("Buyer"), that products and components that have been purchased by Buyer from AxleTech or an authorized AxleTech dealer and installed as original equipment or service parts will be free from defects in material and workmanship. AxleTech's components installed as original equipment ("OE Components") are warranted to Buyer for (a) eighteen (18) months from the date of shipment to Buyer or dealer or (b) twelve (12) months from the date of purchase of the vehicle containing the OE Components by the first owner, whichever comes first. AxleTech's service part components ("Service Components") are warranted for twelve (12) months from the date of shipment to Buyer.

The OE and Service Components are warranted for parts only and the Buyer must pay any labor expenses associated with the repair or replacement of the component. OE and Service Components (whether new, used or remanufactured) installed as replacements under this Warranty are warranted only for the remainder of the original period of time under the original warranty.

Prior engineering application approval by AxleTech is required for all uses of AxleTech products. Failure to obtain such approval will void this Warranty with respect to the components in question.

(2) Governing Law. The terms of this Warranty Agreement shall apply to all OE and Service Components sold by AxleTech and shall be governed by the laws of the People's Republic of China.

(3) What Is Not Covered By This Warranty? This Warranty does not cover normal wear and tear; nor does it cover a component that fails, malfunctions or is damaged as a result of: (a) improper installation, adjustment, repair or modification (including the use of unauthorized attachments or changes or modification in the vehicle's configuration, usage, or vocation from that which was originally approved by AxleTech); (b) accident, natural disaster, acts of god, climate, combatant activity during war, sabotage, terrorism or vandalism; (c) abuse, or improper use (including loading beyond the specified maximum vehicle weight or altering engine power settings to exceed axle capability); (d) improper or insufficient maintenance (including deviation from approved lubricants, change intervals, or lube levels); (e) costs incurred in gaining access to the components; i.e., overcoming physical barriers such as walls, fences, floors or similar structures impeding access to the components, rental of cranes, or construction of ramps or lifts or protective structures for component removal and reinstallation; or (f) the cost of any repairs, replacements or adjustment (i) associated with noise (ii) resulting from the use of non-AxleTech genuine parts. This Warranty does not cover any component or part that is not sold by AxleTech.

(4) Remedy. The exclusive remedy under this Warranty shall be the repair or replacement of the defective component, at AxleTech's option and sole discretion. AxleTech reserves the rights to require that all applicable failed materials are made available and/or returned to AxleTech for review and evaluation.

(5) DISCLAIMER OF WARRANTY.

a. **TO THE EXTENT THAT IS PERMITTED UNDER APPLICABLE LAW, THIS WARRANTY IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES OR CONDITIONS, EXPRESSED, IMPLIED OR STATUTORY INCLUDING, BUT NOT LIMITED TO THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.**

b. **Notwithstanding the foregoing, the above exclusions in 5(a) do not apply to Consumer transactions covered by the Australian Consumer Law (2010)**

(6) Limitation of Remedies. In no event shall AxleTech be liable for special, incidental, exemplary, punitive, indirect or consequential damages of any kind arising under this Warranty or under any legal theory, including, but not limited to, towing, downtime, lost productivity, cargo damage, travel expenses, taxes or any other losses or costs resulting from a defective covered component whether Buyer's claims are in tort, contract or otherwise.

(7) Claim Processing. Claims made under this Warranty must be submitted by Buyer within 4 Months from the date of failure to the attention of the Warranty Administrator at any of the addresses listed below and must contain the following information:

- a. Claim number
- b. Vehicle Identification number (17 characters) or equipment serial number
- c. Engine model
- d. Transmission model
- e. Date of incident
- f. Repairing dealer code
- g. In-service date
- h. Complete model number of AxleTech's component
- i. Description of failure
- j. Serial number of AxleTech's component
- k. Vehicle model number
- l. AxleTech application approval number

(8) Claim Review Procedures. If the Buyer discovers within the Warranty coverage period a defect in material or workmanship, the Buyer must promptly give notice to AxleTech or the dealer from which the components were purchased. AxleTech, its representative and/or the dealer will inspect the vehicle and contact AxleTech to review the subject component to determine eligibility for warranty reimbursement. Warrantable claims will be paid according to the terms of this Warranty and non-warrantable claims will be denied with a detailed explanation.

(9) Credit Procedures. AxleTech will in its sole discretion either (a) replace during the term of this Warranty any defective component covered by this Warranty; or (b) submit credit memos for approved Warranty claims to Buyer that can be used by Buyer against future purchase from AxleTech.

(10) Entire Agreement. This is the entire agreement with respect to the Warranty between AxleTech and the Buyer. This Warranty allocates the responsibilities for component failure between AxleTech and Buyer. No changes to the agreement shall be binding on AxleTech unless made in writing and signed by an authorized representative of AxleTech.