

CERTIFICATE OF WARRANTY

SPIRADRILL RESPONSIBILITIES

Spiradrill, Inc. (“SPIRADRILL”) warrants its hydraulic drill rigs (“Products”) to be free from defects in material and workmanship when used in an application consistent with SPIRADRILL instruction manual procedures and specifications for that product. SPIRADRILL hereby extends each end-user customer (“Customer”), who purchases a new Spiradrill hydraulic series drill rig from SPIRADRILL, or authorized SPIRADRILL dealer (“Dealer”), the following Standard Warranty:

Subject to the exceptions and limitations set forth below, SPIRADRILL, or through an authorized Dealer, will repair or replace any part of a new Product, or new part which proves to be defective in material or workmanship during the “Warranty Period”. The following SPIRADRILL Products are covered by this Standard Warranty:

- SPIRADRILL LHD models
- SPIRADRILL MHD models
- SPIRADRILL XL models
- SPIRADRILL STUD models (excluding excavator)

WARRANTY PERIOD

The Warranty Period commences immediately upon delivery of said Product to the Customer; or twelve (12) months after the Product is received by the Dealer, whichever comes first, as shown by the delivery information on this warranty document.

The foregoing limited Warranty shall include the standard labor cost to accomplish the repair or replacement of the defective part provided that the repair or replacement is performed by Spiradrill or an authorized Spiradrill Dealer.

NOT COVERED BY WARRANTY

The foregoing Warranty does not cover: (i) any Product found to have been damaged by failure to equip, maintain or use the warranted Product in accordance with the applicable manuals or instructions provided; (ii) the labor costs to repair or replace defective parts after the expiration of the Warranty Period (iii) down time, lost revenue, replacement rental units, environmental charges, freight charges, or overtime labor premiums; (iv) travel time, additional expenses such as but not limited to meals, lodging, tolls, and machine transportation costs and expenses associated with the transportation of Dealer’s service personnel to and from the location of the warranted Product (v) any parts, components, attachments, or accessories for which Customer receives a separate Warranty by the manufacturer or product thereof, such as engines (in specified cases said Warranty may be administered by SPIRADRILL); (vi) premature wear or failure of items deemed, at the sole and absolute discretion of SPIRADRILL, to be wear or maintenance items; (vii) damage



caused by any casualty loss for which insurance coverage is available (whether or not an insurance claim is filed), or any accidents, misuse, negligence, or uninsured casualty type loss, environmental conditions, war or civil unrest, negligence or abuse, "Acts of God", theft, or vandalism, work environment, force majeure or extreme environmental conditions, or similar items deemed, at the sole and absolute discretion of SPIRADRILL, to be outside of its control, or (viii) unauthorized modifications, or attachment of non-SPIRADRILL parts or devices, attachment of parts or devices (even if manufactured by SPIRADRILL) resulting in exceeding the rated capacity of the Product.

WARRANTY CONDITIONS

1. All Products delivered to the first Customer are eligible for this Warranty, subject to the warranty periods specifically set out herein and applicable restrictions and exceptions. Only Products purchased by an authorized SPIRADRILL Dealer are covered by this Warranty.
2. This Warranty is only applicable to Product configurations that are available from SPIRADRILL and authorized by SPIRADRILL for use, as applicable. Any modification to the unit not approved by Spiradrill in writing will void the warranty.
3. Scheduled maintenance must be performed as described in the operator's manual. Service records may be required to validate Warranty coverage. Customer agrees to use only genuine parts of the applicable manufacturer in the normal maintenance and repair of the machine or components for the term of this Warranty.
4. All repairs must be performed by SPIRADRILL, or an Authorized SPIRADRILL Dealer, using approved parts. Customer agrees to make the Product available for repair during normal working hours.
5. Any repair performed by a third party (a business other than SPIRADRILL or an Authorized SPIRADRILL Dealer) will be the sole financial responsibility of the Customer unless explicitly approved by SPIRADRILL (or Authorized SPIRADRILL Dealer from which the Product was purchased) prior to the repair being initiated.
6. To initiate the warranty claim and commence repairs or replacement of parts, written notice must be given to Spiradrill with a description of the circumstances associated with the damage or brakeage and a description of what repairs are anticipated.

WARRANTY RESTRICTIONS AND EXCEPTIONS

1. John Deere engines installed on SPIRADRILL hydraulic drill rigs (with the exception of SPIRADRILL STUD models) are warrantied by John Deere for a period of twenty-four (24) months or 2,000 hours. The Warranty Period commences immediately upon delivery of said Product to the Customer or authorized dealer;
2. Any truck chassis that a SPIRADRILL hydraulic series drill rig has been mounted upon will be warrantied by the chassis manufacturer and will vary depending on manufacturer. Please

see truck manufacturer warranty for detail. Warranty Period commences immediately upon delivery of said Product to the Customer or authorized dealer.

3. For any SPIRADRILL hydraulic series drill rig that is “track mounted” (not mounted on a standard truck chassis), said tracks will be warrantied for twelve (12) months by the track manufacturer (currently CAT). The Warranty Period commences immediately upon delivery of said Product to the Customer or authorized dealer.

TO OBTAIN SERVICE

If the Customer discovers within the applicable coverage period a defect in material or workmanship, the Customer must promptly give notice to either SPIRADRILL or the authorized SPIRADRILL Dealer from which the Product was purchased. To obtain service, the Product must be taken to SPIRADRILL (or authorized Dealer’s service location), or identify the requirement for personnel travel to the Customer’s location. SPIRADRILL, or the authorized Dealer, will inspect the Product and will repair or replace, during the term of this warranty, any defective component covered by this warranty.

WARRANTY – DISCLAIMERS – LIMITATIONS

The foregoing warranty to customer is exclusive and is in lieu of all other warranties expressed or implied, and there is no implied warranty of merchantability or fitness for a particular purpose. To the extent any such disclaimer is prohibited by law, any implied warranties are limited in duration to the period of the express warranty.

The sole and exclusive remedies available to the customer under this warranty are limited to making a claim under the foregoing warranty and are expressly limited to repair or replacement of the defective product or part, and to obtaining the parts and labor in accordance with the terms of said warranty. All other remedies are expressly disclaimed and waived by customer by customer’s purchase of the product.

Limitations of Liability and Damages

Regardless of whether a claim is based on the foregoing Warranty or is an action in contract, tort (negligence or strict liability) or otherwise, the liability of SPIRADRILL for losses, damages or expenses of any kind arising from the design, manufacture, repair or sale of the Products is limited, unless otherwise prohibited by law, to an amount not exceeding the cost of performing the repair or replacements obligations contained in the foregoing Warranty, and in no event shall their respective or joint liability exceed the value of the Product or part thereof giving rise to such liability.

Consequential and Similar Damages or NOT Recoverable

Except for performing the obligations of the foregoing Warranty in accordance with its terms, neither SPIRADRILL nor Dealer shall have any liability for loss, damage, or expense, directly or indirectly, attributable to a loss of use of a Product, loss or damage to property other than the

Product, loss or damage to the Product or any part thereof or any other economic or commercial loss, including, without limitation, lost profits or special or consequential damages (except liability for any type of consequential damages which by law may not be disclaimed). The parties intend that this prohibition against consequential and similar damages will survive and be effective even if the limitations or remedies in the foregoing sections are found to fail of their essential purpose under section 2-719 of the Uniform Commercial Code.

Statute of Limitations & Venue

Any action by a Customer for breach of contract, for breach of Warranty arising under, or for a cause of action arising out of the sale of a Product, whether based on contract, tort (negligence or strict liability) or otherwise, shall be commenced within one (1) year after the cause of action has accrued. Any such cause of action shall be deemed to have accrued at the earlier of (i) the discovery of the defect or breach, or (ii) the expiration of the applicable Warranty Period. Any legal action associated with the warranty must first be submitted to mediation in Austin, Texas and if the matter cannot be resolved, legal action must be filed in the applicable court in Travis County, Texas.

WARRANTY ACKNOWLEDGEMENT

The undersigned acknowledges receipt of a copy of the foregoing warranty, and by signing acknowledges having had a chance to review the warranty and have any questions answered.

Signature of Customer: _____ Company _____ Date: _____

Spiradrill Model: _____ Serial No: _____