South Gate Engineering **Custom-fabricated ASME pressure vessels**

SGE Standard Warranty

Scope of Warranty

This warranty covers all new or custom fabricated products (the "equipment") sold by South Gate Engineering ("SGE"). This warranty is available to any person or entity who directly purchases the equipment ("Buyer") or who owns the equipment ("Owner") during the applicable warranty period. For a period of one (1) year after equipment is put in use or eighteen (18) months from the date of shipment, whichever occurs first, SGE warrants against all defects in workmanship and material under normal use and service. SGE will cover the cost of repairing or replacing any equipment, or component thereof, found to be defective in workmanship or material. The scope and manner of repair or replacement work is subject to the sole discretion of SGE, provided, however, that such repairs and replacements shall render the equipment in working order such that the useful life of the equipment is not diminished.

How to Obtain Warranty Service

Buyer or Owner shall promptly notify SGE of any and all asserted defects in the equipment and shall afford SGE a reasonable opportunity to inspect all asserted defects for purposes of identifying any defects and assessing appropriate corrective action, if necessary. SGE shall be permitted to conduct the inspection wherever SGE deems necessary and is most convenient and cost efficient. At times it may be in the best interest of both the Buyer/Owner and SGE to correct the condition (covered by the warranty) in the Buyer/Owner's plant. In some cases, SGE may, at its option, authorize Buyer/Owner to have the work completed on location and to submit to SGE an invoice for the labor and material necessary to complete the corrective work. Unless otherwise specifically authorized, payment of these charges will be limited to the cost that the SGE would have reasonably incurred had the equipment been returned to its plant for correction. SGE will not accept any back charges for field corrections made without its prior written authorization and approval.

Exclusions from Coverage

SGE does not warrant any damage to the equipment caused by or resulting from chemical attack, electrolysis or chemical corrosion. This warranty also does not apply to articles or any components thereof that have been subject to: (1) maintenance, overhaul, installation, storage, operation or use which is improper or not in accordance with the SGE's manufacturer specifications; (2) any alteration, modification, or repair by anyone other than the SGE or its authorized representative; or (3) suffered any damage as a result of accident, misuse, neglect, or negligence after shipment.

Seller's obligation for out-of-warranty parts returned by Buyer for repair as determined and disclosed by Seller to be defective, is limited to three (3) months after the completion of such repairs. No parts shall be returned to Seller without Seller's prior written authorization.

Warranty Conditions

Failure to comply with the following will invalidate this warranty: Buyer/Owner must provide SGE with inspection reports at no less than six month intervals. The inspection reports must include a statement regarding the general condition of the equipment and/or the components thereof, including the condition of anodes if applicable. Lining (if applicable) must be inspected annually using visual and acceptable industry standard means as applicable to the type of lining per SGE's instructions.

Limitation of Liability

The foregoing obligations are in lieu of all other obligations and liabilities and all warranties of merchantability and fitness for a particular purpose or otherwise, expressed or implied in fact or by law, and state SGE's entire and exclusive liability for any claim or damages in connection with the sale, design, suitability, or fitness for use, installation, and operation of the equipment. Under no circumstances will SGE be liable for special, incidental, consequential or punitive damages, including but not limited to lost profits or out of pocket expenses (that are not specifically pre-authorized by SGE), whether such damages are sought in contract, in tort or otherwise. Buyer/Owner understands and agrees that no agent or representative is authorized to assume any liability for the SGE.