MIDLAND MANUFACTURING LIMITED TRAILER WARRANTY

Midland Manufacturing Limited (hereafter referred to as "Midland") warrants directly to you, the first retail customer; that each new trailer manufactured by Midland is free from defects in material and workmanship; provided that the trailer is being properly maintained; and that the trailer is being used in it's normal intended service free from accident or collision.

Normal service means usage in the manner and for the purpose for which such trailer is generally manufactured, purchased and utilized; including the loading, unloading, and carriage of uniformly distributed legal loads of non corrosive cargo, in a manner which does not subject this vehicle to strains, impacts, and dump cycles greater than normally imposed by lawful use over properly maintained public roads, with gross vehicle weight, gross axle weights and concentrated loads not exceeding the labeled gross vehicle weight, gross axle weight and concentrated load ratings (also see "Usage Qualifier" note below).

The warranty shall (unless otherwise specified) be for the following period following the date of delivery:

- Structural components (manufactured by Midland) five years (conditional / prorated)*
- Non-structural components (manufactured by Midland) one year
- Midland does not warrant parts and accessories supplied by others. Midland assigns to the customer any warranties provided in favor of Midland with respect to any such parts and accessories; which may be legally assigned by Midland.

* Prorated / Conditional warranty of components manufactured by Midland:

Structural components

1 st & 2 nd year	- 100% of repair.
3 rd year	- 75% of repair.
4 th year	- 50% of repair.
5 th year	- 25% of repair.

- Non-structural components One year

- 100% parts and labor.

- Usage (years) Qualifier:

Midland's warranty may be modified; at Midland's discretion, if said trailer(s) is subjected to exceptionally heavy use; i.e.: Trailer(s) running 24 hours/day, 7 days a week, or some similar scenario. Thus, for example, for every year in use; the trailer(s) is considered to be two (2) or more "usage" years old.

Midland's warranty will not cover any repairs done without prior discussion; quotation; and express written approval by Midland

Midland's warranty coverage does not include:

- freight (of parts, components, or the trailer)
- downtime (loss of income)
- other incidental or consequential damages

Midland warranty does not cover:

- Parts that are not defective but which may wear out and have to be replaced; including but not limited to seals, lights, paint, suspension components, brake system components, brake linings, brake drums, bushings (suspension, joints, hinges, and knuckles), tires, wood pieces and the like.
- Alignments or adjustments which are normal maintenance items; not caused by a defect in any components or in the trailer.
- Any trailer or component of a trailer that has been altered (other than by Midland) in any way so as in the judgement of Midland; to affect its operation or reliability, or which has been subject to misuse, neglect or accident.

Warranty claims:

ON ANY REPAIRS UNDER WARRANTY, MIDLAND MUST BE CONTACTED AND OUR APPROVAL RECEIVED IN THE FORM OF A WARRANTY PURCHASE ORDER BEFORE ANY WORK IS DONE.

THE PURCHASER CLAIMING UNDER THIS WARRANTY SHALL SUBMIT A WARRANTY CLAIM IN THE PRESCRIBED FORM TO MIDLAND OR AN AUTHORIZED DEALER FOR INSPECTION BY AN AUTHORIZED COMPANY REPRESENTATIVE.

- 1) We will not accept warranty bills under any circumstances that have not received our prior authorization (including a warranty authorization number); based on a written quotation for the required repair work.
- 2) We are to supply all warranty parts unless agreed otherwise.
- 3) Any invoices covering warranty parts and / or labor that we consider excessive will be paid on the basis of our cost of such parts and / or labor as if the work had been done at our factory.
- 4) No warranty on parts will be paid for until the faulty parts have been returned prepaid, for our inspection, unless agreed otherwise.
 Midland will not be responsible for freight for returned parts except by prior arrangement and written authorization.
- 5) All invoices submitted, requesting warranty, must show the number of hours of labor and the rate being charged.
- 6) Midland must receive notice of a defect immediately after such defect is discovered and at the request of Midland or an authorized agent return the trailer to Midland or an authorized agent or other agreed upon location within 20 days after the trailer return is requested. <u>Note:</u> Warranty consideration may be influenced by "when a defect ought to have been discovered under normal circumstances"; in cases where the defect notification is not made in a timely manner.
- 7) Transportation expenses to and from a repair facility are the responsibility of the trailer owner.

WARRANTY DISCLAIMER AND LIMITATIONS OF LIABILITY:

Except for the above warranty, Midland makes no other express warranties and HEREBY EXCLUDES ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE.

IT IS AGREED THAT MIDLAND SHALL NOT BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES RESULTING FROM ANY BREACH OF WARRANTY including, but not limited to, loss of income, damage to vehicle, attachments, trucks or cargo, towing expenses, or injury to or death of persons.

No person is authorized to give any warranties or to assume any other liability on Midland's behalf unless made and assumed in writing by Midland and signed by an officer of Midland.

TIME LIMIT ON COMMENCING LEGAL ACTION:

While Midland undertakes to make reasonable efforts to resolve every warranty claim, if Midland does not accept as valid all or any part of a particular claim, then Midland will only be responsible under this warranty for such claim if it is enforced by legal action commenced within one year from the date that the breach of warranty occurred.

WARRANTY TRANSFER:

Warranty transfers to a second owner will be recognized provided:

- the said transfer takes place in the first twelve (12) months of service
- the said trailer is fully inspected and approved by Midland by way of a personal inspection by an authorized Midland agent
- a new warranty form is filled out and sent to Midland Manufacturing Limited immediately upon close of the transaction. (New Equipment Warranty forms are available from Midland).
- the second warranty form must be returned to Midland showing name of original purchaser and date the trailer was put into service as well as the date and name of the new owner. Any and all warranty periods are begun on the date of sale of the new trailer to the original retail customer.

OPERATORS MANUAL:

The purchaser acknowledges having received training in the safe operation of the trailer unit and further acknowledges that Midland does not assume any liability resulting from the operation of the trailer unit in any manner other than described in the operator's manual supplied at the time of purchase.

THIS AGREEMENT IS NOT VALID UNLESS A SIGNED COPY OF THE WARRANTY REGISTRATION FORM IS RECEIVED BY MIDLAND WITH 15 DAYS OF DATE OF DELIVERY; TO THE FIRST RETAIL CUSTOMER.

Midland Manufacturing Limited Box 249 Rosenort, Manitoba, Canada R0G 1W0