

DRESSER-RAND®



INDUSTRIAL PRODUCTS LIMITED WARRANTY

**Commercial Applications
Industrial Products
Worldwide**

Document: GLPI_09_LimitedWarrantyWorldWide_Industrial_Rev_2_English
Dated: June 2013

INDUSTRIAL PRODUCTS LIMITED WARRANTY

1. COVERAGE

1.1 Products Warranted

This Limited Warranty applies to the DRESSER-RAND GUASCOR Industrial Products sold by GUASCOR POWER S.A.U. or its Authorized Distributors, hereinafter called "Seller", which are used in approved industrial applications (in accordance with the standards specified by Seller), anywhere in the world and are delivered to the first user from 1st January 2012 onwards. The "Product" consists of a new GUASCOR Industrial Engine, as well as accessories that are approved and supplied by Seller and which are either installed, or whose installation is supervised by Seller or a Seller Authorized Distributor. The Engines will have the following designation depending on the application:

1.1.1 GENERATOR SET

Emergency Power

Engines with this rating according to the ISO 8528 Standard are available for supplying 100 per cent of the utility power at variable load applications, during the interruption time of the useful energy source. Total operating time of a generator at 100 percent Emergency Power shall not exceed 500 hours per year, of which not more than 300 hours shall be in continuous operation.

Prime Power

Engines with this rating according to the ISO 8528 Standard are available for supplying 100 per cent of the utility power at variable load applications, for an unlimited number of hours per year. Variable load is not to exceed an 80 percent average of the Prime Power rating during any operating period of 24 hours. Total operating time at 100 percent Prime Power shall not exceed 750 hours per year.

Continuous Power

Engines with this rating according to the ISO 8528 Standard are available for supplying 100 per cent of the utility power at a constant load for an unlimited number of hours per year. No overload capability is available for this rating.

Continuous Power ratings differ from Prime Power ratings in that the Continuous Load ratings are significantly reduced from the Prime Power ratings. Continuous Load ratings have no load factor or application restrictions.

1.1.2 ENGINE INDUSTRIAL APPLICATION (EXCLUDING THE GENERATOR SET)

Intermittent Service

This power rating is intended for the intermittent use in variable load applications, where the full power is limited to one (1) hour of every 12 hours of operation. This rating is defined in the ISO 3046 Standard as a Fuel Stop Power Rating for applications that operate less than 3,000 hours per year.

Continuous Service

This power rating is intended for continuous use in applications requiring uninterrupted service to full power. This rating is defined in the ISO 3046 Standard as a Standard Power Rating.

1.2 Base Warranty

Under the normal specified use and service, the Base Warranty covers any failures of the Product that result from a defect in Seller's material or factory workmanship (Warrantable Failure) arising during the warranty period set forth below.

The coverage of the Product during the Base Warranty starts either in the initial start-up date or on the date of FCA delivery in Zumaia, and extends for a period of time established in following table:

Classification	Duration (whichever occurs first)		
	Months after FCA delivery in Zumaia ^(a)	Months after start-up	Maximum operation Hours
Emergency Power ISO 8528	18	12	500h year 100% Power
Prime Power ISO 8528	18	12	750h year 100% Power
Continuous Power ISO 8528	18	12	Unlimited
Intermittent Service ISO 3046	18	12	3,000
Continuous Service ISO 3046	18	12	Unlimited

The Base Warranty shall not be effective unless Seller has received, reviewed and accepted the documents certifying the commissioning of the product, and issued the corresponding Warranty Certificate for the owner. The Warranty start-up date and warranty expiry date shall be recorded in this certificate and will be subject to the conditions established in this warranty.

The Seller's Base Warranty requires that a Product is started within twelve (12) months from delivery in Zumaia, Spain. Otherwise, the Buyer will have to proceed according to what is set forth in the Article 3.4 with regards to deferred start-ups.

^a Note: Only valid in the event of absence of Deferred Start-up expressed in the chapter 3.4

INDUSTRIAL PRODUCTS LIMITED WARRANTY

1.3 Extended Major Components Warranty

The Extended Warranty for Major Components covers the defects of materials or workmanship of the following specifically named major casting and forging components: Engine cylinder block, Cylinder heads, Connecting rods and crankshaft (Covered Parts). Bushings, bearings and other components are not covered. This coverage starts with the expiration of the Base Warranty and expires 3 years after FCA delivery in Zumaia or after 15,000 operation hours, whichever occurs first.

The Extended Warranty for Major Components is contingent on the Base Warranty being maintained and will be void if the conditions for the Base Warranty stated above have not been met.

1.4 Products Intended for Commercial Applications

The Seller's Products are goods intended specifically for commercial purposes. The Warranty of the Seller's products is a limited Warranty.

1.5 Warranty Claim

Any Warranty claim must be processed within the first 48 hours from the event of a defect, through a Seller Authorized Distributor or Seller Authorized Repair Shop. The "Warranty Procedures" of Seller (available at a Seller Authorized Distributor) must be followed in order for Seller to process a claim.

If there is no Seller Authorized Service nearby, the Buyer must contact Seller's Central Technical Assistance Service at the factory directly, submitting a completed form G-14-05 for Warranty Claim Processing.

2. SELLER'S OBLIGATIONS

2.1 During the Base Warranty

Seller will pay for all parts and reasonable labor needed to repair the damage to the Product resulting from a verified Warrantable Failure, whereby a Seller's Authorized Distributor or contractor must perform such repairs during normal business hours.

Reasonable labor is established in the Seller's Labor Guide.

When in the event of Warrantable Failure, Seller introduces modifications or improvements in the Product, the present Limited Warranty Conditions will not be altered.

Seller may, at its sole discretion, elect to replace or repair the covered defective parts.

When on-site Warranty repairs are necessary, Seller will cover up to six (6) hours of total travel time and expenses, which may include meals, mileage and lodging, for mechanics to travel to and from the repair location.

2.2 During the Extended Major Components Warranty

After the expiry of the Base Warranty coverage, Seller will only cover in the Extended Major Components Warranty the repair or, at its sole discretion, the replacement of the Covered Parts that are proven to be defective.

3. BUYER'S OBLIGATIONS

3.1 During the Base Warranty

Buyer shall be responsible for the operation and maintenance of the Product in accordance with the published Seller's guidelines. The Buyer shall also bear the cost of the lubricating oil, antifreeze, filtering elements, and other maintenance articles replaced during the warranty period or during any repairs carried out under Warranty.

Buyer shall bear the costs of all the labor and parts incurred in the repair of any failure during the Base Warranty. Seller will refund the value of the parts and the labor subject to this Warranty once the claim has been proven and approved by the Seller's factory Central Technical Assistance Service - SCAT.

The Buyer shall be responsible for the mechanics' traveling expenses if traveling time is longer than six (6) hours, to and from the repair location including meals, mileage, lodging and communication. The Buyer shall also be responsible for the cost of transporting any parts necessary for the repair.

3.2 During the Extended Major Components Warranty

The Buyer shall bear the costs of all labor needed to repair the Product, including the labor cost for the removal and reinstallation of the Product. If Seller elects to repair a part instead of replacing it, the Owner will not be responsible for the labor needed to repair the part.

The Buyer shall bear the costs of all parts required for the repair except for the defective Covered Part.

The Buyer shall bear the costs of all the traveling



INDUSTRIAL PRODUCTS LIMITED WARRANTY

expenses, including meals, mileage, lodging, communication and similar costs incurred as a result of a Warrantable Failure.

The Buyer shall bear the costs of lubricating oil, antifreeze, filter elements, injectors, belts, gaskets and other maintenance items replaced during the warranty period or during repair of a Warrantable Failure.

3.3 During the Base and Extended Major Components Warranties

The Buyer shall be responsible for the operation and maintenance of the Product as specified in the applicable Seller's Operation and Maintenance Manual. The Buyer shall also be responsible for providing proof that all recommended maintenance has been performed.

The Buyer shall be responsible for maintaining the Product hourmeter in good working condition and must ensure that the hourmeter accurately reflects the total hours of operation of the Seller's Product.

The Buyer shall be responsible for the substitution or repair of all the parts subjected to normal wear and tear by use, for example injectors, nozzles, spark-plug, belts, filtering elements, reserves, gaskets, mufflers, etc.

The Buyer shall bear the costs of "waiting-time" expenses when the Product is not made immediately available for the service work.

The Buyer shall be responsible for facilitating accessibility and availability of the Product to Seller or to the personnel authorized by Seller in the event of inspection or repair of a Warranty Claim.

The Buyer shall be responsible for any additional time or costs spent for any disconnection or removal of non-Seller items necessary in order to gain full access to the Product.

The Buyer shall be responsible for the difference of cost between overtime and normal working hours, when the overtime is requested by the Owner.

The Buyer shall be responsible for non-Product repairs, "downtime" expenses, cargo damage, fines, all applicable taxes, all business costs, and other losses resulting from a Warrantable Failure.

The Buyer shall be responsible for the maintenance and inspection operations required by him or by the classification entities during the Warranty repair.

The Buyer shall be responsible for the cost of analysis and investigation of his complaints, unless the problem is caused by a defect in Seller's materials or factory workmanship.

The Buyer shall be responsible for all customer or broker fees, insurances and taxes of any kind. The Buyer shall be responsible for all administrative costs and expenses resulting from a Warrantable Failure.

3.4 Deferred Start-Up

The purpose of the deferred start-up is to maintain the Seller's Base Warranty on an engine that will be stored longer than 6 months from the date of shipment from factory.

In the event an engine is going to be stored longer than 6 months, and the Buyer wishes to extend Seller's Base Warranty coverage, Buyer shall request from Seller in writing a deferred start-up warranty extension. Upon receipt of such Buyer's request, Seller shall submit a separate quote for the deferred start up warranty. **The deferred start up warranty shall be quoted separately and bear an additional price, which will be quoted at time of receipt of the deferred startup request**

The engine must be inspected and preserved ^(b) by Seller's authorized personnel in accordance with Seller's requirements, and the site conditions as provided by the Owner.

If an engine is run-tested after its factory shipment date and it is not started on site within one month from the date of the test, it must be preserved in accordance with Seller's requirements for preservation. All costs for such additional re-preservation work shall be to the Buyer's account.

The Buyer must consult Seller as regards outdoors storage of engines or storage in humid or aggressive environments since such engines may require more frequent inspections and preservations that those described herein.

The Base Warranty period extension for a Deferred Start up, if purchased by Buyer shall come into effect when a complete start-up report has been provided within thirty (30) days after the start-up of the product, or when the Equipment re-preservation work has been completed within thirty (30) days of shipment and the preservation of the product has been carried out in accordance with Seller's requirements. If a deferred start-up warranty extension is not mutually agreed with the Buyer, the Base Warranty period will **not** be extended according to what is established in this Article.

4. LIMITATIONS

^b Note: Accomplished all the necessary operations for this adequate preservation following the Seller's requirements.

INDUSTRIAL PRODUCTS LIMITED WARRANTY

Seller shall not be liable for any presumptively Warrantable Failures in the event of:

1. Any damage or negligence in the shipment, storage, installation or operation not chargeable to Seller.
2. Any missing, hidden or changed Product identification plate or nameplates.
3. Any failure of any kind due to abuse of the Product, operation outside of the limits established by Seller, operator's negligence, operation or maintenance practices other than those approved by Seller or not strictly adhering to the maintenance plan defined by Seller.
4. Use of parts not supplied by Seller, or lubricant oil that has not been specifically approved for use by Seller.
5. Unauthorized Product modifications (included the settings, timing adjustment, injection-ignition, etc) or additional equipment or devices installation not approved by Seller.
6. Failure to notify Seller or its Authorized Distributor of the failure within forty eight (48) hours after any event that causes a failure.
7. Repairs performed by personnel not authorized by Seller or by its Authorized Distributor.
8. Failure to make the Product available to Seller or to its Authorized Distributor or Repair Shop.
9. Failure to inform Seller or its Authorized Distributor about details of the installation and operation relevant to the establishment of Operation and Maintenance plans or failure diagnostics.
10. Any failure due to damages caused by equipment not supplied by Seller.
11. Failure to operate with adequate coolant or lubricants; lack of maintenance of the cooling, lubricating or intake systems; improper starting, shutdown, over-speed, over-fueling and storage practices, that are not consistent with Seller's requirements.

Seller is not liable for failure caused by incorrect lubricant oil, coolant or fuel, dirt or other contaminants in the fuel, lubricant oil or ambient, or failure resulting from incorrect installation.

Before a claim for excessive Engine lubricating oil or

fuel consumption is considered, the Buyer must submit adequate documentation to show that oil consumption exceeds GUASCOR published standards.

4.1 Warranty Extension

Parts supplied by Seller for correction of a failure approved as a Warranty claim by Seller's Central Technical Assistance Service – SCAT, have an extended warranty of six months from the date of the delivery of the parts. Should a failure occur with respect to any such part after the term of the Warranty has expired, but prior to the expiration of the six (6) months extended warranty period, for the replacement of the damaged part but shall not be liable for any installation or labor costs, declining all other responsibility.

Original spare parts supplied by Seller are warranted for six months from the date of the delivery of the part. In the case of spare parts covered by the aforementioned warranty, Seller shall only be liable for replacement of such part. Seller Parts used in Warranty repairs may be new, rebuilt or repaired parts authorized by Seller; Seller is not liable for failure resulting from the use of parts not supplied by Seller.

In the case of parts that bear the brand of another manufacturer, including starting, regulation, control or injection systems, alternators or any other device of this type, Seller will concede the Warranty granted by those manufacturers.

In any case the warranty extension cannot exceed 1 (one) year from the date of the end of the initial Warranty period.

4.2 Material subject for a Warranty investigation

Any parts sent to the factory by the Buyer or the Authorized Service of Seller for the investigation of a Warranty claim will be at Seller risk once the Warranty claim has been granted and they are in Seller's Workshops. The parts for which Warranty has not been granted will be at the customer's disposal for pickup during fifteen (15) days after the decision taken is notified in writing. After this date the parts will be disposed of or destroyed.

THIS WARRANTY DOES NOT COVER WEAR OR WEAROUT OF COVERED PARTS. IN CASE OF BREACH OF CONTRACT OR IN TORT (INCLUDING SELLER'S SOLE NEGLIGENCE OR STRICT LIABILITY), SELLER'S SOLE LIABILITY AS WELL AS THE BUYER'S EXCLUSIVE REMEDY SHALL BE THAT OF THE REPAIR OR REPLACEMENT OF THE DEFECTIVE MATERIALS OR FACTORY WORKMANSHIP, IN COMPLIANCE WITH THE



INDUSTRIAL PRODUCTS LIMITED WARRANTY

TERMS HEREIN ESTABLISHED. SELLER IS NOT RESPONSIBLE FOR EITHER INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING CLAIMS FOR DOWNTIME, LOSS OF USE, LOST OF PROFITS OR OTHER ECONOMIC LOSS OR DAMAGES.

OUTSIDE WHAT IS SPECIFICALLY ESTABLISHED IN THIS WARRANTY FOR THESE PRODUCTS, SELLER DOES NOT PROVIDE ANY OTHER WARRANTY OR CONDITION, NEITHER EXPLICIT NOR IMPLICIT, INCLUDING ANY IMPLICIT MERCHANTABILITY WARRANTY OR SUITABILITY FOR A PARTICULAR PURPOSE.

SELLER DENIES EXPRESSLY ALL THE WARRANTIES AND CONDITIONS NOT ESTABLISHED IN THIS LIMITED WARRANTY. ANY IMPLIED WARRANTIES THAT MAY BE IMPOSED BY LAW ARE LIMITED IN THEIR DURATION TO THE TERM OF THIS WARRANTY CLAUSE.

IMPORTANT NOTES

1. Seller reserves the right to modify this Industrial Product Limited Warranty document at any time and without prior notice. All the rights remain reserved.

2. The granting of either Extended Major Component Warranty or Deferred Startup is entirely at Seller's discretion and may be refused without having to provide grounds.

3. Except for the warranty period as reflected herein, Seller's D-R100 provisions shall apply, and the conditions outlined herein shall be understood to be a supplement to Article 9 (Warranty) of the D-R100 Terms and Conditions of Sale, which is reproduced below. In case of any contradiction between general provisions of aforementioned DR100 Article 9 and the product specific terms of this document, the product specific terms of this document shall govern.

9. WARRANTY

A. Except as provided for in Section 9-C below, Seller warrants that the equipment and parts manufactured by Seller and delivered hereunder will be free from defects in material and workmanship and will conform to the specifications agreed to in writing. Seller warrants its equipment and parts for a period of twelve (12) months from the date of initial start-up or eighteen (18) months from the date of shipment, whichever occurs first. Buyer shall immediately report

in writing to Seller any claimed defect promptly upon discovering the same. After receiving such notice from Buyer and substantiation by Seller of the claim as being within the warranty, Seller shall, at its option: (i) repair Buyer's equipment with any shipping, customs, duties, levies, taxes or other charges being assessed to Buyer's account, (ii) refund an equitable portion of the contract price, or (iii) furnish replacement equipment or parts, as necessary at the original shipping point. Buyer agrees that any non-warranty work or services done at the request of Buyer shall also be exclusively governed by these terms and conditions even if Buyer later declares the same to be a warranty claim covered by the same. In no event will Seller at any time be responsible for disassembling, and/or reassembling, uninstalling and/or reinstalling any equipment

B. Seller warrants that its work when performed and services when rendered will meet all of the specific requirements, if any, of this Agreement and will be done in a good and workmanlike manner. Seller warrants its work and/or services for a period of six (6) months from the completion of the work and/or services. Any claims for defective work must be made in writing immediately upon discovery, and in any event, within six (6) months from the date of completion by Seller. After notice from Buyer and substantiation by Seller of the claim as being within the warranty, Seller shall, at its option: (i) repair Buyer's equipment at the original shipping point, (ii) refund an equitable portion of the contract price, (iii) furnish replacement equipment or parts, as necessary, at the original shipping point, or (iv) in the case of service, re-perform the service. In no event will Seller at any time be responsible for disassembling, and/or reassembling, uninstalling and/or reinstalling any equipment

C. With respect to major equipment supplied but not (engineered or) manufactured by Seller, Seller will fulfill its warranty obligations by solely securing warranty rights covering this major equipment not less than the warranty rights described in this Section and Buyer agrees to be bound by the same limitations and conditions as set forth in this Section 9. Seller agrees to be Buyer's primary contact and advocate on any warranty claim for such equipment, and to make reasonable effort on behalf of Buyer to pursue claims against the applicable original manufacturer of such major equipment. Substantiation of warranty claims for such major equipment, however, shall be by the original manufacturer of the equipment. As such, Seller shall provide a remedy to Buyer only to the extent that the claim is substantiated and remedied by the original supplier of the equipment.

D. Seller shall not be liable for the cost of any repair, replacement, or adjustment to the equipment or parts made by Buyer or for labor performed by Buyer or others.

INDUSTRIAL PRODUCTS LIMITED WARRANTY

E. No equipment or part furnished by Seller shall be deemed to be defective as a result of Buyer's failure to properly store, install, operate or maintain the equipment or parts in accordance with good industry practices or specific recommendations made by Seller and/or within the inherent operating limitations of the equipment and/or parts, all of which are Buyer's responsibilities.

F. Any performance warranty on equipment, parts, field services or repairs must be specifically agreed to in writing by Buyer and Seller and incorporated into the applicable Purchase Order and shall be subject to the terms and conditions of this Agreement. The effects of corrosion and/or erosion due to any fluid or gas as well as normal wear and tear are specifically excluded from Seller's warranty and responsibilities.

G. If Buyer in any way directly or indirectly instructs Seller to make specific modifications to Seller's equipment or parts or those of Seller's vendors, then Buyer further agrees that Buyer's decision to make such modifications was made without any reliance, representation, direction, suggestion or warranty being offered or given by Seller and that the decision to proceed with such modifications is at Buyer's sole risk and cost. Buyer agrees that such modifications shall be governed by the terms and conditions of the then current version of Seller's "Agreement for Modification to Equipment" which is hereby incorporated into this Agreement by reference.

H. THE FOREGOING WARRANTIES AND REMEDIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES AND REMEDIES WHETHER WRITTEN, ORAL, IMPLIED OR STATUTORY. SELLER MAKES NO OTHER WARRANTY OR REPRESENTATION OF ANY KIND. ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, IMPLIED

WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE HEREBY DISCLAIMED.

DRESSER-RAND



GUASCOR POWER S.A.U.

INDUSTRIAL PRODUCTS

Barrio Oikia, 44. P.O. Box 30. E-20759

Zumaia - Gipuzkoa - Spain

Telephone: +34 943 865200

Fax: +34 943 865210

E-mail: guascor@guascor.com

Web: www.guascorpower.com

Central Technical Assistance Service

Telephone: +34 943 865221

Fax: +34 943 865250

E-mail: sat@guascor.com

Spare Part Division

Telephone: +34 943 865220

Fax: +34 943 865215

E-mail: recambios@guascor.com

Dated in Zumaia, June 2013