

# Product Warranty Policy

## 1. Applicable Products

This warranty is only applicable to our product directly supplied from Sugiyama Chain Co., Ltd. to customers (hereafter referred to as "Product"). In the case you purchased our product from a third party, please contact the third party for any warranty.

## 2. Warranty Period

The warranty period is for eighteen (18) months from the date of shipment from the factory or twelve (12) months from the date of installment onto the customer's equipment, whichever is shorter. However, if in the case falls under article 4 below, any repair or replacement by Sugiyama Chain Co., Ltd is not free-of-charge.

## 3. Warranty Information

When defects in material and workmanship are detected in a Product during the warranty period although the Product were installed, used, and maintained correctly in accordance with Sugiyama Chain Co., Ltd's catalogs, installation manuals, or other documents with similar nature, Sugiyama Chain Co., Ltd will repair, supply necessary parts of, or replace the defective Product free-of-charge on the condition that Sugiyama Chain Co., Ltd confirms such defects through inspection. The transportation and shipping charge for the inspection shall be borne by the customer.

In the case Sugiyama Chain Co., Ltd replaces the defective Product subject to this article, Sugiyama Chain Co., Ltd may replace it with an equivalent product worth equal to or below the sum the customer paid for the defective Product at Sugiyama Chain Co., Ltd's discretion. Customers may not specify or designate the product model and product type of such replacement product.

The title of the defective Product shall be transferred to Sugiyama Chain Co., Ltd upon the delivery of the replacement product to the customer. Sugiyama Chain Co., Ltd owes no duty to return the defective Product to the customer and has sole discretion to dispose of the defective Product.

Notwithstanding the warranty above, Sugiyama Chain Co., Ltd shall not bear and be liable for the costs and/or damages described below.

- (1) Costs required for removing the defective Product from or re-installing the replacement products onto the customer's equipment for repair or replacement purpose.
- (2) Costs required to ship a customer's equipment to a repair facility.
- (3) Any special damage, consequential damage, indirect damage, or loss of profits a customer may incur due to the defects of the Products.

## 4. Exceptions

Even if it is during the warranty period, in the case falls under the following items, Sugiyama Chain Co., Ltd will not inspect, repair, supply necessary parts of, or replace the defective Product free-of-charge and will do with extra charge if needed.

- (1) Placement, installation (including connecting and disconnecting), lubrication, or maintenance of the Product is not in accordance with Sugiyama Chain Co., Ltd's catalogs, installation manuals, and the documents specially provided to the customer.
- (2) The Product is used not in accordance with Sugiyama Chain Co., Ltd's catalogs, installation manuals, and the documents specially provided to the customer. (including operating conditions, environment, and allowances)
- (3) The Product is inappropriately disassembled, modified, or processed by the customer.
- (4) The Product is used with damaged or worn products. (Example: being used with a worn sprocket, drum, rail, or the like.)
- (5) The Product is used in the condition other than the one specified through mutual consultation between the parties.
- (6) Damage arises during displacement or transportation requested by the customer after delivery.
- (7) Damage arises out of falling, collision, or massive impact after delivery.
- (8) The customer receives an insurance payout or damages for the damage or defects of the Product.
- (9) The customer transfers the title of the Product to others.
- (10) The customer removes the Product from the equipment originally installed and installs it on other equipment

without any consultation with Sugiyama Chain Co., Ltd.

- (11) The cause of the defects is deplete, wear, or degrade of consumables such as bearings, oil seals, and lubricant in the Product.
- (12) The cause of the defects in the Product can be solely attributed to the defects or damage to the customer's equipment.
- (13) The state of the Product is the result of aging and degradation due to the climatic environment such as rust, mold, deterioration, noise, vibration, wound, spot and exfoliation of surface coating or the like which do not affect the performance of the Product.
- (14) Damage or failure of the Product arises due to force majeure such as natural disasters.
- (15) Damages or failure of the Product arises due to operating in circumstances with corrosive factors such as ocean area, brackish area, hot spring area, high-humidity area, circumstances with abnormal air environment such as the area around septic tanks or sewage odor, or circumstances with other environmental factors such as strong vibration.
- (16) Damage or failure of the Product arises due to unlawful conduct by third parties.
- (17) Damage or failure of the Product arises due to causes not attributable to Sugiyama Chain Co., Ltd.

#### **5. Applicable Law and Jurisdiction**

This warranty shall be governed and construed in accordance with the laws of Japan and any dispute arising out of or in connection herewith shall be submitted exclusively to the Tokyo District Court in the first instance.