

EARTHMOVING SCRAPER

WARRANTY POLICY

TF +1 866 496 7561 **P** +1 204 746 6435 **F** +1 204 746 2309

164 2nd Avenue East, Box 257 Rosenort, MB ROG 1W0, Canada

K-TEC WARRANTY POLICY

THIS WARRANTY APPLIES ONLY TO K-TEC SCRAPERS 2015 MODEL YEAR AND LATER ("K-TEC SCRAPER")

1. LIMITED STRUCTURAL WARRANTY

K-Tec Earthmovers Inc. ("K-Tec") warrants that structural assemblies of the K-Tec Scraper will be free from defects in materials and workmanship, under normal use and service and subject to the limitations and exclusions in this warranty, for a period of twelve (12) months or two thousand (2000) machine hours, whichever comes first (the "Standard Warranty"). Structural assemblies shall include only the following: the ejector, rack, gate, gate arms, rear C-frame, trailing arms, V-frame, tail, floor, sidewalls, laser mount, rims, knuckle, hitch pole, gooseneck, ADT neck, and hitch assembly. Where only the Standard Warranty applies, the warranty period commences on the date of shipment from the factory. The Customer shall have the option to register for an extended warranty (the "Full Warranty") on their new K-Tec Scraper. The Full Warranty replaces the Standard Warranty, running for a period of thirty-six (36) months from the in-service date specified in the documentation submitted in connection with the Full Warranty, or six thousand (6,000) hours, whichever comes first. Refer to sections 7 and 8 for Full Warranty details and registration requirements. For clarity, all references herein to the "Warranty" shall mean the Standard Warranty or the Full Warranty, as applicable.

The balance of the unused Warranty may be transferred to a subsequent owner under a private sale by the Customer. However, any K-Tec equipment purchased by way of an auction or any sale made to a dealer or distributor for purposes of resale, does not transfer the Warranty to the new purchaser, except where express written authorization by K-Tec Earthmovers Inc. has been obtained prior to the transaction date.

For certainty, the Warranty period for a K-Tec Scraper is not extended by any transfer of the K-Tec Scraper without prior written authorization by K-Tec.

2. STANDARD PARTS AND LABOR WARRANTY

K-Tec warrants that each new K-Tec Scraper will be free from defects in materials and workmanship, under normal use and service in accordance with the owner's manual and subject to the limitations and exclusions herein, for a period of six (6) months or one thousand (1,000) machine hours, whichever comes first, from the later of: (i) the date of shipment from the factory; and (ii) where the Full Warranty applies, the in-service date specified on the documentation submitted in connection with the application for the Full Warranty. Standard parts include hydraulic lines, hoses, electrical wiring harnesses, joystick, display screen, & computer. For certainty, the term of this warranty is not extended by virtue of the Customer being entitled to the Full Warranty.

3. EXCLUSIONS

This Warranty excludes the deterioration of consumable parts and other parts due to normal wear and tear, including, but not limited to, tires, cutting edges, side bits, router bits, pins, bearings, bushings, thrust washers, rollers, slider blocks, hydraulic cartridges, valves, push-blocks, hydraulic cylinders and brakes. Certain of foregoing items that are excluded from K-Tec's warranty may be covered by a warranty provided by the manufacturer of those components, however K-Tec is not the manufacturer of such components and makes no representation or guarantee as to the existence or applicability of any such manufacturer's warranty.

This Warranty excludes service calls to and from the site of the K-Tec Scraper. It is the responsibility of the Customer to either transport the K-Tec Scraper to the repair facility of the K-Tec Dealer or pay the costs of

having a K-Tec authorized repair person attend to the Customer's location. K-Tec reserves the right to deny Warranty coverage, in full or in part, if K-Tec determines, in its sole discretion, the damage to or deterioration of the K-Tec Scraper is caused by unauthorized or improper use, operation, transportation or maintenance (examples include, but are not limited to exceeding the load limit; top loading with the cutting edge in excess of 15" off the ground; operating with an improperly connected case drain, improperly connected brake line) including, without limitation:

- » Unauthorized repair, alteration, or modification including but not limited to repair, alteration or modification or parts used in connection therewith not conducted or authorized in writing by K-Tec;
- » Use of improper fuels, lubricants, oils (including, but not limited to unfiltered oil, dirty oil, and used oil) or other fluids:
- » Collisions, natural disasters, or acts of nature;
- » Improper methods of shipping or transporting;
- » Improper storage conditions;
- » Failure to follow decal instructions or manuals supplied with the K-Tec Scraper;
- » Failure to comply with the guidelines described below in paragraph 5 below; or
- » Use of the K-Tec Scraper in soil types other than clay, top soil, sand, coal fines, coal, and soil composed of rock particles (6-inch diameter or less) in a proportion greater than 20%.

Neither this Warranty nor any other warranty by K-Tec, express or implied, is applicable to any item that K-Tec sells that is warranted directly to the Customer by its manufacturer, including, but not limited to the tires and power unit components used with the K-Tec Scraper. This Warranty does not apply to any damage to parts, equipment, or vehicles used with the K-Tec Scraper.

4. ADDITIONAL EXCLUSIONS

K-Tec reserves the right to deny Warranty coverage, in full or in part, if K-Tec determines, in its sole discretion, that the damage to or deterioration of the K-Tec Scraper is the result of the Customer's or a third party's failure to operate the K-Tec Scraper in accordance with the owner's manual and any of the following use guidelines as applicable.

TOP LOADING ROCK GUIDELINES

When top loading rocks, the rocks must only be dropped in the bowl opening. The maximum heights (as measured from the floor) and weights of a rock for top loading purposes are

- » 12 ft. (3.7 meter) height for rocks weighing up to 30 lbs. (13.61 Kg) with an approximate diameter of 8"
- » 10 ft. (3.1 meter) height for rocks weighing up to 50 lbs. (22.68 Kg) with an approximate diameter of 10"

The above height and weight guidelines are to be followed until there is sufficient material to cover the floor, at which time larger rocks may be loaded.

UNLOADING ROCK GUIDELINES

The K-Tec Scraper cutting edge must be no higher than 14 inches from the ground when unloading rocks. Rocks with a diameter greater than 14 inches must not be unloaded from the K-Tec Scraper.

PUSH LOADING K-TEC EARTHMOVER GUIDELINES

Any damage caused to a Push Loading K-Tec Scraper, which includes all Single Standard, Lead, Gooseneck, and ADT Models (Model Nos. 1228, 1233, 1236, 1237, 1243, 1263), by the Customer's or a third party's noncompliance with the following use guidelines is not covered by this warranty.

- 1. The Push Loading K-Tec Scraper must always be pushed straight from the rear and not at an angle.
- 2. The maximum crawler dozer horsepower and weight for each scraper model, as set out in the table below, must not be exceeded.

Crawler / Dozer Specifications	SCRAPER MODEL					
	1228	1236	1233/1237	1233/1237 Trains	1243	1263
Max HP	250	250	350	350	600	600
Max KW	186	186	261	261	447	447
Max LB Weight	58,000	58,000	88,000	88,000	160,000	160,000
Max KH Weight	26,308	26,308	39,916	39,916	72,574	72,574

3. For push-load assistance using a tractor and K-Tec Ox Block Pusher Accessory, the maximum allowable horsepower for the tractor is 620HP (420 KW), with Max weight 66,000 lb (29,937 kg) is allowable to push any of the K-Tec Scraper models listed in the chart above.

For certainty, the use guidelines set forth above shall not operate to restrict the scope of the other exclusions and limitations set forth in this Warranty.

5. LIMITATIONS AND DISCLAIMER

The above warranties and remedies are exclusive and shall not be deemed to have failed of its or their essential purpose so long as K-Tec or another party authorized by K-Tec is willing and able to repair or replace, in K-Tec's sole discretion, the K-Tec Scraper in question within a reasonable time after the Customer establishes that a valid Warranty claim exists in accordance with this Warranty.

This Warranty contains the sole warranty and remedy of the Customer for the K-Tec Scraper and no person is authorized to give any further representation or warranty or assume any further obligation on behalf of K-Tec with respect to a K-Tec Scraper. There are no warranties expressed or implied and K-Tec hereby expressly waives and disclaims any obligations to the full extent permitted by applicable law including any special, indirect, incidental or consequential damage, including liability for loss or damages due directly or indirectly, any obligations including without any type of economic loss, including but not limited to loss of use, loss of revenue, loss of profit, downtime, overtime, shipping and handling and injury to property or person (including death), and any implied warranty or condition of quality, merchantability or fitness for a particular purpose, and such implied warranties, if any, are limited in duration to the term of this Warranty. Some jurisdictions do not allow limitations on the duration of an implied warranty, so the above limitations only apply to the extent permitted by law in the jurisdiction in which the K-Tec Scraper was purchased.

6. SUBMITTING A WARRANTY CLAIM

The Customer must notify K-Tec of any Warranty claim immediately upon the occurrence of damage to the K-Tec Scraper. Upon notification, K-Tec will provide the Customer with the Warranty Claim Form. Within sixty (60) days of the date that the damage to the K-Tec Scraper occurs and prior to any repair, the Customer must send the completed Warranty Claim Form and pictures of the damage of the K-Tec Scraper to K-Tec at the following email address:

warranty@ktec.com

K-Tec may determine that this Warranty is void if the Customer fails to submit the Warranty Claim Form and pictures of the damage to the K-Tec Scraper. If the Customer fails to submit their claim within sixty (60) days of the date the damage to the K-Tec Scraper occurred, no Warranty claim may be made nor shall be valid in respect of such damage.

K-Tec, in its sole discretion, will determine if the Customer's Warranty claim is covered by this Warranty. If K-Tec determines that the damage or deterioration is covered by this Warranty, K-Tec or a K-Tec Dealer authorized by K-Tec will repair or replace, at K-Tec's option, any part determined by K-Tec to be defective in material or workmanship. Any replacement part will be either a new, remanufactured or K-Tec approved part. If K-Tec authorizes work under this Warranty, the Customer must promptly make the K-Tec Scraper available to K-Tec or the K-Tec Dealer to perform the work. K-Tec is responsible for only standard rate shipping costs of replacement parts. The Customer is responsible for shipping charges in excess of those that are usual and customary. K-Tec will determine, in its sole discretion, whether a party other than K-Tec or a K-Tec Dealer, such as a Customer, is permitted to perform any repair covered by this Warranty. In the event K-Tec permits another party to perform Warranty work, K-Tec will reimburse the other party on such terms as K-Tec determines, in its sole discretion, to be reasonable. All parts and material that are replaced in the course of a Warranty claim are the property of K-Tec and must be stored by the K-Tec Dealer for a period of one hundred eighty (180) days, unless K-Tec permits prior disposal.

In the event that K-Tec permits a party other than K-Tec or the K-Tec Dealer to perform the work required pursuant to the Warranty claim and as a result, the Customer pays at the first instance for such work, K-Tec will reimburse the Customer for the cost of labour of the authorized Warranty claim at a flat rate for the entire Warranty claim in the manner provided for below. K-Tec will determine the flat rate for labour reimbursement, in its sole discretion, prior to any work being performed under this Warranty. The Customer is responsible for all labour costs above the flat rate reimbursement amount authorized by K-Tec. All amounts reimbursed by K-Tec under this Warranty will be made in the form of a credit to the account of the Dealer or the Customer, as applicable. The Customer or the Dealer will be charged for any replacement parts until the Warranty claim is approved by K-Tec. If K-Tec is unable to reimburse a Customer or a subsequent owner by way of a credit to the account, K-Tec will reimburse such Customer or subsequent owner on such terms as K-Tec determines, in its sole discretion, to be reasonable.

7. FULL WARRANTY

The Full Warranty replaces the Standard Warranty and applies for a period of thirty-six (36) months from the in-service date specified in the documentation submitted in connection with the Full Warranty documentation or six thousand (6,000) machine hours, whichever comes first. Customers can register for the Full Warranty through their K-Tec Certified Dealer or direct through K-Tec. To register the K-Tec Scraper, a customer must

provide K-Tec with the following forms: Full Warranty Registration and the bill of sale within, both within thirty (30) days of purchase. Dealers can submit completed forms to the K-Tec Dealer Portal and Direct Customers can email forms to sales@ktec.com, and additional documentation may be required from a dealer in order for the customer of K-Tec Scraper to qualify for the Full Warranty. All registration and supporting forms can be downloaded from www.Ktec.com. In the event the forms are submitted after the initial thirty (30) day purchase period, the Full Warranty will be retroactively adjusted to start from the In-Service date specified in the Full Warranty Registration form. For certainty, the sole portion of this Warranty that shall be adjusted by the term of the Full Warranty is that related to the limited structural warranty described in paragraph 1 hereof. To the extent multiple in-service dates for a K-Tec Scraper are referenced in the Full Warranty registration form documentation, the earliest of the dates will be deemed to be the in-service date for the purposes of determining the duration of the Full Warranty

8. DEMONSTRATION AND RENTAL UNITS

Where a K-Tec Scraper is used as a demonstration or rental unit, in order for a customer of a K-Tec Scraper to qualify for the Full Warranty, the dealer of the K-Tec Scraper must submit Full Warranty Registration documentation as required by section 7 within 30 days of first usage of the K-Tec Scraper as a demonstration or rental unit. In submitting such documentation, the in-service date must be specified as the date from which the K-Tec Scraper was first used as a demonstration or rental unit. For certainty, the period of coverage of the Full Warranty on any demonstration or rental unit will only run from the in-service date specified in the documentation submitted by the dealer in respect of the demonstration or rental K-Tec Scraper, notwithstanding any subsequent sale by the dealer of a demonstration or rental K-Tec Scraper to a customer, and K-Tec shall be under no obligation to notify any customer of any demonstration or rental K-Tec Scraper as to the in-service date specified for such K-Tec Scraper or remaining period of warranty coverage under the Full Warranty.