

REPAIR POLICY & PROCEDURE

DATE: May 15, 2009 (revised)
TO: CUSTOMERS

RETURN MATERIAL AUTHORIZATION NUMBER: All returns must have a **RETURN MATERIAL AUTHORIZATION NUMBER** issued for any product to be returned to IMS. An RMA number is obtained through our web-site (http://www.imshome.com/support/request_rma.html) by completing the RMA Request Form which request's information on the nature of the repair required. Our customer service department will then issue an RMA number by fax. A copy of the RMA Authorization Form must be included with the return shipment or IMS has the right to refuse any shipment at the customer's expense where the RMA number has not been referenced on the box or packing slip.

RETURN ROUTE: Repairs are encouraged to be shipped back through your distributor but may be shipped directly to IMS once an RMA number has been issued.

REPAIR TIME: Standard repair time within two weeks.

WARRANTY DEFINED: TWENTY-FOUR (24) MONTH LIMITED WARRANTY

Intelligent Motion Systems, Inc. ("IMS"), warrants only to the purchaser of the Product from IMS (the "Customer") that the product purchased from IMS (the "Product") will be free from defects in materials and workmanship under the normal use and service for which the Product was designed for a period of 24 months from the date of purchase of the Product by the Customer. Customer's exclusive remedy under this Limited Warranty shall be the repair or replacement, at Company's sole option, of the Product, or any part of the Product, determined by IMS to be defective. In order to exercise its warranty rights, Customer must notify Company in accordance with the instructions described under the heading "Obtaining Warranty Service."

This Limited Warranty does not extend to any Product damaged by reason of alteration, accident, abuse, neglect or misuse or improper or inadequate handling; improper or inadequate wiring utilized or installed in connection with the Product; installation, operation or use of the Product not made in strict accordance with the specifications and written instructions provided by IMS; use of the Product for any purpose other than those for which it was designed; ordinary wear and tear; disasters or Acts of God; unauthorized attachments, alterations or modifications to the Product; the misuse or failure of any item or equipment connected to the Product not supplied by IMS; improper maintenance or repair of the Product; or any other reason or event not caused by IMS.

IMS HEREBY DISCLAIMS ALL OTHER WARRANTIES, WHETHER WRITTEN OR ORAL, EXPRESS OR IMPLIED BY LAW OR OTHERWISE, INCLUDING WITHOUT LIMITATION, **ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE.** CUSTOMER'S SOLE REMEDY FOR ANY DEFECTIVE PRODUCT WILL BE AS STATED ABOVE, AND IN NO EVENT WILL THE IMS BE LIABLE FOR INCIDENTAL, CONSEQUENTIAL, SPECIAL OR INDIRECT DAMAGES IN CONNECTION WITH THE PRODUCT.

This Limited Warranty shall be void if the Customer fails to comply with all of the terms set forth in this Limited Warranty. This Limited Warranty is the sole warranty offered by IMS with respect to the Product. IMS does not assume any other liability in connection with the sale of the Product. No representative of IMS is authorized to extend this Limited Warranty or to change it in any manner whatsoever. No warranty applies to any party other than the original Customer.

IMS and its directors, officers, employees, subsidiaries and affiliates shall not be liable for any damages arising from any loss of equipment, loss or distortion of data, loss of time, loss or destruction of software or other property, loss of production or profits, overhead costs, claims of third parties, labor or materials, penalties or liquidated damages or punitive damages, whatsoever, whether based upon breach of warranty, breach of contract, negligence, strict liability or any other legal theory, or other losses or expenses incurred by the Customer or any third party.

CONDITION OF RETURNED PRODUCTS: Returned products must be shipped in static protected containers and properly packaged to prevent any physical damage. Any transportation damage will be the responsibility of the sender. Products returned for repair must be in the same mechanical configuration as when shipped from the factory. They must not be mounted on panels, chassis, or in PC boards. They must be free of any potting or coating and any customer installed mounting hardware.

The ONLY exceptions to the above are the following. IMS products may be returned mated with IMS accessory Interface, Option, and Speed Control boards. In these instances, multiple test charges will apply. These products must also be listed on the RMA under "ITEMS BEING RETURNED".

Products returned for repair must be free of any customer installed wiring, including but not limited to, wiring harnesses*, cabling, and soldered on flying leads.

(*If it is necessary to preserve wiring harnesses assembled to IMS provided pluggable connectors the product may be returned for repair without the connectors. The customer is advised that if the problem is due to a faulty connector that is not returned along with the product then that problem cannot be diagnosed.)

Products returned for repair failing to meet the above conditions will be deemed NON-REPAIRABLE.

Repairs should be returned free of extraneous materials. The Repair Department will not troubleshoot "systems". Individual products are tested and restored to factory specifications.

REPAIR STATUS: Should you require an updated repair status while your repair is in-house please contact customer service on 860-295-6102.

NON-REPAIRABLE: If IMS deems product non-repairable no charge will incur to customer if un-repairable products are scrapped at factory. If the customer would like the unit to be shipped back, IMS will do so and test charges will apply. Freight will be at customer expense. IMS will notify customer if a unit is deemed un-repairable. If no response is received within 3 business days the non-repairable item will automatically be scrapped, and labor charges will be invoiced. Repairs under warranty will be credited or replaced.

PURCHASE ORDER REQUIRED FOR WARRANTY AND NON WARRANTY REPAIRS:

If unit is deemed by IMS to be within warranty, charges may not apply – See below. If unit is non-warranty the amount of the repair charge is indicated on the price list below.

Charges For Warranty Repairs:

- **Freight** – Customer shall prepay shipping charges for products returned to IMS for warranty service and IMS shall pay for return of products to customer (by Ground Transportation). However, customer shall pay all shipping charges, duties and taxes for products returned by IMS from another country.
- **IF No Problem Found** – Warranty units will be charged a test charge.
- **IF Warranty Voided** – See limited warranty conditions under Warranty Defined and Condition of Returned Products.

Charges For Non-Warranty Repairs:

- Non-warranty repairs are warranted for 30 days except cases where repeat of original failure is caused by customer error.

Test charges are incurred if no problem is found and no repair is needed. No problem found situations can be non-productive. IMS encourages customers to trouble shoot machine malfunctions with their Distributor or with IMS Technical Support before filing an RMA to return the product. Our experience is that many times this will restore machine-down situations faster than waiting for a no-problem-found product to cycle through repairs.

NOTES:

1. No charges will incur to customer if unrepairable products are scrapped at factory. Otherwise test charges will apply.
2. Items affixed to returned IMS products will double the service charge. For guidelines, see CONDITION OF RETURNED PRODUCTS above.

PAYMENT TERMS: For any charges incurred on a repair unit, IMS will require payment to be made prior to shipping for customers who do not have credit terms. IMS will not set up credit terms solely for repairs. Customers who do not have credit terms can pay by C.O.D., Visa, MasterCard and American Express.