

1. STATEMENT OF PERFORMANCE

Arrowhead Conveyor warrants that under production operation conditions, the equipment will perform per the specified scope of this proposal and at an efficiency level of 99%, when the conditions below have been met:

- The product/containers and packaging materials (dunnage) meet the container specifications provided within the Product Data Table of this proposal and meet the manufacturer's tolerances (such as to print dimensional integrity) and are free of defects.
- The equipment is furnished with an uninterrupted supply of properly oriented, approved materials.
- Electrical controls for the system must be supplied or previously approved by Seller. If no controls are provided, the equipment does not constitute a system and therefore warranty can only be extended to mechanical performance of the individual items and workmanship.
- Operators and maintenance people have been properly trained by an authorized Arrowhead Conveyor representative.
- The equipment is properly installed, maintained and operated by trained personnel within the parameters in which it was designed.
- All upstream or downstream devices and/or equipment are operating properly at rated speeds.
 - ◆ NOTE: Any customer-provided conveyor and all upstream or downstream equipment must be operational at design speed. Sufficient containers must be available for continuous testing.
- Startup and commissioning by Automation Solutions (or approved representative).
 - ◆ STARTUP NOTE: All mechanical and electrical installation must be completed prior to Automation Solutions Representatives arrival on-site including interface to existing or customer-provided conveyor and all upstream equipment must be operational at design speed. Sufficient containers must be available for continuous testing.
- The improper performance of all other equipment shall not adversely affect the operation of the system and/or equipment as defined in this proposal.
- The efficiency level is calculated on the following equation: $99\% = \frac{ST-DT}{ST}$
 - ◆ ST is the Scheduled Running Time for the period which the efficiency is being calculated for.
 - ◆ DT is Down Time due to malfunction of the equipment. Down time is defined as the period of time during which corrective action is being performed on the equipment (it is the Buyer's responsibility to ensure the availability of competent maintenance personnel and an adequate supply of spare parts).
 - ◆ Equipment malfunctions do not include failures due to bad containers, untrained operators or malfunction of upstream, downstream devices and/or equipment.
- Any modifications made to the equipment and/or system as described in this proposal, without prior approval from Seller may invalidate this warranty.
- This statement of performance applies only to the equipment manufactured by the companies of Arrowhead Systems, LLC. Seller does not make any claim of performance for third party equipment supplied as part of this proposal.

Arrowhead Conveyor LLC's Commitment

- Seller must be notified prior to any testing and agree that the equipment is ready. Seller may or may not have a representative present during testing.
- Prior to performance testing, the Buyer's operators and maintenance personnel must be instructed in the machine's operation and maintenance requirements. At Buyer's expense, additional training can be provided by Seller's Technician or Engineer on site.
- If the equipment fails to perform up to the specified level of efficiency, written notification must be received by Seller within thirty (30) days after receipt of equipment. The Seller may have a period of thirty (30) days in which to make, at Seller's expense, the necessary alterations to enable the equipment to meet the stated performance guarantees and specifications. Upon completion of the alterations, the test will be rescheduled.