

CERTIFICATE OF LIMITED WARRANTY

This Limited Warranty is given by ABM International, Inc., an Illinois corporation ("ABM") to Purchaser.

Subject to the exclusions and limitations contained below, ABM warrants to Purchaser that the Innova Quilting Machine ("Machine") furnished hereunder is free from defects or fault in workmanship and material caused by the acts or omissions of ABM for the periods provided herein (collectively, "Warranty Period") from the date of sale of the Machine, subject to the terms and conditions set forth herein.

EXCEPT AS EXPRESSLY PROVIDED HEREIN, ABM MAKES NO WARRANTIES, EXPRESS, OR IMPLIED, WITH RESPECT TO THE PRODUCTS SOLD. THIS LIMITED WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES OF ABM, EXPRESS OR IMPLIED, INCLUDING, BUT WITHOUT LIMITATION, THE IMPLIED WARRANTY OF MERCHANTABILITY, THE IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, THE IMPLIED WARRANTY OF HABITABILITY AND ANY AND ALL OTHER WARRANTIES ARISING FROM CUSTOM, USAGE, COURSE OF TRADE, STATUTE OR CASE LAW AND INURES ONLY TO THE BENEFIT OF THE PURCHASER.

This Limited Warranty is subject to the following terms, conditions, exclusions and limitations, all of which are made a part hereof:

1. WARRANTY PERIOD.

(a) **Five (5) Year Limited Manufacturer's Warranty.** ABM warrants the sewing head and frame of the Machine is free from casting or machining imperfections causing product failure. This Limited Warranty does not extend to mechanical or electronic/electrical parts, which are governed under subparagraph 1(d) herein, or consequential damage caused by mechanical or electronic/electrical part failures beyond the applicable Warranty Period.

(b) **Five (5) Year Mechanical Parts Warranty.** For any mechanical failure of the Machine during this Warranty Period, ABM will provide free replacement parts, excluding normal and customary wear and tear items. Purchaser shall pay all fees, charges and costs for labor and shipping at such then current and customary rates.

(c) **Five (5) Year Electronic/Electrical Warranty.** The electronic/electrical components of the Machine are warranted to be free from manufacturing defects for five (5) years from the date of purchase of the Machine. If any defect appears in these parts within this Warranty Period, ABM will provide free replacement parts. Purchaser shall pay all fees, charges and costs for labor and shipping at such then current and customary rates. The five (5) year electronic/electrical warranty will be invalid if Purchaser does not keep the Machine unplugged from the power source when the Machine is not in use. In addition, the use of an ABM approved surge protector or uninterruptable power supply is also required.

2. NOTIFICATION PROCEDURES AND CORRECTION OF DEFECTS.

(a) ABM shall not be obligated to remedy any defects when otherwise required by this Limited Warranty unless and until Purchaser has completed and delivers the machine registration card to ABM and provides written notice as required herein. Notwithstanding anything to the contrary herein, the Warranty Period shall not be extended by, nor does the term commence upon, the actual date of completion and delivery of the machine registration card.

(b) Purchaser shall provide written notice to the ABM distributor or an authorized repair facility, or such other place that may be designated by ABM, of the claimed defect and related purchase order, and deliver the Machine freight prepaid to the ABM distributor or an authorized repair facility, or such other place that may be designated by ABM, at Purchaser's sole cost and expense. If the Machine is found to be defective, it will be returned to Purchaser via Fedex Freight or UPS Freight, or other similar commercial carriers, at Purchaser's expense. A Machine tested and proven to be non-defective is subject to service charges.

(c) Provided ABM determines that the Machine is defective, ABM agrees to use reasonable diligence to remedy all defects which are covered by this Limited Warranty in a good and workmanlike manner in accordance with acceptable industry standards provided Purchaser has given ABM written notice of such defects during the Warranty Period. ABM shall endeavor to remedy such defects within thirty (30) days following notice or within a reasonable period of time thereafter if ABM shall be

unable to complete such work within such thirty (30) day period due to unavoidable delays occasioned by strikes, material shortages, acts of God, adverse weather conditions and other matters not within the reasonable control of ABM. Expedited repair requests are subject to expediting fees, pursuant to ABM's then current and customary rates.

(d) ABM's obligations under this Limited Warranty are limited to providing only replacement parts. Purchaser is responsible for all other costs, fees and expenses. Such costs, fees and expenses may include, but are not limited to: (i) labor charges for service, removal, repair or reinstallation of the Machine or any component part; and (ii) shipping, delivery, handling and administrative charges.

3. WARRANTY EXCLUSIONS AND LIMITATIONS. The following exclusions and limitations shall apply to this Limited Warranty:

(a) All chips, cracks, scratches, mars or other like damages (including breakage or cracks) must be identified in the notice, or they shall not be covered by this Limited Warranty.

(b) This Limited Warranty shall not cover ordinary wear and tear, normal deterioration, ordinary maintenance and repairs, damage due to misuse, neglect, vandalism, acts of God or nature, Purchaser's negligence or failure to provide proper maintenance, and/or damage due to any accident, including but not limited to, fire, explosion, smoke, water, windstorm, hail, lightning, flood and earthquake.

(c) This Limited Warranty shall not cover electronic options added to the Machine such as Autopilot, Lightning Stitch, Ecoring Multitech or Electric Lift. Please see individual Warranties for these specific electronic items.

(d) THIS LIMITED WARRANTY SHALL NOT COVER ANY PART OR ITEM WHICH HAS BEEN MODIFIED OR REPAIRED BY PURCHASER OR ANY PARTY OTHER THAN ABM OR ANY ITEMS WHICH ARE INSTALLED OR CONSTRUCTED PURSUANT TO A SEPARATE CONTRACT OR AGREEMENT BETWEEN THE PURCHASER AND ANY PARTY OTHER THAN ABM.

(e) ABM SHALL NOT BE RESPONSIBLE FOR ANY SECONDARY, INCIDENTAL OR CONSEQUENTIAL DAMAGES CAUSED BY ANY DEFECT OR BREACH HEREOF, INCLUDING ANY DAMAGES TO FIXTURES OR PERSONAL PROPERTY AND BODILY INJURY.

(f) No steps taken by ABM to correct defects shall act to extend the scope or duration of this Limited Warranty beyond the Warranty Period. No representative of ABM has the authority to expand or extend the scope or duration of this Limited Warranty or to make verbal agreements with respect thereto. All requests for corrections must be in writing and such notification must be made before the expiration of the Warranty Period.

(g) This Limited Warranty shall not be assignable by Purchaser and any attempted assignment shall be null and void.

(h) ABM shall take every reasonable precaution in packing the Machine to be returned, but ABM is not responsible for goods damaged or lost in transit. Purchaser must make and file any claims with the carrier. Risk of loss for the Machine shall pass at point of shipment, F.O.B. Houston, Texas.

4. NOTICES. Any notices hereunder shall be personally delivered or sent by certified U.S. Mail, postage prepaid, return receipt requested to the ABM factory repair facility or such other point or place that may be designated by ABM.

5. SEVERABILITY. The invalidity of any agreement, restriction, condition, reservation or any other provisions of this Limited Warranty shall not impair or affect in any manner the validity or effect of the remainder of this Limited Warranty.