

SmithCo Mfg. Co.

Manufacturer of SmithCo Side Dump Trailers
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Service / Warranty

Policy and Procedure Manual

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Service Policy

No Employee or representative of the company (SmithCo Mfg. Co.) is authorized to change this warranty in any way or grant any other warranty unless such change is made in writing and signed by an officer of the company.

1.0 Warranty

All products manufactured by SmithCo Manufacturing, Inc. (hereinafter referred to as the “company”) are of high quality and are manufactured in conformity with the best commercial practices in the various lines. The Company guarantees all products manufactured by it to be free from defects in material and manufacture at the time of equipment acceptance and for **1 year** from the date of acceptance. The Company will furnish replacements for such parts as the Company finds to have been defective at the time of acceptance, or at the Company’s option, will make or authorize repairs to such part provided that, upon request, such parts are returned, transportation prepaid, to the factory from which they were shipped.

This warranty shall not apply to any product, which has been subjected to misuse, misapplication, neglect (including but not limited to use of unauthorized parts or attachments), adjustment or repair. Any accessories furnished with or used in the Company’s products , but which are not manufactured by the Company, are not warranted by the Company but are sold only with the express warranty, if any, of the manufacturers thereof. This warranty is limited to the first purchaser / user and is not transferable.

THE FOREGOING IS IN LIEU OF ALL OTHER WARRANTIES, WHETHER EXPRESSED OR IMPLIED (INCLUDING THOSE OF MERCHANTABILITY AND FIRMNESS OF ANY PRODUCT FOR A PARTICULAR PURPOSE), AND OF ANY OTHER OBLIGATION OR LIABILITY ON THE PART OF THE COMPANY.

Prior SmithCo approval is required before undertaking any warranty action. Dealer, owner, or approved service facility must call and review circumstances with Company representative and obtain warranty authorization number.

1.1 Limitation of Liability

It is expressly understood that the Company’s liability for its products, whether due to breach of warranty or otherwise, is limited to the furnishing of such replacement parts, F.O.B. factory; the Company will not be liable for any other injury, loss, damage, or expense, whether direct or consequential, including but not limited to loss

of use, income, profit of production, or increase in cost of operation, or spoilage of or damage to material, arising in connection with the sale, installation, use or inability to use, or the repair or replacement of the Company's products.

2.0 Items Covered by Warranty

The specific language of the warranty will determine the Company's obligation in connection with its product. The information presented below should be used as a general guide to identify those items, which are covered under its provisions.

2.1 Labor Policy

SmithCo will warrant labor charges on warranty failures for a period of one (1) year from the in-service date as documented by return of the Warranty Registration form. All warranty labor charges must be pre-authorized for the time allowed at the SmithCo pre-authorized hourly rate charge.

The Company will reimburse the Dealer, owner, or authorized repair facility only for reasonable time required for repair or replacement of parts under the warranty. If the labor claim is excessive in relation to an established time for similar jobs, credit will be issued according to the time per job standard as set by Company unless there is acceptable documentation to substantiate the cause for the excessive time. (This also applies to sublet repairs.)

The Company will, from time to time, establish standard times for the performance of replacement work, and when available these times will be used as basis for the reimbursement to the dealer, owner, or authorized repair facility.

All warranty work is to be performed by Company, or an authorized representative of the Company.

The dealer, owner, or authorized facility is responsible for the quality of this work. The Company will not consider secondary claims caused by incorrect or inadequate repairs made by the dealer, owner, or authorized repair facility.

2.2 Sublet Repairs

Claims for sublet repair costs must be shown on the warranty claim and supported by an attached copy of the invoice from the person or firm performing the work.

A dealer, owner, or authorized repair facility will be reimbursed for sublet repairs at their actual cost but not to exceed the specified labor rate payable in section 2.1 of this policy.

Replacement parts purchased locally will be reimbursed at the Company's actual cost for a similar part unless prior authorization has been obtained from the Company. If authorization has been received, reimbursement will be made at actual cost of the locally purchased item.

The Company will not allow hourly shop labor time to a dealer, owner, or authorized repair facility during the time that sub-labor is being performed.

2.3 Travel and Mileage

Travel and mileage will be allowed only on Company specified off-highway units. Mileage involved in a warranty repair or replacement is not to exceed 300 miles round trip. Contact SmithCo prior to service for reimbursement details.

Mileage and travel time is applicable only within the prime service area and will be calculated from the agent's nearest outlet to the job site.

Methods of travel other than authorized motor vehicles will not be accepted.

Meals, accommodation and other incidental expenses are not considered as warranty items. They will not be paid if included on claims.

No mileage, travel allowance, service truck fees will be paid for warranty repair or replacement on Company specified over-the-road trailers.

2.4 New Trailers and Attachments

All component parts of the new machines or attachments manufactured or supplied by the Company are warranted as stated in the Company's standards warranty policy, except those items covered by specific supplier warranties.

2.5 Components affected by Wear, Exposure, Etc.

Repair or replacement of component parts will be confined to cases where the item is clearly defective, and will not apply to those instances in which replacement is due to normal use, neglect, accident, wear, or exposure.

2.6 Rental Machines

A dealer's rental of a Company product will be considered the same as a normal sale or rental purchase. All inspection procedures will be the same as if the machine were sold. On a rental, the Dealer will be shown as the owner on the inspection reports. Warranty coverage will be in accordance with the provisions stated in the Company's standard warranty policy. For purposes of computing the warranty period, the warranty clock will be considered to have been stopped when the Dealer rental machine is returned from the user. IF NOTIFICATION IS NOT RECEIVED, THE WARRANTY WILL NOT EXTEND BEYOND ONE YEAR FROM THE DATE OF FIRST SERVICE. Notification of the return of a machine from rental must be sent to the Company's service department. The notification should include the model and serial number of the unit. This information will be recorded on the machine's history card. At such times as the machine is placed back in service, the Dealer must again notify the Company of this event and warranty will continue from this dated until the balance of the warranty has expired.

3.0 Non-Covered Items

3.1 Secondary Warranties

Items such as tires, axles, brake chambers, tarping systems, etc. are covered by the specific manufacturer's guarantees and therefore are not covered by the Company warranty.

Contact the Company's service department for more information regarding individual parts coverage and claims.

3.2 Towing and Hauling

Towing and hauling charges are not covered by warranty.

3.3 Loss Time

Down time, or loss of income time is not covered by warranty.

3.4 Diagnostic Time

Diagnostic time will not be considered warranty labor.

3.5 Non-SmithCo Products

Equipment not designed, sold, or recommended by the Company is not covered by the warranty.

3.6 Secondary Failures

Should the owner or operator continue to operate a machine, after it has been noted that some primary failure has occurred, the Company will not be responsible under the warranty.

3.7 General Exclusions

Any product, which has, in the Company's judgment, has been subject to misuse, negligence, loading beyond its normal capacity, alteration, accident or lack of regular maintenance service so as in any way to affect adversely its performance and reliability, will not be covered by warranty. Our obligation under this warranty shall not include any liability for direct, indirect or consequential damage or delay.

3.8 Normal Maintenance Services

Maintenance services that are not directly involved with defective parts are considered normal service and should be excluded from a claim. These services include such things as cleaning, wheel adjustment and alignment, brake inspection and adjustment, or other adjustments made necessary by use, such as tightening of hydraulic fittings, replacement of hydraulic oil, etc.

3.9 Transportation Damage

Any damage caused by carrier handling is a transportation claim and should be taken up with the carrier.

3.10 Storage Damage

No coverage is provided for physical damage to products while in the dealer's, owner's or authorized facility's inventory. Upon receipt of unit, unit should be inspected for damage and so noted.

4.0 Parts Warranty

Parts (on new machines and attachments) for Company products are warranted to be in accordance with the published specifications or those specifications agreed to by us in writing at the time of sale, for a period of 1 year. The dealer, owner, or authorized facility will be credited for the replacement of all genuine Company parts required and used in fulfilling warranty obligation on a new machine or attachment. The dealer, owner, facility will be credited at the net price in effect at the time of repair. Replacement parts provided under the terms of this warranty are warranted for the remainder of the warranty period applicable to the product in which the part is installed.

4.1 New Parts Purchase and Attachments installed on machine while it is in the warranty period

The Company parts and attachments installed on a new machine by an authorized dealer, facility or owner during the warranty period of the machine are also covered by warranty. Should these parts fail because of defective material or workmanship during the period when the machine is still covered under the provisions of the new product warranty, the dealer, facility, owner, will be reimbursed for the repair or replacement of the defective parts or attachments and credit will be allowed for the parts, labor, mileage, and travel time. (Mileage and travel time will apply on off-highway units only.) In the event that the parts of attachments fail after the expiration of the new machine warranty period, the provisions outlined in the following paragraph will apply.

4.2 Normal Replacement Parts

Company parts installed on a machine after the expiration of the warranty are warranted to be free from defects in workmanship for a period of 60 days following the date of their installation by an authorized dealer, owner, or facility. If these parts fail because of materials or workmanship defects during this warranty period, the dealer, owner, or facility will be reimbursed for the repair of the part, or for the replacement part at net price. No allowances will be made for freight, handling, and installation, travel time, down time or mileage.

5.0 Distributor / Facility Responsibilities to Customer

Company systems and procedures are designed to require a minimum amount of time and effort by the dealer / authorized facility in applying for warranty adjustment, and still provide the essential information needed to process warranty claims. To ensure smooth operation of this system, it is important that the dealer / facility fully understands the method of applying for Application of Adjustment.

Because the customer's normal contact is with the dealer / facility, Company requires the dealer / facility to handle all warranty negotiations directly with the customer.

In the event of a machine failure, the primary objective is to return the machine to work so that the customer can obtain maximum value from his investment. It is important that the customer have his machine productive and that he clearly understands whether or not the failure is covered by warranty. For this reason, it is necessary for the dealer / facility to visually examine the failure at the time of repair or replacement of parts, to determine if the failure resulted from faulty material or workmanship or if it was caused by conditions which are not covered by a warranty such as improper maintenance, adjustment, lubrication, overload or abuse. The dealer / facility should then make claim within the terms and provisions of the product warranty policy.

5.1 Filing of Claims

Prior SmithCo approval is required before undertaking any warranty action. Dealer, owner or authorized facility must call and review circumstances and obtain authorization number.

A claim for a warranty repair or replacement must be made to the Company within thirty (30) days after the warranty repair or replacement is complete. All warranty claims must be submitted on a Company claim form.

Applications for Adjustment forms (claim form) have a blank at the top of each claim for an authorization (CO) number. CO numbers must be obtained from the Company service department or warranty manager. Each authorization (CO) number must be discussed as to define all problem(s) that arise on the same serial numbered unit after specific authorization is closed requires a different authorization (CO) number from the Company service department. Retain one copy for your machine record file. Send the original and remaining copies to the Company service department along with any internal invoicing documents.

The Company will process warranty claims within thirty (30) days from either receipt of claim or returned parts.

Attach all supporting data such as sublet invoices, or any other pertinent information supporting the claim.

Retain the failed part(s) or material related to the warranty failure for return to the Company if requested for inspection and analysis. Some components will require disposal at the job site or at the dealer's / facility's yard. In this event, the Company will require photographs, documentation and / or verification that the component was destroyed beyond further use or rebuild.

5.2 Warranty Claim Request

After reviewing a claim, if required, the Company will notify the dealer / facility with any claims or portions of claims that will be rejected. If parts are requested to be returned, and are not returned within thirty (30) days, the claim will be disallowed.

Returns will be sent to the factory designated, freight prepaid (via most economical way). Through-rate should be noted on bill of lading. **Our receiving departments will reject collect shipments.** A return form furnished by the Company service department must be attached to all shipments with an individual tag on each part.

Clean all warranty parts before return shipment. Fluid and air components must be cleaned around port areas before removal and cover plates and caps immediately installed to ensure that no foreign material enter these components. Any contamination found in a component at the time of our inspections will be considered as the cause for the failure and the claim rejected. Properly crate, box, tie, etc. warranty components to prevent return shipping damage. All cylinders should be retracted. Never include more than one claim in one package, unless parts are separated properly for identification. Disassembled components will not be accepted.

Parts returned without authorization and which cannot be identified with a warranty claim, will be returned to the dealer / facility freight collect.

On approved claims in which the Company requests components be returned to a designated factory, the dealer / facility with return parts prepaid.

On rejected claims, the parts returned will be disposed of in accordance with the dealer / facility's instructions, providing the instructions are received within thirty (30) days of the date that the Company issues NOTIFICATION OF THE CLAIM DISTRIBUTION TO THE DEALER / FACILITY. Parts for which no instructions

are received within thirty (30) days will be destroyed and the application for adjustment disallowed.

5.3 Misuse Notification

It is essential that the dealer / facility file reports with the Company and the end user, concerning any improper use or maintenance of the equipment noted by the dealer / facility during his service, courtesy, and / or warranty service calls. Include such things as written record of suggestions made to the user as to proper operation, safety and / or maintenance.

5.4 Replacement of Assemblies

The Company has the option to repair or replace any failed part or assembly. It is the Company policy to refuse claims for the replacement of a complete component that has been replaced as a result of a defect in parts within that component. It is standard practice to replace or repair the defective parts and only such other parts as are damaged. When practical, repairs shall be made to such items as structural assemblies, tanks, pumps, and cylinders, rather than replacing them.