

## 11.0 Limited Warranty

Recognition Systems, Inc. (the “Company”) warrants to the original user the products manufactured by the Company (the “Product”) to be free of defects in material and workmanship for a period of one year from the date of purchase by such user or 15 months from the date of shipment from the factory, whichever is sooner, provided:

1. The Company has been notified within such period by return of any alleged defective product, free and clear of all liens and encumbrances, to the Company or its authorized dealer, transportation prepaid; and
2. The Product has not been abused, misused, or improperly maintained and/or repaired during such period; and
3. Such defect has not been caused by ordinary wear and tear; and
4. Such defect is not the result of voltage surges/brownouts, lightning, water damage/flooding, fire, explosion, earthquakes, tornadoes, acts of aggression/war, or similar phenomenon; and
5. Accessories used as integral to the Product have been approved by the Company.

The Company shall, at its option, either repair or replace, free of charge, the Product found, upon the Company’s inspection, to be so defective, or if agreed upon, refund the purchase price, less a reasonable allowance for depreciation, in exchange for the Product.

THE COMPANY MAKES NO OTHER WARRANTY AND ALL IMPLIED WARRANTIES INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE ARE LIMITED TO THE DURATION OF THE EXPRESSED WARRANTY PERIOD AS SET FORTH ABOVE.

THE COMPANY’S MAXIMUM LIABILITY THEREUNDER IS LIMITED TO THE PURCHASE PRICE OF THE PRODUCT. IN NO EVENT SHALL THE COMPANY BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, OR SPECIAL DAMAGES OF ANY NATURE ARISING FROM THE SAME OR THE USE OF THE PRODUCT.

Recognition Systems Inc. reserves the right to make changes in the design of any of its products without incurring any obligation to make the same change on units previously purchased.