

DAKTRONICS WARRANTY & LIMITATION OF LIABILITY

This Warranty and Limitation of Liability (the “Warranty”) sets forth the warranty provided by Daktronics with respect to the Equipment. By accepting delivery of the Equipment, Purchaser and End User agree to be bound by and accept these terms and conditions. Unless otherwise defined herein, all terms within the Warranty shall have the same meaning and definition as provided elsewhere in the Agreement.

DAKTRONICS WILL ONLY BE OBLIGATED TO HONOR THE WARRANTY SET FORTH IN THESE TERMS AND CONDITIONS UPON RECEIPT OF FULL PAYMENT FOR THE EQUIPMENT

1. Warranty Coverage.

- A. Daktronics warrants to the original end user (the “End User”, which may also be the Purchaser) that the Equipment will be free from Defects (as defined below) in materials and workmanship for a period of one (1) year (the “Warranty Period”). The Warranty Period shall commence on the earlier of: (i) four weeks from the date that the Equipment leaves Daktronics’ facility; or (ii) Substantial Completion as defined herein. The Warranty Period shall expire on the first anniversary of the commencement date.

“Substantial Completion” means the operational availability of the Equipment to the End User in accordance with the Equipment’s specifications, without regard to punch-list items, or other non-substantial items which do not affect the operation of the Equipment
- B. Daktronics’ obligation under this Warranty is limited to, at Daktronics’ option, replacing or repairing, any Equipment or part thereof that is found by Daktronics not to conform to the Equipment’s specifications. Unless otherwise directed by Daktronics, any defective part or component shall be returned to Daktronics for repair or replacement. This Warranty does not include on-site labor charges to remove or install these components. Daktronics may, at its option, provide on-site warranty service. Daktronics shall have a reasonable period of time to make such replacements or repairs and all labor associated therewith shall be performed during regular working hours. Regular working hours are Monday through Friday between 8:00 a.m. and 5:00 p.m. at the location where labor is performed, excluding any holidays observed by Daktronics.
- C. Daktronics shall pay ground transportation charges for the return of any defective component of the Equipment. All such items shall be shipped by End User DDP Daktronics designated facility per Incoterms® 2020. If returned Equipment is repaired or replaced under the terms of this Warranty, Daktronics will prepay ground transportation charges back to End User and shall ship such items DDP End User’s designated facility per Incoterms® 2020; otherwise, End User shall pay transportation charges to return the Equipment back to the End User and such Equipment shall be shipped Ex Works Daktronics designated facility per Incoterms® 2020. All returns must be pre-approved by Daktronics before shipment. Daktronics shall not be obligated to pay freight for any unapproved return. End User shall pay any upgraded or expedited transportation charges
- D. Any replacement parts or Equipment will be new or serviceably used, comparable in function and performance to the original part or Equipment and warranted for the remainder of the Warranty Period. Purchasing additional parts or Equipment from the Seller does not extend the Warranty Period.
- E. Defects shall be defined as follows. With regard to the Equipment (excepting LEDs), a “Defect” shall refer to a material variance from the design specifications that prohibit the Equipment from operating for its intended use. With respect to LEDs, “Defects” are defined as LED pixels that cease to emit light. Unless otherwise expressly provided, this Warranty does not impose any duty or liability upon Daktronics for partial LED pixel degradation. Notwithstanding the foregoing, in no event does this Warranty include LED pixel degradation caused by UV light. This Warranty does not provide for the replacement or installation of communication methods including but not limited to, wire, fiber optic cable, conduit, trenching, or for the purpose of overcoming local site interference radio equipment substitutions.

EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS WARRANTY, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, DAKTRONICS DISCLAIMS ANY AND ALL OTHER PROMISES, REPRESENTATIONS AND WARRANTIES APPLICABLE TO THE EQUIPMENT AND REPLACES ALL OTHER WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OR CONDITIONS OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR ACCURACY OR QUALITY OF DATA. OTHER ORAL OR WRITTEN INFORMATION OR ADVICE GIVEN BY DAKTRONICS, ITS AGENTS OR EMPLOYEES, SHALL NOT CREATE A WARRANTY OR IN ANY WAY INCREASE THE SCOPE OF THIS LIMITED WARRANTY.

THIS LIMITED WARRANTY IS NOT TRANSFERABLE.

2. Exclusion from Warranty Coverage

This Warranty does not impose any duty or liability upon Daktronics for any:

- A. damage occurring at any time, during shipment of Equipment unless otherwise provided for in the Agreement. When returning Equipment to Daktronics for repair or replacement, End User assumes all risk of loss or damage, agrees to use any shipping containers that might be provided by Daktronics, and to ship the Equipment in the manner prescribed by Daktronics;
- B. damage caused by: (i) the improper handling, installation, adjustment, use, repair, or service of the Equipment, or (ii) any physical damage which includes, but is not limited to, missing, broken, or cracked components resulting from non-electrical causes;



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altered, scratched, or fractured electronic traces; missing or gauged solder pads; cuts or clipped wires; crushed, cracked, punctured, or bent circuit boards; or tampering with any electronic connections, provided that such damage is not caused by personnel of Daktronics or its authorized repair agents;

- C. damage caused by the failure to provide a continuously suitable environment, including, but not limited to: (i) neglect or misuse; (ii) improper power including, without limitation, a failure or sudden surge of electrical power; (iii) improper air conditioning, humidity control, or other environmental conditions outside of the Equipment's technical specifications such as extreme temperatures, corrosives and metallic pollutants; or (iv) any other cause other than ordinary use;
- D. damage caused by fire, flood, earthquake, water, wind, lightning or other natural disaster, strike, inability to obtain materials or utilities, war, terrorism, civil disturbance, or any other cause beyond Daktronics' reasonable control;
- E. failure to adjust, repair or replace any item of Equipment if it would be impractical for Daktronics personnel to do so because of connection of the Equipment by mechanical or electrical means to another device not supplied by Daktronics, or the existence of general environmental conditions at the site that pose a danger to Daktronics personnel;
- F. statements made about the product by any salesperson, dealer, distributor or agent, unless such statements are in a written document signed by an officer of Daktronics. Such statements as are not included in a signed writing do not constitute warranties, shall not be relied upon by End User and are not part of the contract of sale;
- G. damage arising from the use of Daktronics products in any application other than the commercial and industrial applications for which they are intended, unless, upon request, such use is specifically approved in writing by Daktronics;
- H. replenishment of spare parts. In the event the Equipment was purchased with a spare parts package, the parties acknowledge and agree that the spare parts package is designed to exhaust over the life of the Equipment, and as such, the replenishment of the spare parts package is not included in the scope of this Warranty;
- I. security or functionality of the End User's network or systems, or anti-virus software updates;
- J. performance of preventive maintenance;
- K. third-party systems and other ancillary equipment, including without limitation front-end video control systems, audio systems, video processors and players, HVAC equipment, batteries and LCD screens;
- L. incorporation of accessories, attachments, software or other devices not furnished by Daktronics; or
- M. paint or refinishing the Equipment or furnishing material for this purpose.

3. Limitation of Liability

- A. Daktronics shall be under no obligation to furnish continued service under this Warranty if alterations are made to the Equipment without the prior written approval of Daktronics.
- B. It is specifically agreed that the price of the Equipment is based upon the following limitation of liability. In no event shall Daktronics (including its subsidiaries, affiliates, officers, directors, employees, or agents) be liable for any claims asserting or based on (a) loss of use of the facility or equipment; lost business, revenues, or profits; loss of goodwill; failure or increased cost of operations; loss, damage or corruption of data; loss resulting from system or service failure, malfunction, incompatibility, or breaches in system security; or (b) any special, consequential, incidental or exemplary damages arising out of or in any way connected with the Equipment or otherwise, including but not limited to damages for lost profits, cost of substitute or replacement equipment, down time, injury to property or any damages or sums paid to third parties, even if Daktronics has been advised of the possibility of such damages. The foregoing limitation of liability shall apply whether any claim is based upon principles of contract, tort or statutory duty, principles of indemnity or contribution, or otherwise
- C. In no event shall Daktronics be liable for loss, damage, or injury of any kind or nature arising out of or in connection with this Warranty in excess of the Purchase Price of the Equipment. The End User's remedy in any dispute under this Warranty shall be ultimately limited to the Purchase Price of the Equipment to the extent the Purchase Price has been paid.

4. Assignment of Rights

- A. The Warranty contained herein extends only to the End User (which may be the Purchaser) of the Equipment and no attempt to extend the Warranty to any subsequent user-transferee of the Equipment shall be valid or enforceable without the express written consent of Daktronics.

5. Governing Law; Election of Remedies

- A. The rights and obligations of the parties under this Warranty shall not be governed by the provisions of the United Nations Convention on Contracts for the International Sales of Goods of 1980. The parties consent to the application of the laws of the State of South Dakota to govern, interpret, and enforce each of the parties' rights, duties, and obligations arising from, or relating in any manner to, the subject matter of this Warranty, without regard to conflict of law principles.
- B. Any dispute, controversy or claim arising from or related to this Warranty, the parties shall first attempt to settle through negotiations. In the event that no resolution is reached, then such dispute, controversy, or claim shall be resolved by final and binding arbitration under the Rules of Arbitration of the International Chamber of Commerce. The language of the arbitration



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shall be English. The place of the arbitration shall be Sioux Falls, SD. A single arbitrator selected by the parties shall preside over the proceeding. If a single arbitrator cannot be agreed upon by the parties, each party shall select an arbitrator, and those arbitrators shall confer and agree on the appointed arbitrator to adjudicate the arbitration. The arbitrator shall have the power to grant any provisional or final remedy or relief that it deems appropriate, including conservatory measures and an award of attorneys' fees. The arbitrator shall make its decisions in accordance with applicable law. By agreeing to arbitration, the Parties do not intend to deprive any court of its jurisdiction to issue a pre-arbitral injunction, pre-arbitral attachment, or other order in aid of arbitration proceedings and the enforcement of any award. Without prejudice to such provisional remedies as may be available under the jurisdiction of a court, the arbitrator shall have full authority to grant provisional remedies and to direct the Parties to request that any court modify or vacate any temporary or preliminary relief issued by such court, and to award damages for the failure of any Party to respect the arbitrator's orders to that effect.

6. Availability of Extended Service Agreement

- A. For End User's protection, in addition to that afforded by the warranties set forth herein, End User may purchase extended warranty services to cover the Equipment. The Extended Service Agreement, available from Daktronics, provides for electronic parts repair and/or on-site labor for an extended period from the date of expiration of this warranty. Alternatively, an Extended Service Agreement may be purchased in conjunction with this Warranty for extended additional services. For further information, contact Daktronics Customer Service at 1-800-DAKTRONics (1-800-325-8766).

Additional Terms applicable to sales outside of the United States

The following additional terms apply **only** where the installation site of the Equipment is located outside of the United States of America.

- In the event that the installation site of the Equipment is in a country other than the U.S.A., then, notwithstanding Section 5 of the Warranty, where the selling entity is the entity listed in Column 1, then the governing law of this Warranty is the law of the jurisdiction listed in the corresponding row in Column 2 without regard to its conflict of law principles. Furthermore, if the selling entity is an entity listed in Column 1, then the place of arbitration is listed in the corresponding row in Column 3.

Column 1 (Selling Entity)	Column 2 (Governing Law)	Column 3 (Location of Arbitration)
Daktronics, Inc.	The state of Illinois	Chicago, IL, U.S.A.
Daktronics Canada, Inc.	The Province of Ontario, Canada	Toronto, Ontario, Canada
Daktronics UK Ltd.	England and Wales	Bristol, UK
Daktronics GmbH	The Federal Republic of Germany	Wiesbaden, Germany
Daktronics Hong Kong Limited	Hong Kong, Special Administrative Region of the P.R.C.	Hong Kong SAR
Daktronics Shanghai Co., Ltd.	The Peoples Republic of China	Shanghai, P.R.C.
Daktronics France, SARL	France	Paris, France
Daktronics Japan, Inc.	Japan	Tokyo, Japan
Daktronics International Limited	Macau, Special Administrative Region of the P.R.C.	Macau SAR
Daktronics Australia Pad Ltd	Australia	Sydney, Australia
Daktronics Singapore Pte. Ltd	Singapore	Singapore
Daktronics Brazil LTDA	Brazil	São Paulo, Brazil
Daktronics Spain S.L.U.	Spain	Madrid, Spain
Daktronics Belgium N. V	Belgium	Kruikebeke, Belgium
Daktronics Ireland Co. Ltd.	Ireland	Dublin, Ireland