

Limited Warranties, Remedies, Exclusions and Disclaimers For Reseller Agreement

Hardware Limited Warranty and Remedy:

Panasas warrants to the original End User that the Hardware by the End User directly from Panasas or an authorized Panasas reseller will be free from Material Defects for a period of one (1) year from the date of delivery to End User. The sole and exclusive remedy of such original End User under this limited warranty shall be a return-to-factory repair or replacement (at Panasas's sole option) of the Hardware that does not comply with the above warranty. Panasas reserves the right to replace any Materially Defective Hardware with another version of the Hardware that provides substantially similar functionality, it being understood that Panasas may replace any Hardware that does not comply with the above warranty with its then-current version of such Product, which may include new functionality or capabilities and constitute the then-current Product that Panasas has made generally available to End Users as a replacement for the previous version of such Product. All Materially Defective Hardware, or components thereof, returned under this limited warranty shall become the property of Panasas unless repaired and subsequently returned to the End User by Panasas (as Panasas's remedy regarding repair thereof).

Units of Hardware that were Demonstration Units may have a different warranty period and may have to be recertified by Panasas or its authorized service provider prior to placing such unit under warranty and any maintenance and support plan offered by Panasas.

Software Limited Warranty and Remedy:

Panasas warrants that the Software will substantially comply with Panasas's written descriptions of the functionality of such Software for a period of ninety (90) days from the date of receipt and provided End User installs the Software and accepts the associated EULA, provided that Panasas is notified in writing of any material non-conformity within such 90-day period. End User's sole and exclusive remedy for any breach of this warranty is for Panasas to undertake reasonable efforts to correct any material non-conformity, to provide replacement software that has the described functionality, or to permit return of the Software and the associated Product(s) so that End User may obtain a refund.

EXCLUSIONS: Warranties do not apply to:

- normal wear
- Products not operated under normal use, not operated in accordance with their operating instructions or not used in their recommended operating environments
- expendable and other nonrepairable items
- Products that have been customized for the End User
- Products that are not branded with an Panasas logo
- Products for which a Material Defect is caused by operator error, improper, unauthorized or inadequate maintenance or hardware or software not supplied by Panasas
- Products that have been installed, modified or repaired by persons other than Panasas's authorized
 personnel or someone certified by Panasas to perform installations, modifications or repairs (except in
 the case of installation, for Products that are designated as "customer installable")
- Products that have been subject to misuse, abuse, neglect, mishandling, accident or which are damaged by excess voltage, improper site installation or during shipment
- failure due to a Product for which Panasas is not responsible
- Products which have been connected or in any way attached to another device without Panasas's prior written consent
- Software Products for which the End User is in violation of the EULA

DISCLAIMERS

PANASAS EXPRESSLY DISCLAIMS AND EXCLUDES ALL OTHER WARRANTIES, OBLIGATIONS
OR LIABILITIES, EXPRESS OR IMPLIED, ORAL OR WRITTEN, ARISING BY LAW OR OTHERWISE,
INCLUDING THE WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR
PURPOSE, NONINFRINGEMENT OR THOSE ARISING FROM COURSE OF PERFORMANCE,
COURSE OF DEALING OR USAGE OF TRADE.

PANASAS*

- TO THE GREATEST EXTENT PERMITTED BY LAW, IN NO EVENT WILL PANASAS, ITS RESELLERS, AUTHORIZED SERVICE PROVIDERS OR ITS SUPPLIERS BE LIABLE TO THE END USER OR ANY THIRD PARTY FOR ANY INDIRECT, PUNITIVE, SPECIAL INCIDENTAL OR CONSEQUENTIAL DAMAGES, OR FOR LOSS OF USE, LOSS OR ALTERATION OF DATA, DELAYS OR LOST PROFITS OR SAVINGS RELATED TO ITS PRODUCTS, THE USE OR THE LOSS OF USE THEREOF OR OTHERWISE, EVEN IF PANASAS, ITS RESELLERS, AUTHORIZED SERVICE PROVIDERS OR ITS SUPPLIERS IS AWARE OF THE POSSIBILITY OF SUCH DAMAGES, HOWSOEVER ARISING AND REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, WARRANTY OR TORT (INCLUDING NEGLIGENCE) OR UNDER ANY OTHER THEORY OF LIABILTY IN LAW OR IN EQUITY AND EVEN IF THE ABOVE REMEDIES FAIL OF THEIR ESSENTIAL PURPOSE.
- PRODUCTS ARE NOT DESIGNED, INTENDED OR WARRANTED FOR USE IN HAZARDOUS ENVIRONMENTS REQUIRING FAIL-SAFE PERFORMANCE, INCLUDING WITHOUT LIMITATION, NUCLEAR FACILITIES, ARICRAFT NAVIGATION OR COMMUNICATION SYSTEMS, AIR TRAFFIC CONTROL SYSTEMS OR ANY OTHER APPLICATION WHERE THE FAILURE OF THE PRODUCT COULD LEAD DIRECTLY TO DEATH, PERSONAL INJURY OR SEVERE PHYSICAL OR PROPERTY DAMAGE. END USER ASSUMES ALL RISK OF USE IN SUCH APPLICATIONS AND PANASAS AND ITS SUPPLIERS DISCLAIM ANY RESPONSIBILITY OR LIABILTY FOR ANY AND ALL DAMAGES THAT MAY BE INCURRED DUE TO THE USE OF THE PRODUCTS IN SUCH APPLICATIONS.
- END USER'S RIGHTS AS STATED IN THIS LIMITED WARRANTY ARE EXCLUSIVE REMEDIES. IN
 NO EVENT SHALL PANASAS'S OR PANASAS'S LIABILITY TO END USERS FOR DAMAGES WITH
 RESPECT TO THE PRODUCTS OR THEIR USE BY END USER EXCEED THE NET INVOICE PRICE
 PAID BY THE END USER TO PANASAS OR ITS AUTHORIZED RESELLER UPON RETURN OF THE
 AFFECTED PRODUCT(S).
- PANASAS DOES NOT WARRANT THAT OPERATION OF ANY PRODUCTS WILL BE UNINTERRUPTED OR ERROR FREE OR THAT FUNCTIONS CONTAINED IN THE PRODUCTS WILL OPERATE IN COMBINATIONS THAT MAY BE SELECTED FOR USE BY END USER OR THAT THE PRODUCTS MEET ANY END USER'S REQUIREMENTS.
- PANASAS DOES NOT WARRANT, GUARANTEE, OR MAKE ANY REPRESENTATIONS REGARDING THE USE, OR THE RESULTS OF THE USE, OF THE PRODUCTS IN TERMS OF CORRECTNESS, ACCURACY, RELIABILITY, CURRENTNESS, OR OTHERWISE. THE ENTIRE RISK AS TO THE RESULTS AND USE OF THE PRODUCTS IS ASSUMED BY END USER.
- REPLACEMENT PARTS USED TO REPAIR IN-WARRANTY OR OUT-OF-WARRANTY PRODUCTS MAY BE EITHER NEW OR RECONDITIONED AND EQUIVALENT-TO-NEW, AT PANASAS'S SOLE OPTION.

THIS WARRANTY GIVES THE END USER SPECIFIC LEGAL RIGHTS. END USERS MAY ALSO HAVE OTHER STATUTORY OR OTHER RIGHTS WHICH VARY BY LOCATION. ANY IMPLIED WARRANTIES THAT MAY BE IMPOSED BY LAW AND ARE NOT OTHERWISE DISCLAIMED BY THE PRECEDING SENTENCE ARE LIMITED TO THE TERMS AND DURATION OF THE ABOVE EXPRESS LIMITED WARRANTIES.

Return Material Authorization ("RMA") Procedure for Materially Defective Hardware and Software Products under Warranty:

- All warranty claims for either Materially Defective Hardware or Software shall be in writing and made prior to the expiration of the applicable warranty period.
- In the event that any Hardware fails to comply with the foregoing limited warranties, Panasas's customer service department must be contacted within five (5) business days of discovery of the Material Defect to obtain an RMA; no returns will be accepted without an RMA. All returns must be sent insurance and freight prepaid to the address specified by Panasas at the time the RMA is issued and must be received by Panasas within thirty (30) days of the date that the RMA is issued. If Panasas correctly determines that the Hardware did contain a Material Defect, Panasas shall reimburse Reseller all costs of shipping the Materially Defective Hardware. If Panasas correctly determines that the Hardware did not contain a Material Defect, Reseller shall pay to Panasas all costs of handling, transportation and services at Panasas's then prevailing rates for any returns to Reseller.

PANASAS*

- If Panasas correctly determines that the Hardware did contain a Material Defect and Reseller has facilitated the return of the presumptive Materially Defective Hardware, Panasas shall reimburse Reseller all costs of shipping the Materially Defective Hardware. If Panasas correctly determines that the Hardware did not contain a Material Defect, Reseller shall pay to Panasas all costs of handling, transportation and services at Panasas's then prevailing rates for any returns to Reseller.
- For Software that does not comply with the Panasas Software warranty (and subject to Panasas's reasonable efforts to correct any existing material non-conformity), Panasas will provide replacement Software by Panasas's then-current processes for supplying replacement Software that meets the warranty (which processes may include either web-based downloads from Panasas's website or provision of the replacement Software directly to End-User or through the Reseller).
- All Product returns must be sent insurance and freight prepaid to the address specified by Panasas at the time the RMA is issued, and must be received by Panasas within thirty (30) days of the date that the RMA is issued