

WARRANTY CONDITIONS MARINE ENGINES





INTRODUCTION

Dear Customer,

First of all, thank you for the trust you have placed in us by choosing a NANNI Engine.

Your Nanni Engine has been designed and tested to give you full satisfaction when it is used on board your boat. Would you please take time to note the conditions of our Warranty and scrupulously follow the instructions for installation, operation and maintenance given in the User Manual supplied with your Engine (document also available at nannienergy.com.

ATTENTION!

You must comply with the following, otherwise this Warranty may be declared void:

Make sure that the commissioning and the first maintenance visit of your engine (see page 7) have been performed and registered on the NANNI SERVICE PORTAL website by a NANNI approved distributor, agent or shipyard. These registrations will allow you to benefit from the Warranty, its possible extensions, and eventual recall campaigns.

Guarantor:

Name: NANNI INDUSTRIES SAS (known below as "Nanni Industries")

Form: Simplified Joint-Stock Company capitalized at 2,040,000.00 € Registration: R.C.S. Bordeaux B 380 707 638 00017 - APE 2811Z

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1. GLOSSARY

For a full understanding of this Warranty, the words or expressions defined below which begin with an upper case letter shall have the following meanings in both the singular and the plural:

Nanni Authorized Dealers	Means the professional sellers approved by NANNI INDUSTRIES who can be found on the list in the WORLD WIDE SERVICE DEALER INDEX which can be consulted and downloaded from the official Nanni Industries website (nannienergy.com)	
Boatyard/Shipyard	Means the partner boatyards or shipyards which buy the Engine directly from Nanni Industries or one of its Authorized Dealers to be fitted to the new boats which they build and sell	
Load Factor	Means the ratio of average hourly consumption to peak load hourly consumption of the Engine you have purchased. For example, for a T4 205 (classification M6): you have used 115 litres for an 8 hour sail and the nominal consumption for 8 hours is 336 litres. Your Load Factor is 34.2% (115/336 litres). Since the maximum permitted load factor for classification M6 is 35%, your use is compliant	
Warranty	Means the present contractual warranty granted by NANNI INDUSTRIES on the Engine that you have acquired, which is in addition to any legal warranties legal warranties in force from which you may benefit according to your legal and geographical situation (article 2)	
User Manual	Means the User Manual for the Engine covered by this Warranty. The User Manual for your Engine can also be consulted and downloaded directly from official Nanni Industries website (nannienergy.com). We reserve the right to change the information in the User Manuals at any time without notice. The current version of each User Manual is the one published on the Nanni Industries website.	
Commissioning	Means the operations to check: 1. The installation of the engine on board the intended vessel. 2. Its initial start-up. 3. The parameters obtained during a sea trial. 4. Commissioning must be carried out in all cases in accordance with the Nanni Industries recommendations and must be followed by a 1st maintenance inspection, otherwise this Warranty may be declared void. We strongly recommend that you call on a NANNI authorized Dealer for these operations.	
Engine	Means the new, original Engine purchased from Nanni Industries, a Nanni Authorised Dealer or a Boatyard/Shipyard and covered by this Warranty.	
Warranty Period	Means the period during which the Warranty applies, it being specified that the Warranty Period may be extended under the terms of section 4 of this document ("Extended Warranty")	
NANNI Service Portal (NSP)	Means the NANNI INDUSTRIES website, specially designed for our professional network to record the Declaration of Commissioning, the follow-up of maintenance visits and as well as all the maintenance receipts. NANNI SERVICE PORTAL is accessible via the internet at nsp.nanni . network.	
Use for Commercial Purposes	Means that you use the Engine, even occasionally, to generate income (for example, but not limited to: professional uses, commercial uses commercialuses, marine transportation of passengers, goods, professional fishing, public fishing, public/government service, rental, service, charter service, vessel for use in sports competition or prepared for for this purpose).	
End User	Means the first end user owner of the new Engine covered by this Warranty. The End User is the sole beneficiary of the Warranty, with the proviso that the benefit may be transferred to a subsequent buyer during the Warranty Period, subject to compliance with the provisions of this Warranty.	



Maintenance Inspections

Means the maintenance operations and preventive controls applicable on the Engine in accordance with NANNI INDUSTRIES recommendations. The 1st Maintenance Visit must imperatively be carried out after the Commissioning by an Authorized NANNI INDUSTRIES dealer and be recorded the latter on the NANNI SERVICE PORTAL website to validate the warranty.



2. SCOPE OF APPLICATION - NATURE OF WARRANTY

2.1 Scope of application

The NANNI Warranty is a contractual type Warranty which is provided by Nanni Industries free of charge to all its End User customers who have purchased a new Engine from a Nanni Authorized Dealer or from a Boatyard/Shipyard (new vessel fitted with a new Engine only). Therefore the NANNI Warranty does not replace any mandatory legal warranties that may apply to sales

2.2 The legal provisions applicable if you have consumer status in France:

You are reminded that, irrespective of the NANNI Warranty provided, the retailer remains liable in accordance with Article L.217-15 of the Consumer Code for lack of conformity of the goods with the contract (conformity warranty) and for material defects (latent defects warranty) under the conditions laid down in Articles 1641 to 1649 of the Civil Code. Articles L.217-4, L.217-5 and L.217-12 of the Consumer Code and Article 1641 and the first paragraph of Article 1648 of the Civil Code are cited in the Annex if the Engine is sold in France.

2.3 The legal provisions applicable if you have consumer status within the European Union (excluding France):

If you have purchased an Engine in a Member State of the European Union, then in addition to the rights acquired under this NANNI Warranty, we would remind you that:

- In accordance with Article 3 of Directive 1999/44/ CE of the European Parliament and of the Council of 25 May 1999, the seller shall be liable to the consumer for any lack of conformity which exists at the time the goods were delivered, where the lack of conformity becomes apparent within **TWO** (2) years as from delivery of the goods.
- This is a minimum right: the legislation in your country governing the sale of consumer goods may offer you additional protection to that instituted by Directive 1999/44/CE. Member States may however provide that to benefit from these rights the consumer must inform the seller of the lack of conformity within TWO (2) weeks of the date on which it is discovered.
- 2.4 The legal provisions applicable if you have consumer status outside the European Union:

If you have purchased an Engine in a State which is not a member of the European Union, in addition to the rights acquired under this NANNI Warranty you may also benefit from the legislation applicable to the sale of movable goods by a professional to a consumer in the country in which you purchased the Engine and/or in your country of residence, as the case may be.



3. COMPULSORY FORMALITIES PRIOR TO VALIDATION OF THE WARRANTY

To claim your rights under this NANNI Warranty, it is essential that you carry out the two operations below (Commissioning, 1st Maintenance Inspection), under the conditions and within the time limits defined below, otherwise you risk forfeiting the rights granted by this Warranty.

3.1 Commissioning.

Must be carried out and then registered by a NANNI Authorized Dealer. Completion of the Commissioning on the NANNI SERVICE PORTAL is an essential requirement for the validity of the Warranty and any other work on your Engine by NANNI INDUSTRIES.

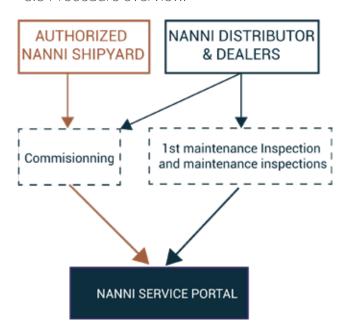
3.2 Maintenance Inspections

They must be performed and registered by an authorized NANNI INDUSTRIES distributor.

The execution and records of these maintenance visits on the NANNI SERVICE PORTAL website is essential for the continuity of the Warranty and any other intervention of NANNI INDUSTRIES on your Engine.

The 1st maintenance visit will be reputed as carried out when its registration on the NANNI Service Portal, website is done which must be done within THIRTY (30) calendar days or TWENTY-FIVE (25) hours of operation. For the engines N5, N6, N9 and N13 CR2 the first maintenance must be done between hundred (100) and two hundred fifty (250) hours of operation.

3.3 Procedure overview:



The Nanni Authorized Dealers can help you to complete these operations. You are strongly advised to contact your Nanni Authorized Dealer.



4. WARRANTY PERIOD

4.1 Initial Warranty period

4.1.1 Use for Recreational Purposes.

The Warranty applicable expires when the first of the following two events occurs:

- TWO (2) years from the actual date of Commissioning (section 3.1).
- ONE THOUSAND (1,000) hours of use. Use of the Engine at maximum power is limited to THIRTY (30) minutes maximum every EIGHT (8) hours.

4.1.2 Use for Commercial Purposes*.

The applicable Warranty expires after a period of:

ONE (1) Year from the date of commissioning (article 3.1).

*Under the conditions below after written validation from NANNI INDUSTRIES:

- Applied rating Conditions of use

4.2 CARE+3 Extended Warranty.

4.2.1 Preconditions (Use for Recreational Purposes).

To benefit from the CARE⁺³ Extended Warranty, it is essential that you comply with all the following conditions:

- During the **TWO (2) years** Initial Contractual Warranty Period you must have all the **maintenance** carried out according to the recommendations of NANNI INDUSTRIES and at your expense by a NANNI Authorized Dealer and arrange for that dealer to register the maintenance operations on the NANNI Service Portal website. If the maintenance operations are not registered by a Nanni Authorized Dealer, the Extended Warranty cannot be provided.
- You must arrange and pay for winterizing of the Engine outside the sailing season. The checks must be undertaken by a NANNI Authorized Dealer on documentary evidence (Stamp mandatory).
- In general, you must have followed all the recommendations in the User Manual for your Engine.
- Finally, you must request the Extended Warranty from your NANNI Authorised Dealer when purchasing the engine or the destination boat.

4.2.2 What the Extended Warranty covers

The Extended Warranty only covers the Engine compo-

nents listed below:

- Engine block;
- Crankcase;
- Crankshaft:
- Connecting rod;
- Engine flywheel;
- Engine flywheel housing;
- Camshaft;
- Balance shaft;
- Fresh water pump housing

4.2.3 Extended Warranty CARE⁺³ periods and costs - Excess

The conditions and prices of the Extended Warranty CARE+3 are different depending on the option of your choice, detailed in Appendix 1 (Use for Recreational Purposes). Any request for coverage under extension of coverage, regardless of the option chosen, will result in the payment of an excess. The terms and conditions of Extended Warranty CARE⁺³ as well as the amount of the excess are available from Your NANNI INDUSTRIES Authorized distributor.

4.3 Works under the Warranty.

All components or products used in connection with a repair or replacement by NANNI INDUSTRIES under the Warranty will benefit from the Warranty for the remaining Warranty period (Initial or Extended) of the Engine on which the work is done.



5. SCOPE OF WARRANTY

5.1 The Warranty

This Warranty provided to you for all new Engines purchased by you from, a NANNI Authorized Dealer or a Boatyard/Shipyard is an International Warranty.

5.2 Scope of Warranty Exclusions

This Warranty does not apply:

- If you have purchased the Engine from a seller, professional or otherwise, who is neither a NANNI Authorized Dealer nor a Boatyard/Shipyard on the date of purchase
- If the Engine Commissioning Declaration has not been completed on the terms stated in section 3.1
- If the Maintenance Inspection has not been carried out on your Engine on the terms stated in section 3.
- If you have purchased a pre-used Engine after expiry of the Warranty Period, it being understood that the NANNI Warranty is transferable to successive buyers of the Engine during the Warranty Period.
- If you use the Engine while sailing in a war zone and/or in a country on the list published by the Ministry of Foreign Affairs where French nationals need to remain vigilant.
- In the situations listed in section 7.

6. WHAT THE WARRANTY COVERS

- Subject to compliance with all the terms and conditions of this Contractual Warranty, Nanni Industries guarantees the components of its Engines during the Warranty Period in years or in operating hours, whichever is reached first, provided that they are recognized as being "defective" by NANNI INDUSTRIES.
- An Engine is considered "defective" and is therefore covered by the NANNI Warranty if it suffers from a defect (defect affecting the parts and/or manufacturing defects) which existed when it was shipped by NANNI INDUSTRIES.
- NANNI INDUSTRIES will repair or replace "defective" Engines at its sole discretion. It is expressly agreed that NANNI INDUSTRIES reserves the right to use factory reconditioned parts or engines in connection with repairs or replacements resulting from this Warranty being invoked.

The list of elements described above in this section as covered by the Contractual Warranty is restrictive.



7. WHAT THE WARRANTY DOES NOT COVER

Explicitly excluded from any warranty by NANNI INDUSTRIES are:

- Engines and accessories which have undergone a modification not recommended and/or not installed by NANNI INDUSTRIES (Boatyard/Shipyard for example) and/or installed without the prior approval of NANNI INDUSTRIES;
- Non-compliance with the User Manual (low oil or cooling fluid levels, for example);
- Defects caused by transport or installation or repairs not carried out and/or not validated by NANNI INDUSTRIES;
- Competition or preparation of the Engine for a competition;
- An excessive or insufficient Load Factor;
- Insufficient lubrication of the Engine;
- Cavitation :
- Normal wear;
- Insufficient or incorrect maintenance and/or care of the Engine;
- Incorrect installation or parameterization of the Engine;
- Damage associated with non-compliant installation with no Confirmation Inspection. Installation of the Engine must comply with the installation instructions supplied by NANNI INDUSTRIES and must be checked by a NANNI Authorized dealer;
- Damage associated with the use of spare parts other than original parts or parts recommended by NANNI INDUSTRIES;
- Damage due to storage of the Engine for more than six months (except for a long-term storage procedure duly authorized by NANNI INDUS-TRIES);
- Damage due to ice or a lack of winterization measures outside the sailing season;
- Damage due to the use of fuel(s) or lubricant(s) not in conformity with the User Manual;
- Parts called "maintenance" parts such as (this list is non-restrictive): belts, filters, rotors, raw water pump gaskets etc.;
- Damage to electrical or electronic components supplied with the Engine or installed by the Boatyard/Shipyard which results from connections

- which are out of specification or made without prior approval from NANNI INDUSTRIES;
- Deterioration of the reverser clutch discs fitted with trolling valves;
- Accidents, fires, lightning, voltage surges and any other damage caused by a material or chemical element outside the Engine.

Finally excluded from any Warranty are:

- Unless first approved by NANNI INDUSTRIES:
 - Responsibility for the travel expenses of the person providing the after-sales service within a radius of more than 100 kilometers from the workshop of a NANNI Authorized Dealer;
 - Responsibility for the costs of handling, transport, launching and retrieval from the water, accommodation, meals, mooring, fuel, telephone calls, etc....
 - Compensation for any direct or indirect loss.
- Engine corrosion;
- Non-compliance with the application instructions, User Manuals, maintenance instructions, installation instructions or any other instructions from NANNI INDUSTRIES.
- Modifications to the Engine, including modifications to software or electronic devices.
- Use of the Engine in breach of the law or for purposes not previously validated by NANNI INDUSTRIES.
- Defects caused by combinations of Engines, transmissions or any other mechanical or electronic product or accessory not sold or approved in writing by NANNI INDUSTRIES.



8. INVOKING THE WARRANTY

8.1 Preferred interlocutor.

Please contact a NANNI Authorized Dealer to invoke any claim under the Warranty, as the Nanni Industries Authorized Dealers are the only parties qualified to handle such claims.

8.2 Warranty claim.

It is your responsibility to inform a NANNI Authorized Dealer in writing of any defect found in the Engine. The notification must be given as quickly as possible and within FIFTEEN (15) days at the latest of the date on which you observed – or should have observed – the defect for the first time.

8.3 Recommendations.

We recommend that you retain a document verifying the defect notification date (copy letter, for example) together with the documentation required to establish that the Warranty is fully valid.

9. I IMITATION OF LIABILITY

- The operations to repair or replace Engine parts described above are the sole rights accorded to you under the Warranty.
- 2. NANNI INDUSTRIES cannot be held liable in the event of:
 - Tort (including negligence) and, in general, violation of a legal or other obligation.
 - Any indirect, incidental or consequent loss (including but not limited to loss of enjoyment, loss of income, loss of production, loss of profit, loss of time, loss of property, travel expenses, transport costs, cost of meals and accommodation, towing costs, mooring costs, fuel costs, telephone or electronic communication charges, launching costs, additional costs incurred to obtain access to the Engine, docking and lifting charges) arising out of or relating to this Warranty.
- This Warranty is the only guarantee provided by NAN-NI INDUSTRIES. Consequently no other legal entity is authorized to make additional commitments on behalf of NANNI INDUSTRIES and for its account.



10. YOUR OBLIGATIONS

- NANNI INDUSTRIES has no control over the installation of its Engine(s) on the vessel(s) which house it or them. It is therefore essential for you to ensure that a NANNI Authorized Dealer checks that your Engine is installed as recommended by NANNI INDUSTRIES.
- Therefore, if you want to benefit from the Warranty, you must:
 - Ensure that a NANNI Authorized Dealer carries out the Commissioning of your Engine according to section 3.1 and then completes the Maintenance inspection described in section 3.2. Otherwise the Warranty will be void.
- You are liable for use and maintenance of the Engine in accordance with the instructions and requirements in the User Manual during and after the Warranty Period. Otherwise the Warranty will also be void and any extended warranties will be refused.
- 4. You must record and retain all the documentary records of the maintenance carried out on your Engine. You will be asked for this information by NANNI INDUSTRIES in order to determine the validity of the Warranty if a claim is made. If your Engine is sold, these documents must be transferred to the new End User owner. It is your responsibility to ensure that all the necessary documentation (original documents supplied by NANNI INDUSTRIES, maintenance and repair records) is supplied to the new End User owner to enable him to benefit from this Warranty.

11. REMINDER ON PROVISIONS OF THE CONSUMER CODE:

(Engine purchased in France only)

Article L.217-4

"The seller is required to deliver a product which conforms to the contract and is held liable for any lack of conformity which exists upon delivery.

He is also held liable for any lack of conformity caused by the packaging or the assembly instructions, or the installation if he assumed responsibility therefor or had it carried out under his responsibility."

Article L.217-5

"To conform to the contract the product must:

- 1. Be suitable for the purpose usually associated with such a product and, if applicable:
 - Correspond to the description given by the seller and have the features that the seller presented to the buyer in the form of a sample or model.
 - Have the features that a buyer might reasonably expect it to have considering the public statements made by the seller, the producer or his representative, including advertising and labelling.
- 2. Or have the features defined by mutual agreement between the parties or be suitable for any special requirement of the buyer which was made known to the seller and which the latter agreed to."

Article L.217-12

"Action resulting from lack of conformity lapses two years after delivery of the product."



12. REMINDER ON PROVISIONS OF THE CIVIL CODE:

Article 1641

"The seller is bound to a warranty against hidden defects in the thing sold that render it unfit for its intended use, or that so impair its use that the buyer would not have bought it, or would only have given a lesser price for it, if he had known of the defects."

Article 1648

"An action resulting from material defects must be brought by the buyer within two years from the discovery of the vice."

According to Article 4 of Ordinance 2005-136, Article 1648 of the Civil Code is applicable in New Caledonia, the Wallis and Futuna Islands, Mayotte and the Southern and Antarctic Territories.

Further, in accordance with Article L.211-16 of the Consumer Code, when the buyer asks the seller during the warranty period granted to him to carry out repairs covered by his contractual guarantee, the period of any resultant shutdown of **SEVEN (7) days** or longer shall be added to the unexpired term of the guarantee. The said period shall run from the time when the buyer requests assistance or the time when the product in question is taken out of service pending repair, should this be subsequent to the request for assistance.



ANNEX 1

CARE+3 EXTENDED WARRANTY (RECREATIONAL USE)

IMPORTANT:

The transmission must be selected for its suitability for the use for which the Engine is intended. For additional information on how to select a propulsion unit conforming with the conditions of use, please contact your NANNI Authorized Dealer.

OPTION A

- 1. Coverage for **THREE (3) years or ONE THOUSAND TWO HUNDRED AND FIFTY (1250) hours**, whichever comes first, on the "N2 to N4" and "T4 to T8V" Engine range.
- 2. Price of the Warranty Extension: consult the NANNI INDUSTRIES Public Price list.
- 3. Engine types concerned by the Option A: N2.10; N2.14; N3.21; N3.30; N4.38; N4.40; N4.50; N4.65; N4.80; N4.115; N4.140; T4.205; T4.230; T4.270; T8V.320; T8V.350; T8V.370.

OPTION F

- 1. Coverage for **THREE (3) years or TWO THOUSAND (2000) hours**, whichever comes first, on the on the "N5 to N13.CR2" Engine range.
- 2. Price of the Warranty Extension: consult the NANNI INDUSTRIES Public Price list.
- 3. Engine types concerned by the Option B: N5.150; N5.160 CR2; N5.180 CR2; N5.200 CR2; N5.230 CR2; N6.160; N6.180; N6.230; N6.200; N6.285 CR2; N6.325 CR2; N6.360 CR2; N6.405 CR2; N9.330 CR2; N9.430 CR2; N9.510 CR2; N9.600 CR2; N13.430 CR2; N13.510 CR2; N13.580 CR2; N13.660 CR2; N13.800 CR2.





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