

IAC LTD.

LIMITED WARRANTY

IAC LTD. d/b/a International Aviation Composites (herein referred to as IAC) warrants each repair performed by it to be free from defects in workmanship under normal use and service. IAC's obligation under this warranty is transferable, and is limited to repairing or replacing at IAC's facility any repair which shall within three years or, two thousand (2,000) hours of operation, whichever shall occur first, be returned to IAC unless otherwise directed by IAC, with transportation charges prepaid, and which upon IAC's examination at the IAC facility shall disclose to its satisfaction to have been thus defective. The warranty credit within the first 500 flight hours is one hundred per cent (100.00%). Thereafter the warranty credit is pro-rated:

$$(\text{Total Warranty Hours} - \text{Flight Hours}) \div \text{Total Warranty Hours} \times \text{Repair Cost} = \text{Warranty Credit}$$

By way of example, if a repair that originally cost \$500 is determined to be defective after 895 flight hours the warranty credit is calculated as follows:

<u>Flight Hours</u>	<u>Hours Remaining</u>	<u>Credit (per cent)</u>		<u>Repair Cost</u>		<u>Warranty Credit</u>
895	2000-895=1105	1105÷2000=55.3%	X	500.00	=	276.50

Warranty repairs are warranted for the remainder of the applicable three (3) years or 2,000 hours original warranty period.

THE FOREGOING WARRANTY IS EXCLUSIVE AND IS GIVEN AND ACCEPTED IN LIEU OF ANY AND ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE REMEDIES OF BUYER SHALL BE LIMITED TO THOSE PROVIDED HEREIN. IN NO EVENT WILL IAC BE LIABLE FOR COLLATERAL OR CONSEQUENTIAL DAMAGES OR FOR ANY OTHER COSTS. IAC NEITHER ASSUMES NOR AUTHORIZES ANYONE TO ASSUME FOR IT ANY OTHER OBLIGATION OR LIABILITY IN CONNECTION WITH THE SALE OF ITS PRODUCTS AND SERVICES.