BASLER TURBO CONVERSIONS, LLC LIMITED WARRANTY ON SPARE PARTS

THE WARRANTIES HEREIN EXPRESSED ARE THE SOLE AND EXCLUSIVE WARRANTIES MADE BY BASLER TURBO CONVERSIONS, LLC (hereinafter "Basler" or "Warrantor"), AND ALL OTHER WARRANTIES, REGARDLESS OF THE NATURE THEREOF, AND REGARDLESS OF WHETHER SUCH WARRANTIES ARE EXPRESSED OR IMPLIED, OR ARISE UNDER ANY STATUTE, COMMON LAW, OR COMMERCIAL USAGE, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE, ARE EXPRESSLY DISCLAIMED.

THE FOLLOWING ARE THE SOLE AND EXCLUSIVE WARRANTIES MADE IN CONNECTION WITH THE PRODUCTS SOLD AND PURCHASED PURSUANT TO THE SALES AGREEMENT TO WHICH THIS WARRANTY IS ATTACHED.

- GENERAL STATEMENT. The following warranties are made by Basler, as to the Products (as defined in the Agreement between the parties) or non-original equipment components or parts manufactured or supplied by Basler. Basler, shall not be deemed hereby to have given any warranty on any product or component or part which is not original equipment and which was manufactured or supplied by any entity other than Basler.
- 2. WARRANTOR'S LIMITED WARRANTY. Warrantor warrants that at the time of delivery all Products or components or parts, other than those manufactured or supplied by third party manufacturers or suppliers, shall be free from defects:
 - A) in material and workmanship; from defects caused by Warrantor's installation, or Warrantor's English language instructions for the installation of, any Product or component or part not manufactured by Warrantor in a manner complying with the reasonable English language instructions or recommendations of the manufacturer thereof.
 - B) arising from Warrantor's failure to conform such Product or component or part to Warrantor's detailed specifications, except as to portions thereof which are stated to be estimates or approximations, or which are stated to be design objectives; and
 - C) inherent in the design, allowing for consideration of the state-of-the-art as of the date of the design, including defects arising from Warrantor's selection of materials or processes of manufacture.

EXCEPT AS EXPRESSLY PROVIDED IN THE PRECEDING PARAGRAPH, ALL GUARANTEES, WARRANTIES, CONDITIONS, AND REPRESENTATIONS, EITHER EXPRESS OR IMPLIED, WHETHER ARISING UNDER ANY STATUTE, COMMON LAW, COMMERCIAL USAGE, OR OTHERWISE, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY EXPRESSLY EXCLUDED.

THE WARRANTIES IN THIS CLAUSE ARE THE SOLE AND EXCLUSIVE WARRANTIES MADE BY BASLER TURBO CONVERSIONS, LLC, AND ANY OTHER WARRANTIES, REMEDIES, RIGHTS OR CLAIMS RESPECTING CONSEQUENTIAL, INCIDENTAL, SPECIAL, DIRECT, INDIRECT, TORT, CONTRACT OR ANY OTHER DAMAGES, WHETHER OR NOT ARISING FROM ANY CAUSE OR ACTION OF ANY TYPE INCLUDING, WITHOUT LIMITATION, ANY DAMAGES ARISING FROM BASLER TURBO CONVERSIONS', LLC, NEGLIGENCE, ACTUAL OR IMPLIED, ARE HEREBY EXPRESSLY DISCLAIMED. Purchaser shall indemnify Warrantor for any claims which arise in the event of the failure of Purchaser or others down the contractual chain, to limit in accordance with this clause, Basler's liability and obligations.

- 3. TERM OF THE WARRANTY: Warrantor's limited warranty for parts and components designated as NEW shall extend for a period of one thousand (1,000) hours of normal aircraft use, or for a period of one (1) year, whichever occurs first, following the delivery of the parts to the Purchaser. The limited warranty for parts designated as REPAIRED or OVERHAULED shall extend for a period of five hundred (500) hours of normal aircraft use, or for a period of six (6) months, whichever occurs first, following the delivery of the parts to the Purchaser.
- 4. LIABILITY UNDER THE WARRANTY. Warrantor's sole and exclusive liability under this limited warranty is limited to the repair or replacement of the defective Product or component or part. Warrantor shall have the absolute discretion to elect to either repair the defective Product or component or part, or to replace it with a similar Product or component or part which is free from defect.
- 5. WARRANTY SERVICE PROCEDURE. Should the Purchaser believe that the Product or component or part subject to this limited warranty has failed or is not functioning properly, the following procedure must be followed:
 - a. Claim Notification. All warranty claims are to be submitted using the buff colored warranty tag (below). Whenever a defect shall become apparent within the applicable warranty period, a warranty claim shall be made immediately to Basler Turbo Conversions, LLC, in writing, specifying the following:

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Operator/Owner:	(1)	Serial No.:Serial No.:	(1) (2)
Aircraft Total Time: Date of Install:/ Manual Reference:			A Particular and the second

- (1) The aircraft registration number and the serial number of the Aircraft on which the defective part or component was installed.
- (2) The identity of the Product or component or part which is claimed to be defective, including, where known, the Warrantor's part number and nomenclature, and serial number. Only one affected product or component is to be referenced per tag.
- (3) The date the claimed defective part was removed from the aircraft by the claimant.
- (4) The number of flight hours accrued on the affected aircraft on the date of the Claim Notification.
- (5) The number of flight hours accrued on the part.
- (6) A description of the claimed defect and of other circumstances surrounding the appearance of the claimed defect in sufficient detail so as to permit Warrantor to understand the nature of the claimed defect and how such claimed defect arose.

- b. Warrantor's Election. Upon receiving the Claim Notification, Warrantor shall have five (5) working days within which it may elect to either effect the required repair itself, or to cause the required repair to be accomplished by a Certified Repair Facility. In either event the required repair shall be effected with commercially reasonable care and promptness in order to insure that the Aircraft is not out of service any longer than is reasonably necessary WARRANTOR RESERVES THE RIGHT TO CONTEST ITS LIABILITY FOR ANY SUCH WORK IF IT BELIEVES IN GOOD FAITH THAT SUCH WORK IS NOT COVERED BY THIS WARRANTY. IN NO EVENT SHALL WARRANTOR BE LIABLE FOR A SUM GREATER THAN THE COST OF THE REPAIR, REPLACEMENT, OR CORRECTION OF THE ALLEGED DEFECT.
- c. Shipping. Any parts returned to Basler are to be packed and shipped by the claimant at its cost. Basler is to arrange return shipping to the claimant's home base at Basler's expense and will use its best efforts to avoid the imposition of customs and duties charges on returned shipments which are properly labeled in the process of their transport to Basler.
- 6. WARRANTY LIMITATIONS. Warrantor shall have no liability under this warranty or otherwise if:
 - a. The Product was not installed on the Aircraft in complete compliance with the specifications and instructions of manufacturer.
 - b. The Aircraft was not operated or maintained in accordance with the specifications, manuals, and other instruction documents furnished by Warrantor, unless Claimant provides reasonable evidence that such operation or maintenance was not related to the claimed defect.
 - c. The Aircraft has been subjected to misuse, negligence or accident, which in the sole opinion of the Warrantor has adversely affected the condition of the Aircraft, unless Claimant provides reasonable evidence satisfactory to Warrantor that such misuse, negligence, accident, or neglect was not related to the claimed defect.
 - d. The warranted part has not been maintained in accordance with the FAAapproved airworthiness maintenance program and maintenance manual or the equivalent government approved documentation for aircraft operating under foreign registry.
 - e. Claimant fails to make appropriate notification of a claim pursuant to the provisions of warranty paragraph 5, above.
 - f. Claimant fails to return the allegedly defective Product or component or part in accordance with the provisions of warranty paragraph 5, above.
 - g. Claimant fails to provide adequate evidence that the claimed defect is a matter subject to the coverage of this warranty.
 - h. The Product or component or part has a normal useful life inherently shorter than the warranty period specified in paragraph 3. (Reference paragraph on "CONSUMABLES".)
 - The product or component or part has been manufactured or supplied by the aircraft owner.

CONSUMABLES. Consumables are components that are generally expected to need replacement as part of normal wear, tear and usage of the product. Examples include, without limitation, tires, inner tubes, brake blocks, expander tubes, brake linings, brake discs, lamps, bulbs, O-rings, packings, chevrons, and any stock life-limited or shelf use-limited components prior to installation. It is understood that consumable components are to be free from material defects, but there is no warranty provided after the buyer accepts the component consumable and/or places it into service.

COMPONENT REPLACEMENT. Any component replacement is to initially be from the claimant's stock. Basler has the right, at its sole option, to repair or replace the failed part.

NO LIABILITY WHATSOEVER SHALL ATTACH UNTIL THE GOODS HAVE BEEN PAID FOR IN FULL.

- 7. NORMAL USAGE. The need for regular overhaul of engines, propellers, and other like Products, components, or parts according to their respective Time Between Overhaul ("TBO") schedules, considering normal use, wear and tear; shall not constitute a defect or failure under this warranty.
- 8. WARRANTIES FROM OTHER MANUFACTURERS OR SUPPLIERS. The Warrantor does not warrant any product or component or part which has been manufactured or supplied by third-party manufacturers or suppliers, but shall assign any applicable warranty, if any, of the third party manufacturer or supplier to the Purchaser where the Warrantor is allowed to do so by the third party manufacturer or supplier; provided, however, that, as to all such products or components or parts, the warranties of the manufacturer or supplier, if any, shall be the sole and exclusive warranty applicable to such products or components or parts, and ALL SUCH PRODUCTS OR COMPONENTS OR PARTS ARE SPECIFICALLY EXCLUDED FROM THE WARRANTIES OF WARRANTOR.

THE FOREGOING CONSTITUTES THE FULL AND COMPLETE WARRANTY OF THE WARRANTOR UNDER THE SALES AGREEMENT, AND ANY FURTHER OR DIFFERENT WARRANTY IS HEREWITH SPECIFICALLY DISCLAIMED AND DENIED BY THE WARRANTOR.