

LIMITED WARRANTY, TERMS AND CONDITIONS

Limited Warranty and Exclusive Remedy. I understand and agree that Tulsa Aircraft Engines, Inc. ("TAE") warrants to Buyer and Buyer's assignee that during the first 800 hours of its use, any engine overhauled by TAE will be free of defects in workmanship performed by TAE. During the first 100 hours of use, TAE will, at its option and sole expense, repair or replace the Engine to remedy any defect in its workmanship present as of the date of delivery. Thereafter, through 800 hours of use TAE will reimburse Buyer for prorated cost of repair or replacement of the Engine (as determined by TAE) necessitated by any defect in TAE workmanship present at the date of delivery, for up to one year from the date of delivery. If Buyer purchases the cylinder reconditioning process, and there is a case of separation as described by FAA Airworthiness Directive 780807, TAE warrants that it will replace that separated cylinder for 1000 hours. TAE makes no representation or warranty with respect to defects in design or manufacture of material that are unrelated to defects in TAE workmanship or method of repair, reconditioning, or overhaul. The foregoing notwithstanding, TAE makes no warranty with respect to nor assumes any responsibility for damage caused by improper starting procedures or use of any alternative fuel.

I understand and agree that Buyer's or Buyer's assignee's sole and exclusive remedy for breach of this limited warranty will be repair or replacement of the Engine as set forth above, conditioned upon the following: (a) Buyer or assignee promptly notifies TAE in writing of any claimed defect in material or workmanship and obtains a return authorization from TAE; (b) the Engine is returned to TAE at Buyer or assignee's risk and expense, by the method specified by TAE; and (c) TAE is satisfied that the claimed defects were present when the Engine was delivered to Buyer; if TAE determines that Buyer is entitled to the exclusive remedy set forth herein, TAE will further reimburse Buyer for shipment in compliance with TAE's return authorization.

I understand and agree that in no event will TAE be liable for loss of profits or use, or for any other direct, indirect, incidental, or consequential damages, including, without limitation, claims for personal injury or property damage. TAE's liability, whether in contract, tort, negligence, strict liability or otherwise, is limited to repair or replacement of the Engine as set forth herein.

Buyer shall indemnify TAE from any and all claims and losses in any form and amount arising out of negligent or intentional acts on Buyer's part. TAE shall indemnify Buyer from any and all claims and losses in any form and amount arising out of negligent or intentional acts on TAE's part.

TAE DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

This agreement is to be constructed and enforced as mutually drafted by both TAE and Buyer, each being of equal bargaining power. Signed copies of this agreement are to be regarded as originals for use as evidence.

I understand and agree that all descriptions, quotations, proposals, offers, acknowledgements, acceptances and sales are subject to these terms and conditions, and expressly conditioned upon their acceptance. This Limited Warranty and Exclusive Remedy may not be modified, nor may any additional, different, or inconsistent terms and conditions become a part of any contract between TAE and a buyer, except by a writing signed by TAE. This agreement constitutes the entire agreement between TAE and Buyer, and any prior understanding or representation of any kind preceding the execution of this agreement shall not be binding on either party except to the extent incorporated in this agreement.

I understand and agree that any controversy between parties arising out of or relating to this limited warranty agreement or the breach thereof shall be submitted to binding arbitration under judicial supervision of the state District Court in Tulsa County, Oklahoma, pursuant to Title 12, Chapter 38B of the Statutes of Oklahoma, also known as the Uniform Arbitration Act. The sale price for this contract is adjusted to reflect this expense.

The parties agree and intend this instrument to be executed as an Oklahoma agreement, and to be interpreted and construed in accordance with the laws of the State of Oklahoma. Jurisdiction and venue is properly declared to be exclusively in Tulsa County, Oklahoma.

FAA Approved Repair Station No. CT2R754K
Tulsa Aircraft Engines, Inc.
9311 East 44th Street North
Tulsa, OK 74115

MODEL _____ SERIAL NO _____

W.O. _____ DATE _____

Signed _____
For Tulsa Aircraft Engines, Inc.

Individually or as Authorized Agent for Buyer

Date _____
