

WARRANTY POLICY

ETI INC., hereafter referred to as Company warrants its overhaul and repair services to be free from Defects in workmanship, provided however, that Company's liability shall be strictly limited to its repair or replacement of any such defective parts which Company repaired or overhauled.

DEFINITION: Defect, as used herein, means a failure on the part of Company to conform to accepted industry practice as prescribed by applicable FAA regulation, manufacturer's specifications, and the contract specifications.

MATERIAL: Company hereby gives to customer, insofar as it is entitled, the benefits under warranties which may exist in favor of it by manufacturers, and will pursue warranty claims with manufacturers on behalf of Company's customers. Any allowance received by Company from the manufacturers will be credited to customer's account upon receipt.

WARRANTY OBLIGATION: The obligation of Company under this warranty is only effective when the following terms and conditions are met:

(1) REPAIRED COMPONENTS:

Shall be warranted for a period of One Thousand (1,000) operating hours or twelve (12) months from the date of repair, whichever occurs first.

- (2) Customer delivers written notice of warranty claim arising during the warranty period to Company before the expiration of fifteen (15) days following discovery of the defect and prior to the end of the warranty period, and customer provides Company with the date of installation and removal along with the number of flight hours.
- (3) Company determines that the unit has not been subject to accident, abuse, or misuse, and that the unit has been operated in accordance with manufacturer's recommendations.

WARRANTY LIMITATION: Company expressly warrants its overhaul and repair services in accordance with the foregoing provisions, provided however, the Company's liability shall be strictly limited to its repair or replacement of the parts repaired or overhauled by Company and damaged as a result of any such defect. THIS WARRANTY IS IN LIEU OF, AND CUSTOMER WAIVES, ALL OTHER WARRANTIES, OBLIGATIONS OR LIABILITIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY LIABILITY FOR ANY DIRECT OR INDIRECT DAMAGE OR LOSS (INCLUDING BUT NOT LIMITED TO, CONSEQUENTIAL DAMAGES) SUFFERED BY CUSTOMER DUE TO ANY DEFECT OR NONCONFORMANCE IN SERVICES PERFORMED OR ARTICLES PROVIDED BY COMPANY HEREUNDER. THIS WARRANTY MAY NOT BE EXTENDED OR ALTERED EXCEPT IN WRITING BY AMENDMENT TO THIS AGREEMENT, WHICH IS IDENTIFIED AS SUCH. THE FOREGOING WARRANTY IS IN LIEU OF, AND CUSTOMER WAIVES, ALL OTHER WARRANTIES AND LIABILITIES, EXPRESSED OR IMPLIED, ORAL OR WRITTEN.

CONSEQUENTIAL DAMAGES: Company shall have no liability, whatsoever for consequential or special damages including, but not limited to, loss of use.