

APPENDIX C: LIMITED WARRANTY

This Limited Warranty is provided by Clear2Fly Aerospace, Inc. ("Clear2Fly Aerospace") pursuant to Clear2Fly Aerospace's Aircraft Work Authorization and associated Specifications for Refurbishments (the "Specifications").

1) Limited Warranty.

- a) Clear2Fly Aerospace warrants its workmanship and services (the "Work") to conform to the specifications, plans and drawings set forth in the Specifications, and to be free from defects in workmanship according to current industry standards, subject to the terms and conditions set forth below.

2) Scope of Warranty.

- a) This warranty and the liability of Clear2Fly Aerospace for breach of warranty shall be limited to correcting or repairing such portions of the Work that is not in accordance with the Aircraft Work Authorization or Specifications. Clear2Fly Aerospace warrants only that the Work shall be free from defects under normal aircraft use. Clear2Fly Aerospace's obligations under this Warranty, and Owner's exclusive remedy, shall be limited solely to the repair, or replacement, at Seller's election, of any workmanship which is determined to be defective under normal use and service within the earliest to occur of three hundred (300) hours of aircraft operation or one (1) year after completion of the Work (the "Warranty Period").

3) Conditions of Warranty.

- a) Clear2Fly Aerospace's obligation to provide Warranty services hereunder shall be contingent upon satisfaction of the following conditions. Failure of Owner to comply with any of the conditions specified in this paragraph 3 shall relieve Clear2Fly Aerospace of any obligations hereunder:
 - i) Claim Period. Owner shall give Clear2Fly Aerospace written notice of any claim of a defective or nonconforming condition ("Warranty Claim") within the Warranty Period;
 - ii) Notice of a Claim. To assert a Warranty Claim, Owner shall notify Clear2Fly Aerospace in writing within thirty (30) days after Owner has actual or constructive notice of such alleged Warranty Claim. All Warranty Claims shall be sent to the Clear2Fly Aerospace Facility where the work was performed.
 - (1) Clear2Fly Aerospace, 500 Bill France Blvd #10485, Daytona Beach, FL 32120, Attention: Chief Inspector.
 - (2) All claims shall include the following information:
 - (a) Serial number of the Aircraft;
 - (b) Date services were performed; and
 - (c) Detailed explanation of the nature of the claim, and the date of detection.
 - iii) Care and Maintenance. Customer shall comply in all material respects with the conditions of the respective applicable manufacturer's warranty, including without limitation recommended care, cleaning and maintenance requirements.
 - iv) Inspection. Clear2Fly Aerospace shall have a full and complete opportunity to inspect any alleged defect or nonconforming work, and review any records concerning the alleged defect prior to performance of any repairs. Owner agrees to deliver its Aircraft to Clear2Fly Aerospace's closest service facility at Owner's costs, in order to facilitate such inspection.
 - v) Repairs. If Clear2Fly Aerospace determines that the defective or nonconforming work is shown to be due to a breach of the above warranty, and not due to any extraneous cause, including but not limited to misuse by customer or any third party, failure to perform recommended maintenance, or effects of the environment (wind, water, corrosion, etc), then Clear2Fly Aerospace shall repair the defective work.

4) Exclusive Remedy.

- a) THE LIMITED WARRANTY PROVIDED HEREIN IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE QUALITY AND/OR THE PERFORMANCE OF THE SERVICES. EXCEPT AS EXPRESSLY PROVIDED IN THIS LIMITED WARRANTY, CLEAR2FLY AEROSPACE MAKES NO WARRANTIES OF ANY KIND RELATING TO THE SERVICES PERFORMED, AND CLEAR2FLY AEROSPACE DISCLAIMS ALL WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTY OF MERCHANTABILITY, THE IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE.
 - (1) CLEAR2FLY AEROSPACE'S ENTIRE LIABILITY RELATING IN ANY MANNER TO THIS LIMITED WARRANTY SHALL BE LIMITED EXCLUSIVELY TO REPAIRING THE SERVICES DETERMINED TO BE DEFECTIVE AND THE REIMBURSEMENT OF REASONABLE LABOR COSTS TO THE EXTENT PROVIDED IN THIS LIMITED WARRANTY.
 - (2) CLEAR2FLY AEROSPACE SHALL IN NO EVENT BE LIABLE TO OWNER, OR TO ANY PERSON CLAIMING THROUGH OWNER, WHETHER IN CONTRACT, TORT, OR STRICT PRODUCT LIABILITY, FOR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, LOSS OF PROFITS, LOSS OF USE, DEMURRAGE, OR PENALTIES, ARISING FROM ANY CAUSE WHATSOEVER.

5) Third Party Warranty.

- a) No warranty is given with respect to parts and/or materials not manufactured by Clear2Fly Aerospace. However, Clear2Fly Aerospace will pass on any warranty from its vendors in favor of Clear2Fly Aerospace and/or its customers.

6) Assignment.

- a) This Limited Warranty is given only to the Owner of the Aircraft when services are performed, and may not be transferred or assigned by Owner to any subsequent owner.

7) Applicable Law; Jurisdiction.

- a) This Limited Warranty shall be governed by and construed in accordance with the internal laws of the State of Iowa without regard to the principles of conflicts of law. The exclusive forum for any action to enforce the terms of this warranty shall be the Iowa District Court in and for Scott County, Iowa.

8) Limitation of Action.

- a) No action at law or in equity shall be maintained by Owner against Clear2Fly Aerospace for Clear2Fly Aerospace's alleged breach of this Warranty and/or violation of any federal or state law now in effect or hereafter enacted with respect to any obligation or duty incurred hereunder by Clear2Fly Aerospace, unless (i) Owner notifies Clear2Fly Aerospace in writing at the address specified in this Agreement within thirty (30) days from the date of such alleged breach or violation, and provided Clear2Fly Aerospace does not remedy or correct the breach or violation within sixty (60) days from the receipt of the notice; and (ii) such action at law or equity is commenced by Owner within one (1) year from the completion of the Work, unless extended by ninety (90) days to allow for notice to Clear2Fly Aerospace and its response as provided by this paragraph.

9) Entire Agreement.

- a) This Limited Warranty constitutes the entire agreement between Clear2Fly Aerospace and Owner concerning the subject matter hereof, and supersedes all prior or contemporaneous agreements or warranties between the parties concerning the subject matter hereof.

APPENDIX D: PAINT WARRANTY

1. LIMITED WARRANTY

- a. In the event that the Coating System applied to the Aircraft is determined to be Defective during the Warranty Period; CLEAR2FLY shall repair the defect pursuant to Paragraph 2 of this Limited Warranty.

2. SCOPE OF WARRANTY

- a. The Coating System Used On Aircraft(s). This Limited Warranty is issued by CLEAR2FLY to Owner only for Coating System purchased by Owner directly from CLEAR2FLY and applied during the Term to the Aircraft at CLEAR2FLY's Completion Facility. This Limited Warranty shall not apply to the Coating System applied to any surface area on the Aircraft which is subject to extensive wind erosion and/or water erosion including, but not limited to, the nose of the Aircraft. Additionally the Limited Warranty shall not apply to any installed vinyl decals.
- b. Repair of Defective Coating System during Warranty Period. If the Coating System is determined to be Defective during the Warranty Period, of this Limited Warranty, CLEAR2FLY shall supply the replacement coatings and labor required to repair such Defective Coating System; provided, however, CLEAR2FLY shall not be responsible for any defects occurring in sections of the Aircraft which do not meet the requirements of Paragraph 1 as it shall be considered to be normal maintenance and shall be the sole responsibility of Owner to correct.
 - i. Additional note: With the many choices of metallic, mica, pearl or other exotic coatings which cannot be controlled due to vendors, environmental conditions or products: Clear2Fly Aerospace will not be responsible for color matching outside the area that is considered workmanship warranty.

3. CONDITIONS OF WARRANTY

- a. CLEAR2FLY's obligation to furnish replacement materials and to repair such Defective Coating System pursuant to this Limited Warranty is contingent upon the following conditions being satisfied. The failure of Owner to comply with any of the conditions specified in this Paragraph 3 shall relieve CLEAR2FLY of any liability under this Limited Warranty.
 - i. The Coating System must be purchased by Owner directly from CLEAR2FLY and must be applied to the Aircraft at CLEAR2FLY's completion facility in Moline, IL.
 - ii. Owner shall be responsible for performing systematic maintenance of the Coating System which shall include cleaning the Coating System with approved cleaning products and removing dirt, pollutants and other residue.
 - iii. It shall be Owner's responsibility to perform repairs on any Coating System if a defect is not the responsibility of CLEAR2FLY, pursuant to this Limited Warranty. Such repairs shall be made by Owner, at Owner's expense. All repairs shall be made by Owner utilizing only those products satisfactory to CLEAR2FLY and in accordance with repair specifications supplied by CLEAR2FLY.
 - iv. Warranty does not cover application of dissimilar brands of topcoat over primer coat.
 - v. CLEAR2FLY shall not be responsible for any defects occurring in any other sections of the Aircraft which do not meet the requirements of Paragraph 1 of this Limited Warranty.
 - vi. Owner shall submit all claims pursuant to the Limited Warranty in accordance with Paragraph 4 of this Limited Warranty.

4. CLAIMS

- a. To assert any claim under this Limited Warranty, Owner shall notify CLEAR2FLY in writing within thirty (30) days after Owner has actual or constructive notice that the Coating System which was applied to the Aircraft is allegedly Defective, Such claim shall be sent to: Clear2Fly Aerospace, Quad City Airport, Moline, IL, 61265, ATTENTION: Manager of Quality Control. All claims shall include:
 - i. Proof of purchase of the Coating System
 - ii. The serial number of the Aircraft
 - iii. Date services were performed
 - iv. Details explaining the nature of the claim and the date of detection.

Owner waives any claims not made in this manner during the Warranty Period. CLEAR2FLY shall have a full and complete opportunity to inspect any alleged defect and review any records concerning the alleged defect prior to any repairs being made.

5. WARRANTY PERIOD APPLICABLE TO A REPAIR

- a. The Warranty Period shall not be extended by the repair of any Defective Coating System pursuant to this Limited Warranty. Any replacement materials furnished by CLEAR2FLY pursuant to this Limited Warranty shall be covered by the terms of this Limited Warranty for the remaining term of the original Warranty Period provided that such replacement materials are applied in accordance with CLEAR2FLY's specifications and instructions.

6. EXCLUSIVE REMEDY

- a. THE LIMITED WARRANTY PROVIDED HEREIN IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE QUALITY AND/OR THE PERFORMANCE OF THE COATING SYSTEM. EXCEPT AS EXPRESSLY PROVIDED IN THIS LIMITED WARRANTY, CLEAR2FLY MAKES NO WARRANTIES OF ANY KIND RELATING TO THE COATING SYSTEM AND /OR THE PERFORMANCE THEREOF AND CLEAR2FLY DISCLAIMS ALL WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTY OF MERCHANTABILITY, THE IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE AND ANY WARRANTY CONTAINED ON THE COATING SYSTEM CONTAINER LABEL AND/OR OTHER LITERATURE OF CLEAR2FLY.
- b. CLEAR2FLY'S ENTIRE LIABILITY RELATING IN ANY MANNER TO THIS LIMITED WARRANTY SHALL BE LIMITED EXCLUSIVELY TO PROVIDING REPLACEMENT COATINGS AND REPAIR OF THE COATING SYSTEM FOUND TO BE DEFECTIVE. CLEAR2FLY SHALL IN NO EVENT BE LAIBLE TO OWNER, OR TO ANY PERSON CLAIMING THROUGH OWNER, WHETHER IN CONTRACT, TORT, OR STRICT PRODUCT LIABILITY, FOR INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, LOSS OF PROFITS, LOSS OF USE, DEMURRAGE, OR PENALTIES, ARISING FROM ANY CAUSE WHATSOEVER.

7. ASSIGNMENT

- a. This limited Warranty may not be transferred or assigned by Owner without previous written notification and concurrence from CLEAR2FLY.

8. DEFINITIONS

- a. The following terms when used in the Limited Warranty shall have the meanings set forth below.
- b. A Defective Coating shall mean a loss of gloss but does not include any other defect or damage including, but not limited to, any defect or damage resulting from:
 - i. ordinary wear and tear, abnormal usage, misuse, failure to properly maintain the coated substrate in accordance with reasonable and customary maintenance procedures;
 - ii. fading of the color of the Coating System which occurs on a non-uniform basis as a result of the Coating System being exposed to the sun and other elements on an unequal basis;
 - iii. structural defects and/or structural settling or movement;
 - iv. improper repair;
 - v. loose or working rivets;
 - vi. causes unrelated to the performance of the Coating System under normal operating conditions;
 - vii. abrasion, damage caused by abrasive cleaning, mechanical damage, abuse, or damage resulting from use of chemicals or cleaning agents or exposure to harmful solids, liquids or gases;
 - viii. improper substrate installation;
 - ix. pressurization leaks;
 - x. acid rain;
 - xi. debris or other objects coming into direct contact with the Coating System including, but not limited to, rocks and stones; and
 - xii. causes beyond the reasonable control of CLEAR2FLY including, not limited to, damage or defects caused in whole or in part by reason of fire, explosion, flood, war, radiation, act of God, unusual weather conditions, matters normally covered by force majeure, misuse, alteration, abuse, vandalism, negligence, or any other similar or dissimilar circumstance or event beyond the reasonable control of CLEAR2FLY.
 - xiii. "Warranty Period" shall mean the two (2) year period commencing on the date the Coating System is purchased from CLEAR2FLY.

9. APPLICABLE LAW – JURISDICTION

- a. This Limited Warranty shall be governed by and construed in accordance with the internal laws of the State of Iowa without regard to the principles of conflicts of laws.

10. ENTIRE AGREEMENT

- a. This Limited Warranty constitutes the entire agreement between CLEAR2FLY and Owner concerning the subject matter hereof and supersedes all prior or contemporaneous agreements or warranties between the parties concerning the subject matter hereof. This Limited Warranty shall not be binding upon CLEAR2FLY unless it is signed by an Clear2Fly Aerospace Officer.