CONCORDE BATTERY CORPORATION LIMITED WARRANTY FOR COMMERCIAL AIRCRAFT BATTERIES

Limited Warranty

Concorde Battery Corporation ("Concorde") hereby expressly warrants to each end-user, (the "End-User") of a commercial aircraft battery manufactured by Concorde and sold by an original equipment manufacturer ("OEM") or a Concorde distributor ("Distributor") either directly or indirectly (<u>i.e.</u>, through an OEM, reseller or retailer) to an End-User, during the term of this Limited Warranty, as follows:

1. **LIMITED WARRANTY.**

- a. This Limited Warranty applies only to RG Series commercial aircraft batteries posted on www.concordebattery.com and manufactured and sold by Concorde (each individually a "Battery") and their applicable assembly parts limited to temperature sensors, monobloc assemblies, front shell assemblies, back shell assemblies and heater control units (each individually an "Assembly Part") manufactured and sold by Concorde that attach to or combine to complete a Battery Assembly. This Limited Warranty DOES NOT apply to military specification batteries manufactured by Concorde or battery accessories including but not limited to adaptors, STC kit parts, spacers, or battery charging/discharging equipment.
- b. Subject to compliance with the terms and conditions of this Limited Warranty, and provided: (x) the RG Series Battery or Assembly Part was installed in End-User's aircraft within 730 days (24 months) from the original date of shipment of such Battery or Assembly Part from Concorde; (y) in the case of an Assembly Part, such part was properly installed on the End-User's Battery; and (z) the Battery or monobloc assembly was stored in accordance with ("IAW") Concorde's published storage procedures (which can be found at www.concordebattery.com); and subject to the limitations in Sections 2 and 5 below and the procedures in Section 4 below, Concorde warrants to the End-User as follows:
 - If the Battery or Assembly Part fails during normal and customary use, due to defects in the Battery or Assembly Part's materials or workmanship, within 180 days (6 months) or 300 hours, whichever occurs first, from the Date of First Installation in an End-User's aircraft, then Full Warranty Credit for the Battery or Assembly Part will be processed through a Distributor to the End-User.
 - ii. If the Battery or Assembly Part is installed as a reciprocating engine starting battery or as a standby/emergency battery for essential power (unless the standby/emergency battery is used to assist in turbine engine starting, in which case the turbine engine starting warranty in Section 1.b.iii. below applies) or as a part thereof and fails during normal and customary use, due to defects in the Battery or Assembly Part's materials or workmanship, after the 180th day (6 months) from the Date of First Installation but no later than the 730th day (24 months) from the Date of First Installation in an End-User's aircraft or after the 300th hour of operation but by no later than the 1200th hour of operation of such aircraft based on the Logbook or Part History Log, whichever occurs first, then Partial Warranty Credit for the Battery or Assembly Part will be processed through a Distributor to the End-User subject to a Pro-Rata Charge based on the days or operating hours of useful service life used until such failure, whichever is greater.
 - iii. If the Battery or Assembly Part is installed as a turbine engine starting battery or part thereof and fails during normal and customary use, due to defects in the Battery or Assembly Part's materials or workmanship, after the 180th day (6 months) from the Date of First Installation but no later than the 365th day (1 year) from the Date of First Installation in an End-User's aircraft or after the 300th hour of operation but no later than the 600th hour of operation of such aircraft based on the Logbook or Part History Log, whichever occurs first, then Partial Warranty Credit for the Battery or Assembly Part will be processed through a Distributor to the End-User subject to a Pro-Rata Charge based on

SMRH:202132300.1 CBC P/N 6328-WT the days or operating hours of useful service life used until such failure, whichever is greater.

- c. "Date of First Installation" means the date of first installation in End-User's aircraft as recorded in such aircraft's Logbook or Part History Log reflecting cumulative time combined for all aircraft in which the Battery or Assembly Part was installed and ending at final removal regardless of any time not installed during the course of the entire time period (the "Logbook" or "Part History Log" as applicable).
- 2. **TERMINATION.** This Limited Warranty shall terminate and be of no further force and effect if (a) the Battery or Assembly Part was not purchased new and unused, directly or indirectly, from a Distributor or an OEM; (b) the claim for Warranty Credit, including proper documentation, under this Limited Warranty was not received by Distributor within sixty (60) days from the date the Battery or Assembly Part was removed from the aircraft based on the Logbook or Part History Log; (c) the Battery or Assembly Part has been abused, neglected, altered, misused, improperly installed, tampered with, damaged in shipment, over or undercharged, over-discharged, or otherwise damaged through the act or neglect of a party other than Concorde: (d) the Battery or Assembly Part has not been stored IAW Concorde's published procedures; (e) the Battery or Assembly Part was not installed in the End-User's aircraft within 730 days (24 months) of the date the Battery or Assembly Part was shipped from Concorde to Distributor or OEM; (f) the Battery or Assembly part was not maintained IAW the most current revision of the applicable Component Maintenance Manual ("CMM") (Concorde CMM documents can be found at www.concordebattery.com); (g) the End-User does not fully comply with the warranty procedure in accordance with Section 4 below; (h) the Battery or Assembly Part is not available for immediate return to Concorde for evaluation on request; or (i) the Battery is a General Aviation type battery, designed to start reciprocating engines, that has been used to start or assist in starting turbine engine applications.

3. **REMEDIES OF END-USER.**

- a. Full Warranty Credit. In the event of a Battery or Assembly Part failure as set forth in Section 1(b)(i) above, and the Limited Warranty has not terminated pursuant to Section 2 above as determined by Concorde in its sole discretion, then Concorde will, upon the End-User's full compliance with the procedures in Section 4 below and subject to the limitations in Section 5 below, ensure that Distributor receives Full Warranty Credit enabling Distributor to provide End-User with Full Warranty Credit.
- b. Partial Warranty Credit. In the event of a Battery or Assembly Part failure as set forth in Sections 1(b)(ii) and (iii) above, and the Limited Warranty has not terminated pursuant to Section 2 above as determined by Concorde in its sole discretion, then Concorde will, upon the End-User's full compliance with the procedures in Section 4 below and subject to the limitations in Section 5 below, ensure that Distributor receives a Partial Warranty Credit enabling Distributor to provide End-User with such Partial Warranty Credit. The Partial Warranty Credit shall be calculated by reducing the Full Warranty Credit by the "Pro-Rata Charge." The "Pro-Rata Charge" will be calculated by determining the percentage of the useful service life of the Battery or Assembly Part used prior to the failure. The Pro-Rata Charge will be based on the number of days since installation of the Battery or Assembly Part in the End-User's aircraft or the number of hours of operation, whichever percentage is greater, based on the Logbook or Part History Log. For example, if a warranty is claimed for a reciprocating installation the warranty period is 730 days (2 years) or 1200 hours, whichever comes first. A battery is installed 450 days and 550 hours. The time frame of 450 days consumes 61.6% of the total days covered (450 days used divided by 730 days covered is 61.6%). The hours installed consume 45.8% of the total covered (550 hours used divided 1200 hours covered is 45.8%). Warranty credit would be based on days as 61.6% is greater and the Full Warranty Credit would be reduced by a Pro-Rata Charge of 61.6%.
- c. <u>Full Warranty Credit</u>. "Full Warranty Credit" means Concorde's Distributor price for the same or an equivalent model Battery or Assembly Part as the failed Battery or Assembly Part as listed in Concorde's price sheet in effect at the time End-User removes the Battery or Assembly Part from the aircraft based on the Log Book or Part History Log. "Full Warranty Credit" for a claimant means the Distributor price in effect at the time End-User removes the Battery or Assembly Part

from the aircraft based on the Log Book or Part History Log. If the claimant is not the End User, the Claimant will provide the End User "Full Warranty Credit" using the price charged for the equivalent Concorde Battery or Assembly Part at the time of removal.

- d. <u>Sole Remedy</u>. The End-User's sole remedy for a defective Battery or Assembly Part shall be applicable credit due for such defective Battery or Assembly Part in accordance with the terms and conditions of this Limited Warranty.
- 4. **WARRANTY PROCEDURE.** In order to receive warranty credit pursuant to Section 3 above, the following steps must be followed:
 - a. The End-User or its representative must, within sixty (60) days from the removal of the Battery or Assembly Part from the End-User's aircraft, submit to a Distributor each of the following:
 - i. A warranty claim card in the form attached hereto as Exhibit A (the "Warranty Claim Card") with (A) the End User information portion fully completed and (B) the serial number sticker of the Battery or Assembly Part (such sticker is found on the Battery or Assembly Part) attached to the Warranty Claim Card. (The original Warranty Claim Card is packed in each battery box. However, a copy may also be printed from the Concorde website at www.concordebattery.com and is equally acceptable.) Concorde Battery Corporation reserves the right to contact the End User and/or the Company End User is utilizing for the Warranty Claim.
 - ii. A copy of the Logbook or Part History Log entries accurately reflecting the Battery or Assembly Part's operation time and the installation and removal dates.

A full list of Distributors can be found on Concorde's website at www.concordebattery.com.

- b. Upon Distributor's receipt of the Warranty Claim Card and Logbook entries or Part History Log, Distributor will complete the Distributor portion of the Warranty Claim Card and e-mail the information side of the Warranty Claim Card and the Logbook entries or Part History Log to Concorde at orderentry@concordebattery.com within ten (10) days. Distributors receiving incomplete information from claimants are encouraged to submit what is available while the additional documentation is pursued. This will establish a date stamp in Concorde's warranty system so the complete claim, when supplied later, will not be deemed unacceptable based on time frame limitations for warranty submittal. Following receipt of such complete information, Concorde will determine whether the Battery or Assembly Part is eligible for credit under this Limited Warranty, and, if so, whether the End-User is entitled to Full Warranty Credit or a Partial Warranty Credit.
- c. If Concorde requests to evaluate the failed Battery or Assembly Part, it will issue a Return Material Authorization and End-User promptly will send the Battery or Assembly Part to Concorde freight prepaid. If Concorde determines the warranty claim to be valid, it will credit the End-User for the ground freight charges paid on request. (A copy of the freight bill must be presented for credit to be issued). If Concorde determines that the warranty claim is invalid and the Battery has not been subjected to a tear down analysis with the End-User's permission, it will return the Battery or Assembly Part at the End-User's expense and the warranty claim will be voided. Evaluation time may take up to four weeks from product receipt at the Concorde factory. A service fee may apply for a Battery or Assembly Part which passes testing and is eligible for return for continued use.

If the End-User or Distributor has warranty questions or wishes to obtain further information, the End-User or Distributor can contact Concorde at (626) 813-1234 or (800) 757-0303 during normal business hours, excluding holidays, or may email orderentry@concordebattery.com or may write:

Concorde Battery Corporation Attn: Warranty Department 2009 San Bernardino Road West Covina, California 91790

5. LIMITATIONS ON WARRANTY.

- a. Concorde is not responsible for and this Limited Warranty does not cover removal of the failed Battery or Assembly Part, installation of the replacement Battery or Assembly Part, or other labor, rental service, administrative costs, freight charges (except as provided in Section 4(c)) or any other costs or fees incurred by the End-User. Warranty coverage is limited to applicable warranty credit for the Battery or Assembly Part only.
- b. Warranty claims will be handled solely pursuant to the terms and conditions stated in this Limited Warranty.
- c. The Limited Warranty period for a Battery credit or Assembly Part credit shall be the applicable warranty period set forth in Section 1 above.
- d. The foregoing limited warranty is exclusive and in lieu of all other warranties, express or implied, including, without limitation, any implied warranty of merchantability or fitness for a particular purpose, and concorde expressly disclaims such warranties. Further, concorde does not warrant, guarantee, or make any representations or warranties regarding the use, or the results of the use, of the battery or assembly part or that the battery or assembly part will satisfy the end-user's particular purpose or requirements.
- e. CONCORDE SHALL NOT BE LIABLE FOR INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH THE USE OF A CONCORDE BATTERY OR ASSEMBLY PART OR FOR ANY LOSS OF PROFITS, LOSS OF BUSINESS OR REVENUE, OR LOSS OF USE, INCURRED BY THE END-USER, HOWEVER CAUSED, WHETHER IN AN ACTION OR CLAIM ARISING IN CONTRACT, WARRANTY, TORT, NEGLIGENCE, STRICT LIABILITY, OR OTHERWISE, RELATED TO THE BATTERY OR ASSEMBLY PART, AND WHETHER OR NOT CONCORDE HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE.
- f. No person, agent, Distributor, dealer or other third party is authorized to change, modify, or extend the terms of this Limited Warranty in any manner whatsoever.
- g. This Limited Warranty is governed by the laws of the State of California, excluding its conflicts of law principles.
- h. This Limited Warranty is transferable.
- i. This Limited Warranty gives the End-User specific legal rights. An End-User operating in the United States may have other rights that vary from state to state.

See Exhibit A Attached Hereto Which is Hereby Incorporated by Reference

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