

JABIRU AIRCRAFT PTY LTD

<u>NEW ENGINE</u> JABIRU'S LIMITED, EXPRESS WARRANTY

New Jabiru Aircraft Engines ("the engine") are covered by Jabiru's Limited, Express Warranty ("the Warranty") as set forth below.

I. Parties to Whom this Warranty is Given

This Limited, Express Warranty is given to the person who is entitled to possession of the engine whether as owner, lessee or otherwise ("owner"). This Warranty is given in addition to all rights conferred on that person by law of the governing state, and/or in place of any laws or regulations on the terms set forth below.

II. Scope of the Warranty

Jabiru Aircraft Pty Ltd. ("JABIRU") warrants that its new and unused engine has no defects in material and/or workmanship for the period and under the conditions described in this Warranty. The owner of the engine agrees that the terms and conditions of this Warranty are exclusive and expressly disclosed, and that the owner accepted them at the time of purchase of the engine.

III. Coverage Period and Conditions of Coverage

JABIRU warrants that it will make good without charge, any defect (except as provided for in Section IV, Exclusions, below), which appears in the engine, provided that:

- 1. Notice of the defect has been provided in writing to JABIRU:
 - (a) Before the engine has operated a total of 200 hours, or
 - (b) Within twelve (12) months of the date of delivery of the engine to the first retail purchaser.

Whichever comes first; and,

- 2. The owner must register the engine by mailing a warranty registration card to JABIRU or its authorized JABIRU Distributor/Dealer, within 30 days of purchase (an engine registration card is included with each engine; contact JABIRU Distributor/Dealer with any questions); and,
- 3. The engine has been delivered to JABIRU, its authorized Distributor/Dealer, or such other service facility as advised in writing by JABIRU; and,
- 4. The engine has been installed in an aircraft type in accordance with a JABIRU approved installation system; and,
- 5. The engine has been updated in accordance with JABIRU Service Bulletins before operation;
- 6. The engine has been stored in accordance with the Engine Preservation instruction in the JABIRU Instruction and Maintenance manual; and,
- 7. For any and all engines installed in airframes other than the airframes manufactured by JABIRU, the owner has provided JABIRU with: a) evidence that the cooling system of the cowling produces pressure deferential



test results consistent with the requirements of the JABIRU installation manual; and, b) delivery of the log book that reflects engine parameters during any and all initial flights.

This Warranty applies only to engines which have been inspected and maintained in accordance with the instructions for continued airworthiness, including compliance with all applicable service documents issued by JABIRU. Performance of required inspections and maintenance must be documented by appropriate logbook entries and the logbook must accompany any engine being submitted for warranty consideration. JABIRU reserves the right to make warranty coverage contingent upon proof of proper inspection and maintenance.

Warranty repairs do not extend the original Limited, Express Warranty.

The duration and any other terms of this Warranty are subject to the governing law of the owner's state. JABIRU reserves the right to improve or modify its engines from time to time without assuming any obligation to modify its engines manufactured previously.

The owner must comply fully with all conditions of this Section III for the Warranty coverage to have full force and effect. Non-compliance with the conditions of this Section III constitutes a waiver of any and all benefits of this Limited, Express Warranty.

IV. Exclusions

The Warranty is applicable as long as JABIRU has determined that the alleged defect complained of is one of workmanship and is not caused by:

- 1. Normal wear and tear or service items (such as spark plugs, filters, hoses, belts, etc.);
- 2. Alteration, modification, removal, service or repair performed by anyone party not authorized in writing by JABIRU, or any modification of the engine from its original configuration;
- 3. Any misuse or abuse of engine, such as storage, installation, operation, usage or maintenance outside the approved JABIRU Flight Manual, or Maintenance and Operation Manual, service documents, airworthiness directives, bulletins, instructions, and recommendations, or by neglect;
- 4. Improper installation, including overheating;
- 5. Operation of the engine after it is known to be defective;
- 6. Installation and/or fitting of accessories, parts, components. or other items not marketed by JABIRU;
- 7. Cold seizures, piston scuffing, and any damage resulting from lack of lubrication.
- 8. Ingestion of foreign objects, dirt inside or outside of the engine, corrosion, electrolysis, sulphidation, ingestion of water, ice or any other damage due to the operating environment;
- 9. Atmospheric fallout or flood, hail, salt, wind;
- 10. Failure to carry out proper maintenance service;
- 11. Use of incorrect types and/or grade of fuel, oil, or lubricants;
- 12. The use of parts of the engine having exceeded any limitation or recommended limitation established by the manufacturer;
- 13. The use of the engine or spare parts from which the part number or serial number has been removed or modified;
- 14. Fire, lightning strike, neglect, negligence, accident, incident, deliberate act, misuse, theft, casualty or any other factor beyond JABIRU's control; or.
- 15. The use of any engine oil or fuel additives or oil stabilizers.



This Warranty does not cover normal maintenance service such as tune-ups, adjustments, inspections, engine or component overhaul, replacement of air and oil filters, spark plugs, etc. Further, this Warranty applies only to the engines that are manufactured or supplied by JABIRU. JABIRU has no responsibility for the failure of any engine or part which it does not manufacture or supply, or for any damage resulting from any such failure.

V. DISCLAIMERS

THIS LIMITED, EXPRESS WARRANTY IS EXCLUSIVE, EXPRESSLY GIVEN, AND ACCEPTED IN LIEU OF ANY AND OTHER GUARANTIES OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR OTHER WARRANTIES IMPLIED IN LAW. THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THAT WHICH IS DESCRIBED IN JABIRU'S LIMITED, EXPRESS WARRANTY. FOR ANY OTHER OBLIGATION AND/OR LIABILITY OF JABIRU AND/OR ITS AFFILIATES, WHETHER FOR NEGLIGENCE, STRICT LIABILITY, OR BREACH OF WARRANTY, THE OWNER'S REMEDIES SHALL BE LIMITED TO THE REMEDIES PROVIDED FOR IN THIS WARRANTY. TO THE EXTENT THAT THE IMPLIED WARRANTIES CANNOT BE DISCLAIMED, THEY ARE LIMITED IN DURATION TO THE LIFE OF THIS LIMITED EXRESS WARRANTY.

THIS LIMITED EXPRESS WARRANTY IS A WARRANTY TO REPAIR OR REPLACE AND NOT A WARRANTY OF THE CONDITION OR FUTURE PERFORMANCE OF THE ENGINE OR ITS PARTS.

IN ADDITION, THIS WARRANTY DOES NOT COVER INCIDENTAL OR CONSEQUENTIAL DAMAGES, SUCH AS LOSS OF REVENUE, RENTAL COSTS, OR MISSED OPPORTUNITIES, NO MATTER HOW ARISING, INCLUDING, BUT NOT LIMITED TO, THOSE ARISING OUT OF ANY DEFECT IN ANY ENGINE OR ITS COMPONENT, ARISING OUT OF THE FAILURE OF ANY ENGINE OR ITS COMPONENT TO OPERATE PROPERLY, OR ARISING OUT OF ANY BREACH OF THIS LIMITED WARRANTY.

JABIRU MAKES NO REPRESENTATION THAT THIS ENGINE IS SUITABLE FOR INSTALLATION IN ANY PARTICULAR AIRCRAFT, OTHER THAN AIRCRAFT MANUFACTURED BY JABIRU, AND THE RESPONSIBILITY TO DETERMINE SUITABILITY RESTS WITH THE OWNER.

SOME STATES DO NOT ALLOW THE DISCLAIMERS AND/OR LIMITATIONS IDENTIFIED IN THIS WARRANTY. THEREFORE, THE ABOVE-STATED DISCLAIMERS AND/OR LIMITATIONS MAY BE INAPPLICABLE. THIS WARRANTY GIVES THE OWNER SPECIFIC LEGAL RIGHTS, AND THE OWNER MAY ALSO HAVE OTHER RIGHTS WHICH MAY VARY FROM STATE TO STATE.

If the governing law of a state disallows the disclaimers, limitations and exclusions set forth in this Warranty, then only those specific disclaimers that are not allowed will be disregarded and deemed to be stricken, and all other provisions and limitations of this warranty will remain effective and enforceable.

No JABIRU Distributor/Dealer or any other person or entity is authorised or permitted to give or make any statement assertion or undertaking in relation to the quality, performance, characteristics, descriptions or fitness for any purpose of any JABIRU product or in connection with the supply of any JABIRU product, which is at variance with any written statement assertion or undertaking on any of these subjects given or made by JABIRU in its published sales literature, and the company does not accept any such unauthorised action.



SPECIAL NOTE TO AUSTRALIAN OWNERS:

The above-stated disclaimer of liability for consequential damages does not apply to owners who both: 1) fall within the definition of a "consumer" under the Australian Consumer Law; and, 2) acquire the engine in Australia, provided that the acquired engine also falls within the definition of "goods" covered under the Australian Consumer Law, and provided that all other conditions of the applicability of the Australian Consumer Law are satisfied.

In addition, for any such engines defined in this Special Note, this Warranty does not exclude and/or affect the warranties and/or guarantees that are set forth in the Australian Consumer Law.

VI. Available Remedy

JABIRU (or as otherwise decided by JABIRU) will make the defect good by repair or, at the option of JABIRU, by replacement. The repair or replacement (if opted by JABIRU) shall be the sole and exclusive remedy available under this Warranty, and will be the absolute limit on JABIRU's or any of its authorized representatives' liability whether based upon equity, contract or tort (including, but not limited to, negligence, strict liability, breach of contract, or breach of warranty) arising out of: (1) this Warranty; (2) the design, manufacture, delivery, sale, repair, replacement or any use of the engine and/or its parts; or, (3) the furnishing of any such service.

Unless specifically required by the law of a governing state, JABIRU does not cover the costs of freight, removal, and reinstallation of the engine. If the law of a governing state specifically requires that the costs of freight, removal, and reinstallation be covered, then under the conditions set forth in Sections VIII, IX, and X below, JABIRU will cover said costs should repairs be required during the warranty period, provided, however, that the repairs are not due to the conditions described in Section IV, Exclusions, above.

SOME STATES MAY PROVIDE OWNERS WITH REMEDIES IN ADDITION TO THOSE SPECIFIED IN THIS SECTION. THIS WARRANTY GIVES THE OWNER SPECIFIC LEGAL RIGHTS AND REMEDIES, AND THE OWNER MAY ALSO HAVE ADDITIONAL REMEDIES WHICH MAY VARY FROM STATE TO STATE.

VII. Repair or Replacement of Parts

As a part of its Limited, Express Warranty, JABIRU warrants in respect of JABIRU parts and accessories required as replacement parts, that it will make good by repair or at its option by replacement any defect occurring in any such JABIRU parts and accessories within twelve (12) months from the date of acquisition. Normal wear and tear is excluded. This Limited, Express Warranty does not cover those parts listed in Section III, Exclusions, above and is subject to the same general exclusions.

VIII. Labor Costs

For any coverage period specified in Section III above, JABIRU will absorb certain labor costs incurred in connection with the repair or replacement of parts covered by this Warranty, provided, however, that said parts must be delivered directly to JABIRU (Airport Drive, Hinkler Airport, Bundaberg West, Queensland, Australia) and JABIRU itself performs the repairs. For JABIRU to cover labor costs in connection with the repair or replacement of parts that belong to non-Australian international owners, said parts must be delivered to JABIRU official Dealers/Distributors as directed in writing by JABIRU. JABIRU will compensate International JABIRU Dealers/Distributors for the allowed labor costs at the rate that JABIRU charges for any similar job.



IX. Troubleshooting Costs

For the first TWELVE (12) CONSECUTIVE MONTHS of the coverage or the coverage period set forth in Section III of this Warranty above, whichever is shorter, JABIRU will pay for certain troubleshooting costs in connection with determining the need for any repair or replacement covered by this Warranty, when performed by, or coordinated through, JABIRU or an authorized JABIRU Distributor/Dealer, and where a defect is identified that results in a warranty claim. The amount of troubleshooting costs allowed will be in accordance with the latest revision of JABIRU's limited warranty labor allowance for any applicable part or component, which is made available to JABIRU or its authorized Distributor/Dealer. In no event will the Trouble Shooting Costs exceed fifteen percent (15%) of the Labor Costs allowed by JABIRU for such repairs or replacements.

No Troubleshooting Costs will be covered where the need for repair or replacement under warranty is identified in the course of overhaul, routine maintenance, or on the basis of an obvious nonconformity, or if the damage is not one covered by this limited Warranty. No Troubleshooting Costs will be reimbursed if the need for a repair covered by this warranty was identified by someone other than a person or entity approved in writing by JABIRU.

For any engine to be delivered to JABIRU (Australia), it is the owner's sole responsibility to clean the engine from including, but not limited to, soil, debris, sand, gravel, plant matter, seeds, and/or any other foreign matter. It is also the owner's sole responsibility to completely drain the engine from oil, fuel, and/or any other liquids. Further, for any engine to be delivered to JABIRU (Australia), it is the owner's sole responsibility to comply with any and all cleaning requirements imposed by Australian Customs and Border Protection Services ("Australian Customs") and Australian Quarantine and Inspection

Services ("AQIS"). JABIRU will not be responsible for costs of cleaning the engine, any other related fines, penalties, and/or any other costs that result from the owner's failure to comply with the requirements imposed by the Australian Customs and/or AQIS. It is the owner's sole responsibility to pay any such costs, fines, and/or penalties imposed by the Australian Customs and/or AQIS.

For any engine to be delivered to a JABIRU Dealer/Distributor located outside Australia, it is the owner's sole responsibility to clean the engine from including, but not limited to, soil, debris, sand, gravel, plant matter, seeds, and/or any other foreign matter. It is also the owner's sole responsibility to completely drain the engine from oil, fuel, and/or any other liquids. Further, for any engine to be delivered to a JABIRU Dealer/Distributor located outside Australia, it is the owner's sole responsibility to comply with any and all cleaning requirements imposed by Customs, Border Protection, Quarantine and Inspection Authorities of the state where the JABIRU Dealer/Distributor is located. Neither JABIRU nor its Dealer/Distributor will be responsible for costs of cleaning the engine, any other related fines, penalties, and/or any other costs that result from the owner's failure to comply with the requirements imposed by Customs, Border Protection, Quarantine and Inspection Authorities of the state where the JABIRU Dealer/Distributor is located. It is the owner's sole responsibility to pay any such costs, fines, and/or penalties.

X. Additional Conditions - Owners' Actions to Obtain Coverage

The Owner must notify JABIRU or its authorized Distributor/Dealer, in writing, within fourteen (14) days from discovery of a condition that the owner believes is resulting from a defect in material or workmanship. Any defects which are not reported within fourteen (14) days shall not qualify for any claims under this Warranty. Failure to do so will result in denial of coverage under this Warranty. Note that the notification period is subject to the applicable national or local legislation.



The owner must provide reasonable access to the engine, its parts and accessories, and a reasonable opportunity for JABIRU or its authorized Distributor/Dealer to repair it. Also, if requested, the owner must also present proof of purchase.

If you cannot locate A JABIRU Distributor/Dealer or if you have any additional questions regarding this Warranty, please visit our web-site at http://www.jabiru.net.au/.

XI. No Defect Found

If a duly reported alleged defect cannot be confirmed as such by JABIRU or its authorized distributors and/or dealers and therefore no repair or replacement will be necessary, the owner shall bear all costs accrued in connection with the examination and transportation of the alleged defective item.

XII. Availability of Service and Parts after Warranty

JABIRU maintains a substantial stock of spare parts and operates a Service Exchange Programme in respect to some components. Every endeavour is made to ensure that JABIRU carries adequate stocks of service parts and is equipped to provide satisfactory service, but JABIRU does not make any promise that after the expiration of the Limited, Express Warranty such parts or service will be available, or available at any specific location or at any particular time.

XIII. Changes and modification of this Warranty

JABIRU reserves the right to modify this warranty at any time in writing. However, any such modification will not change the terms of the warranty applicable to the engines sold while this warranty is in effect.

XIV. Engine Transfer

If the ownership of the engine is transferred during the warranty coverage period, this Warranty and limitations of liability and disclaimers shall also be transferred and will be valid for the remaining coverage period, provided that: a) JABIRU or its authorized Distributor/Dealer promptly receives proof that the former owner agreed to the ownership transfer; b) JABIRU or its authorized Distributor/Dealer promptly receives the new owner's name and contact details; and, c) the conditions set forth in Section III above have been fully complied with.

Signed By:	Date:
Name (Printed):	
Address (Printed):	

PLEASE RETURN SIGNED TO JABIRU AIRCRAFT WITH YOUR WARRANTY REGISTRATION CARD