

TERMS, CONDITIONS, WARRANTY & LIMITATIONS OF MANUFACTURER'S LIABILITY

BUYER and DEALER/SELLER agree to the following terms, conditions, warranties and limitations of the manufacturer, Robinson Helicopter Company, Inc. ("RHC"):

1. DEALER/SELLER NOT AN AGENT

The Dealer/Seller is not granted any express or implied right to assume any obligation in the name of RHC. Furthermore, the Dealer/Seller shall not make any claims concerning the performance, safety, reliability, or any other features of RHC aircraft or products which are not fully documented in RHC-supplied literature.

2. ACCEPTANCE OF ORDERS AND PRICE CHANGES

All orders received shall be subject to acceptance by RHC, and RHC shall have the right at any time to change the aircraft products or the price of any aircraft products covered by this Agreement. Such price changes shall apply to all products which are undelivered at the time the changes are made effective.

3. DELIVERY

Delivery of all aircraft will be FAF or Ex-Works at RHC's manufacturing facility in California, unless RHC agrees in writing to delivery in another manner or from another location. The necessary releases and payment for aircraft must be arranged with RHC before the aircraft is released. Crating of aircraft for overseas shipment other than by RHC will void the aircraft warranty.

Any shipment made by RHC at request of the parties is an accommodation for the parties and RHC accepts no responsibility for damage or late delivery caused by carrier.

4. DELIVERY DATE

RHC will furnish, as soon as practical, a scheduled delivery date for each aircraft order accepted. RHC reserves the right to depart from the scheduled delivery date by advancing or postponing the date. RHC shall not be liable for any damages due to changes in delivery dates, however caused. RHC agrees not to advance a delivery date more than two (2) weeks without written authorization. If the delivery of any helicopter shall be delayed for a period of more than six (6) months after the scheduled delivery date, either RHC or the parties shall have the option to terminate the order by giving written notice to RHC and the other parties after the end of the six (6) month period, but prior to the date the helicopter is offered for delivery.

5. PAYMENT, ACCEPTANCE, TITLE AND RISK OF LOSS

A non-refundable deposit and completed purchase agreement and applicable addendum must be submitted to RHC for each aircraft ordered. Buyer acknowledges that Dealer/Seller is purchasing the aircraft directly from RHC and regardless of the source of payment RHC will deliver the aircraft to Dealer/Seller's agent. Financial arrangements satisfactory to RHC for each aircraft ordered requires full payment in United States dollars two (2) days prior to the scheduled delivery date furnished by RHC. Unless other arrangements have been made with RHC, the aircraft must be removed from RHC property within fourteen (14) days after the ready for delivery date to avoid storage charges of \$20.00 per day and interest charges of 10% per annum on the balance due, or, at RHC's option, RHC may consider the order as canceled and retain the deposits and advance payments as liquidated damages for default. The Dealer is not authorized to retain customer deposits in the event an aircraft order is canceled. Dealer is not authorized to request deposits from Buyer in excess of the deposit required by RHC. If Buyer desires to make advance payments or place a deposit in excess of the deposit required by RHC, the advance payments or excess deposits shall immediately be forwarded to RHC as an additional deposit.

Transfer of title shall take place in California, U.S.A., unless RHC agrees in writing to transfer of title from another location. Title to all products shall remain with RHC until the products have been inspected and accepted and the full

amount due has been received by RHC. Title and risk of loss shall pass upon inspection and acceptance of the aircraft at the RHC factory in Torrance, California.

6. LIMITED WARRANTY

All Helicopters supplied by RHC are covered by the RHC Limited Warranty and a separate Lycoming or Rolls Royce Engine Warranty, which are hereby accepted by Buyer and incorporated herein by reference. The Dealer/Seller shall provide to the Buyer, upon request and at the time of delivery, current copies of the RHC Limited Warranty and the applicable Lycoming or Rolls Royce Engine Warranty.

7. FAMILIARIZATION PROGRAMS

The parties agree to release RHC and its employees and accept any liability arising from any training provided by RHC to the parties, or to their designated flight and/or maintenance crew. The parties agree to indemnify RHC and its employees or agents and to hold them free and harmless from any losses, costs, claims, damages or liabilities of any nature arising from the above services. The parties further agree to procure and maintain adequate liability insurance to cover the obligation assumed.

8. LOCAL TAXES AND OTHER CHARGES

RHC is not responsible for any import duties, foreign taxes, licenses, fees, sales or use taxes, or any additional charges applicable to the sale or ownership of the products covered by this Agreement. The parties shall disassociate RHC from and indemnify RHC for any claims or demands made by any U.S.A. or non-U.S.A. authorities. RHC is also not responsible for payment related to transportation, packaging, crating, insurance, and other related services not itemized on the RHC invoice.

9. PILOT AND ROUTE APPROVAL

RHC reserves the right to specify the qualifications, route and gross weight limit for any pilot flying a helicopter from the factory.

10. REMUNERATION FOR HOURS FLOWN ON HELICOPTER PRIOR TO DELIVERY

RHC reserves the right to fly any helicopter up to a maximum of 20 hours prior to delivery without remuneration. In the event an aircraft is flown in excess of 20 hours prior to delivery RHC will pay the buyer the published hourly overhaul reserve for each hour flown in excess of 20 hours.

11. REFURBISHED AIRCRAFT

Non-life limited components may be either replaced, repaired or overhauled as required. The parties acknowledge that refurbished aircraft are "used" aircraft and that RHC makes no warranties or promises concerning the previous history of the aircraft, including, but not limited to, accidents, maintenance and type of use.

12. DISPUTES/ARBITRATION

In the event of a dispute involving RHC with respect to this Agreement, such dispute shall be settled by Arbitration Proceeding held in the legal jurisdiction nearest RHC under the rules of conciliation and arbitration of the American Arbitration Association. The controlling law shall be that of the State of California. The decision of the arbitrators shall be final and binding and a judgment may be entered in any Court of Competent jurisdiction.

13. OTHER REQUIREMENTS

The parties agree to comply with any other conditions set forth in the Manufacturer's Addendum to the Helicopter Purchase Agreement.