

Continental Motors, Inc.

CYLINDER WARRANTY

Each cylinder shipped from the Continental Motors, Inc. (CMI) plant on or after April 2, 2010 is warranted as follows:

- 1. For a period of twenty-four (24) months or one thousand (1000) hours of operation, whichever occurs first, after the warranty activation date, CMI will at its option repair or replace on an exchange basis any cylinder component or related part manufactured or supplied by it which within the applicable twenty-four (24) month or one thousand (1000) hour period is returned to a representative of CMI authorized to handle the engine in which the cylinder component or related part covered by this warranty is installed and which upon examination by CMI is found to be defective in material or workmanship. For cylinders installed in new or rebuilt engines, the warranty activation date is the date the engine is first operated for any use or the 180th day after CMI's invoice date, whichever occurs first. For cylinder components purchased as aftermarket replacement components, the warranty activation date is the date the cylinder is first operated for any use. CMI will pay for reasonable labor costs associated with repairs or replacements under paragraph 1 of this warranty and for "troubleshooting" costs associated with identifying the need for such repairs or replacements when coordinated through an authorized CMI representative. The amount of repair or replacement labor costs allowed will be in accordance with the latest revision of the warranty labor allowance schedule, Form X30552, published by CMI. The amount of "troubleshooting" costs allowed will be the reasonable costs under the circumstance of identifying the need for such repairs or replacements, but in no event will the "troubleshooting' costs allowed exceed fifteen percent (15%) of the labor costs associated with such repairs or replacements allowed by CMI. No "troubleshooting" cost allowance will be made where the need for repairs or replacements is identified in the course of overhaul, routine maintenance or on the basis of an obvious defect.
- 2. CMI reserves the right at its option to replace any defective cylinder component or related part with either a new or rebuilt cylinder component or related part.
- 3. Repair or replacement of any cylinder component or related part under this warranty will not extend the period of warranty coverage set forth above.
- 4. CMI will not assume any responsibility for transportation costs in connection with the repair or replacement of any cylinder component or related part under this warranty, except when such transportation has been expressly authorized by CMI. When authorized, transportation cost reimbursement for cylinder components will be the actual surface freight cost or the currently published UPS surface rate schedule, whichever is less.
- 5. This warranty applies only to cylinders in which parts manufactured or supplied by CMI or parts manufactured pursuant to an FAA Parts Manufacturer Approval have been used and nothing contained herein should be construed as a warranty by CMI of any cylinder or related part not manufactured or supplied by CMI. CMI accepts no responsibility for the failure of any cylinder or related part which it does not manufacture or supply or damage resulting from such failure.
- 6. This warranty also applies only to cylinders and related parts on which the installation, inspection, maintenance and operating instructions and recommendations contained in the appropriate operator's manual, overhaul manual and applicable service bulletins have been complied with. Performance of recommended inspections and maintenance must be

X30684 AUGUST 2011

- documented by appropriate logbook entries and a copy of the logbook must accompany any cylinder and related part being returned for warranty consideration.
- 7. This warranty does not apply to any cylinder or related part manufactured or supplied by CMI which has been subject to misuse, neglect or accident or which has been installed, repaired, maintained or altered in any way that in the judgment of CMI has adversely affected the condition of the engine or which has been operated beyond factory recommendations (such as, but not limited to RPM, temperature, manifold pressure, fuel flow and proper system adjustment).
- 8. CMI will not be responsible for repair or replacement of cylinder components or parts damaged or worn as a result of corrosion, pre-ignition/detonation, operation with non-calibrated engine gauges, improper fuel system adjustment, non- CMI approved fuel and oil grades or additives and installation of parts, components or accessories that alter the engines' original type design.
- 9. The provisions of this warranty do not apply to normal maintenance service or to the replacement of normal service items.
- 10. CMI reserves the right to change any part specifications or prices without incurring any responsibility with regard to engines or parts previously sold or replaced.
- 11. THIS WARRANTY IS A WARRANTY TO REPAIR OR REPLACE AND NOT A WARRANTY OF THE CONDITION OR FUTURE PERFORMANCE OF THE PRODUCTS WHICH IT COVERS. THERE ARE NO OTHER WARRANTIES, EXPRESSED OR IMPLIED, SPECIFICALLY, BUT WITHOUT LIMITATION, THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT WILL CMI BE RESPONSIBLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF ANY DEFECT IN ANY CYLINDER OR RELATED PART, ARISING OUT OF THE FAILURE OF ANY CYLINDER OR RELATED PART TO OPERATE PROPERLY, OR ARISING OUT OF ANY BREACH OF THE WARRANTY MADE HEREIN. No person is authorized to give any other warranty or to assume any additional obligation or liability on behalf of CMI.



X30684 AUGUST 2011