



MARINE SYSTEMS WARRANTY

HARDENED VOYAGE RECORDER (HVR) MODEL HVR XX-XXX-XX

and

SIMPLIFIED VOYAGE RECORDER (SVR) MODEL SVRXX-XXX-XX

1. L-3 COMMUNICATIONS CORPORATION., AVIATION RECORDERS DIVISION (HEREINAFTER REFERRED TO AS L-3) warrants that Products delivered pursuant to purchase orders subject to this agreement shall conform to applicable International Maritime Organization (IMO) technical standard orders, if any, and that the Products shall conform to applicable L-3 specifications and drawings. Further, L-3 warrants that such Products shall be free from defects of material and workmanship except batteries, and free from defects arising from the selection of material and the process of manufacture. The above warranty shall extend only to those of such Products that have been subject to normal use. It is further expressly understood by Purchaser that the warranty herein extended shall not apply to defects attributable to the failure to preserve, store, install, operate or maintain the Product in accordance with written instructions supplied by L-3 provided such written instructions are not inconsistent with the above-mentioned applicable specifications and/or characteristics.
2. The warranty set forth in Paragraph 1 shall be, in the case of the HVR and SVR, for a period of two (2) years from the date of delivery to Purchaser EXWORKS Sarasota, Incoterms 2000. In the case of spare parts for the HVR and SVR, the same warranty set forth in Paragraph 1 shall apply and shall be for the period of one (1) year. In the event a Product is purchased for incorporation into a vessel for sale as new equipment to a customer of Purchaser, the warranty shall further be deemed to be extended directly to the customer of Purchaser. The warranty extended by L-3 shall in any event terminate two (2) years from the date of delivery to Purchaser EXWORKS Sarasota, Incoterms 2000 in the case of the HVR and SVR, and one (1) year in the case of spare parts for the above.
3. L-3 agrees, as its sole obligation under the warranty set forth above, to repair or replace, at its own expense, any of the Products or spare parts therefore which, in the reasonable opinion of L-3, shall be found to be in breach of such warranty and L-3 further agrees that it shall make any such repairs and replacements with reasonable care and dispatch in order that the equipment involved shall not be kept out of service longer than necessary provided, however, that L-3 shall have no obligation to perform any repair and/or replacement or be in any other way obligated to Purchaser, or to a customer of Purchaser, unless a defect alleged to be within the scope of the above set forth warranty is brought to the attention of L-3 within a reasonable time after discovery by a notice in writing stating the nature of the defect and the location at which the Product or part may be examined by L-3. All Products or parts thereunder must be returned, transportation charges prepaid.
4. No Products or parts subject to warranty claims shall be transported to L-3 for repair or replacement without the express prior written authorization of L-3 therefore provided, however that in the event L-3 has failed to acknowledge written notice of a claim of such defect by Purchaser or by Purchaser's customer within fifteen (15) days from the date of mailing of such notice either by written acknowledgement or by sending of one or more servicemen to the location designated in such notice of warrantable defect, Purchaser or Purchaser's customer shall have the right to transport the Product or part to L-3, transportation charges prepaid.
5. In the event a Product or part is returned to L-3 for repair or replacement, other than a return resulting from a failure by L-3 to acknowledge written notice of alleged warrantable defect, and it is determined by L-3 that the defect is not within the scope of the warranty, then the cost of return transportation from L-3 shall be borne by Purchaser or by Purchaser's customer. The cost of labor and materials in connection with all repair and/or replacement work required to correct defects falling within the scope of the warranty shall be borne by L-3. The cost of labor and material required in connection with repair and replacement work required to correct defects not, in the reasonable opinion of L-3, falling within the scope of the warranty, shall be borne by Purchaser or by Purchaser's customer. In such event, standard L-3 applicable service fees shall be charged.
6. THE WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS, IMPLIED, OR STATUTORY, INCLUDING THE IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE OR MERCHANTABILITY AND OF ALL OTHER OBLIGATIONS OR LIABILITIES ON THE PART L-3 AND L-3 NEITHER ASSUMES NOR AUTHORIZES ANY OTHER PERSON TO ASSUME FOR L-3 ANY OTHER LIABILITIES IN CONNECTION WITH THE SALE OF THE SAID PRODUCTS. IN NO EVENT SHALL L-3 BE LIABLE FOR ANY SPECIAL INCIDENTAL OR CONSEQUENTIAL DAMAGES BY REASON OF THE



FAILURE OF ANY PRODUCT TO FUNCTION PROPERLY, OR FOR CONSEQUENTIAL OR SPECIAL DAMAGES FOR ANY REASON WHATSOEVER.