



AIRLIFT HOVERCRAFT WARRANTY POLICY

Airlift Hovercraft (hereinafter referred to as the Manufacturer) makes the following Warranty to the original purchaser.

1. The Manufacturer warrants each new hovercraft or craft (hereinafter combined and referred to as "craft") manufactured by it to be free from defects in materials and workmanship under normal use and service for the lesser of the following periods (except as hereinafter provided).

PRIVATE USE:	HULL	- 24 Months or 2,000 hours, whichever comes first.
	MACHINERY/FITTINGS	- 12 Months or 500 hours, whichever comes first.
COMMERCIAL USE:	HULL	- 24 Months or 2,000 hours, whichever comes first.
	MACHINERY/FITTINGS	- 6 Months or 500 hours, whichever comes first.

Commercial, for the meaning of this policy, shall be construed as being where the craft is used for business, hire, charter or gain other than for private or pleasure usage. Use by any government agency for any purpose is considered commercial usage.

2. During the Warranty period, the Manufacturer will, through its selling agent, if applicable, repair, replace or rectify any part manufactured by it (except as hereinafter provided) that is proven to the Manufacturer's satisfaction to be defective by reason of faulty workmanship or materials. All goods subject to an approved Warranty claim are to be returned to the Manufacturer's works in Australia, however the Manufacturer may, at its discretion, authorise Warranty work to be carried out at places other than its Australian plant.
3. The commencement of this Warranty will be deemed to be the date title transfers from the Manufacturer to the first purchaser thereof, or when the craft is delivered to said Purchaser, whichever is sooner.
4. This Warranty shall not apply to;
 - (a) Items specified by the Manufacturer to be the responsibility of the selling agent, if applicable, in the launching or otherwise handling of a new craft.
 - (b) Any failure resulting from;
 - (i) Lack of maintenance.
 - (ii) Normal wear or tear or abrasion or impact damage.
 - (iii) Skirt system wear, tear and snagging damage.
 - (iv) Propeller blade erosion or impact damage.
 - (iii) Negligent, unsafe or improper operation of the craft or its accessories or equipment, or the operation of the craft beyond its capabilities.
 - (iv) Insufficient or improper maintenance of the craft.
 - (v) Alteration of the manufactured product.
 - (vi) Subsequential loss and/or damage caused as a direct or indirect result of defects, failure or otherwise of equipment, machinery, components or alike not manufactured by the Manufacturer, or loss and/or damage caused by the continual use or operation of the craft or its equipment whilst a fault is evident.
 - (c) Paints, varnishes, gelcoat, chrome-plated and other surface finishes and coatings, which may be effected by climatic and other conditions beyond the control of the Manufacturer.
 - (d) Electrical, mechanical and/or other equipment or trade accessories (eg radios) manufactured by entities other than the Manufacturer. The Manufacturer will, upon request, make available the warranties, if any, extended to it by the Manufacturers of those items.
 - (e) Any person other than the original purchaser of the craft, unless such notice is given by the Manufacturer as stated in Clause 6 of this policy.
 - (f) Any craft or part thereof manufactured by the Manufacturer, which shall have been altered or interfered with other than by the Manufacturer. The Manufacturer accepts no liability for any goods subject to a Warranty claim that have been worked on by any other party unless agreed to in writing by the Manufacturer prior to such work being performed.
 - (g) Propellers and skirts other than for design and manufacturing defects. Any Warranty claim for the cost of repairs to or replacement of propellers or skirts will be adjusted on a normal life pro rata basis within the Warranty period.
5. Should the craft covered by this Warranty be sold during the term of the Warranty period, this policy does not imply any automatic transfer of the Warranty to the new owner.

6. The foregoing Warranties are intended to be in lieu of all other Warranties and guaranties expressed, or implied, whether arising by law, custom or conduct and the rights and remedies provided are intended to be exclusive and in lieu of any other rights or remedies. Notwithstanding the foregoing, in the event that any sale of a craft by the Manufacturer is a supply of goods to a customer as defined in the Trade Practices Act 1974 (as amended) or is a consumer sale as defined in the Sale of Goods Act, in the State of Queensland, Australia, nothing in these conditions excludes, restricts or modifies any condition, warranty right or remedy, which pursuant to either of those Acts, applies to a contract for the supply of goods or is conferred upon a consumer.
7. Subject to the provisions of the Trade Practices Act, 1974 (as amended), goods supplied to the purchaser's specification are warranted only to conform to such specifications and no Warranty is given as to them being suitable for any other purpose. Goods supplied otherwise are warranted only to be suitable for the purpose to which the goods are normally used and no Warranty applies, but not limited to, any goods which have been loaded or operated beyond their capacity, subject to misuse, negligence, abuse or altered otherwise than by the Manufacturer in such a manner as to effect performance, stability or reliability.
8. The selling agent, if applicable, is not an agent of the Manufacturer except for the purposes of administering the above Warranty provisions to the extent therein provided and the Manufacturer does not authorise the selling agent or any other person to assume for it any liability in connection with such Warranty or any liability or expense incurred in the replacement or repair of its products other than those expressly authorised herein.
9. The Manufacturer reserves the right to improve its products through changes in design or materials without being obliged to also incorporate such changes in products Manufactured prior to such changes. The Manufacturer reserves the right to make changes at any time in the design, materials or components of its products and any model thereof without obligation or liability to owners of craft of similar or the same model of manufacture.
10. It shall be the selling Dealer/Agent's, if applicable, obligation and responsibility to;
 - (a) Inspect the craft on its delivery, and if so directed by the Manufacturer, to test and make all adjustments and corrections required for the satisfactory operation of said craft as the Manufacturer deems necessary.
 - (b) Process, or assist where required, any claims against any transportation company for damage to the craft during transportation.
 - (c) During the Warranty period, to furnish guidance and information to the purchaser on matters pertaining to service and maintenance of the Manufacturer's craft and to handle and process any claims pursuant to the Warranty contained herein.
11. It shall be the purchaser's/owner's obligation and responsibility to;
 - (a) Upon discovery of a fault or defect, subject to a Warranty claim as described herein, to notify the Manufacturer within seven (7) days of such discovery. The owner will supply all relevant and necessary information to, and as requested by, the Manufacturer, in order for the Manufacturer to verify the claim.
 - (b) The owner must use the craft in a reasonable, proper and safe manner at all times in accordance with the terms of the Manufacturer's Warranty and, in particular, but without limiting the generality of the foregoing, should take care when operating the craft in adverse weather or terrain conditions.
 - (c) All claims for service under Warranty are handled through the selling Dealer or agent, if applicable. It is therefore essential that the owner notify such Dealer or agent regarding any claim for a Warranty service.
 - (d) It shall be the owner's responsibility to operate the craft within the limits imposed by any authority having control over the use of such vessels.
12. The Manufacturer accepts no liability for any consequential loss and/or damage, or any claim arising out of the death or injury to any person as a direct or indirect result of the operation of Manufacturer's craft or part thereof, and the purchaser indemnifies the Manufacturer in respect of any such claim or action that may be brought against the Manufacturer.
13. Notwithstanding the foregoing, this Warranty policy shall be treated in all aspects as an Australian Policy and any controversy or dispute arising out of or relating to this policy, or any breach thereof, shall be settled in accordance with the law of Queensland, Australia. In the event that the purchaser by the address given is located within the United States of America, this policy shall be construed and interpreted under the laws of the State of California, United States of America. In such cases, any controversy or claim arising out of or relating to this policy, or breach thereof, shall be settled by arbitration in accordance with the rules of the American Arbitration Association, and judgement upon the award rendered by the Arbitrator may be entered in any court having jurisdiction thereof. Any such arbitration shall be held in the City and County of San Francisco in the State of California, United States of America. The prevailing party shall be entitled to reimbursement for its attorneys' fees incurred therein, as awarded by the Arbitrator, together with all expenses of arbitration, including travelling expenses of necessary witnesses.