

Purchaser has advised of the following possible Inspection Discrepancies:

<u>Discrepancy</u>	<u>Total Est.</u>	<u>Labor</u>	<u>Parts</u>
Corrosion at Station 322-344 on longeron	\$ 26,300	\$18,700	\$ 7,600
Check weight of horizontal stabilizer	\$123,200		\$123,200
Check free play in rotor head	\$ 50,000		\$ 50,000

Closing of the purchase and sale of the Aircraft shall take place prior to the resolution and correction of the foregoing possible Inspection Discrepancies, subject to the terms hereinafter set forth.

With respect to the claimed corrosion at Station 322-344 on longeron, Seller's correction of this Inspection Discrepancy is subject to production to Seller of reliable documentation demonstrating that this item is outside of Sikorsky parameters. In addition, Seller shall not be liable to pay more than \$26,300 to repair this Inspection Discrepancy.

With respect to the request to check the weight of the horizontal stabilizer, the following conditions shall apply:

- The horizontal stabilizer shall be weighed in the presence of (note change) seller's representative.
- The weight of the horizontal stabilizer will be evaluated on a pass/fail basis in accordance with Sikorsky maintenance procedures and subject to Sikorsky parameters.
- If the weight of the horizontal stabilizer is outside of Sikorsky parameters, then Seller will replace the horizontal stabilizer at Seller's cost with new or used parts, at Seller's option, that are serviceable and in accordance with Sikorsky parameters.
- Seller shall not be required to pay more than \$123,200 to correct this item.

With respect to the claimed free play in the rotor head, the following conditions shall apply:

- The claimed free play in the rotor head shall be evaluated in the presence of (NOTE CHANGE)seller's representative.
- The claimed free play in the rotor head shall be evaluated on a pass/fail basis in accordance with Sikorsky maintenance procedures and subject to Sikorsky parameters.
- If the claimed free play in the rotor head is outside of Sikorsky parameters, Seller will correct this item at Seller's cost using new or used parts, at Seller's option, that are serviceable and in accordance with Sikorsky parameters.
- Seller shall not be required to pay more than \$50,000 to correct this item.

Purchaser shall provide to Seller 48 hours prior written notice regarding the time and place of the evaluation of each of the weight of the horizontal stabilizer and the

claimed free play in the rotor head in order to allow Seller's representative to be present at the evaluation.

Either Seller or Purchaser may require a Sikorsky Tech representative to be present during the evaluation of each of the weight of the horizontal stabilizer and the claimed free play in the rotor head and in the event of a disagreement between Seller's and Purchaser's representative regarding the results of any such evaluation, the Sikorsky Tech representative shall make the determination in accordance with Sikorsky parameters.