

BINDING ARBITRATION AGREEMENT

In consideration of the timely and cost effective resolution of any controversy between the parties named below — all controversies, disputes, or legal actions relating in any manner whatsoever regarding the purchase, design, construction, operation (including flight accidents), airworthiness which includes inspection, maintenance repairs, warranty, suitability of flight or any other factor concerning the ultralight or aircraft named below—shall be submitted to binding arbitration before the American Arbitration Association.

The parties agree to waive their rights to a jury trial, punitive damages, tort damages, attorney's fees, costs of litigation, or any legal action in the civil courts or public judicial system of any State. The parties waive their right to a jury trial for any claims or counter claims, and waive the right to appeal the decision of the Arbitrators.

The parties agree that the Arbitrators shall consist of three or more persons, knowledgeable in the practical and technical aspects of the design, manufacturing, and flight operation of the type of aircraft which is the subject to this Agreement. If the dispute in controversy is the result of an aircraft accident, at least one of the Arbitrators shall be a licensed Federal Aviation Administration pilot or sport pilot instructor, if the aircraft involved in the accident was a light sport aircraft.

The cost of Arbitration will be shared equally by each party.

The parties agree that the Arbitration site shall be _____, and the decision shall be based on applicable Federal law and the laws of the State of _____.

This Agreement shall be binding on the heirs, assigns, beneficiaries, successors in interest, and all persons or entities with any relationship whatsoever with either party.

If any party, including those named in the paragraph above, disputes the validity of this Binding Arbitration Agreement or contests the decision made by the Arbitrators, the contesting party shall post a bond to cover the projected costs of the other party. If the contesting party does not prevail, the other party shall be fully reimbursed for all costs.

If any provision of this Arbitration Agreement is held invalid, that invalidity shall not affect the other provisions of the Agreement.

Signed: _____

Light Sport Repairman

Signed: _____

Customer

Date: _____