

PRESS RELEASE

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Zenair Ltd and Czech Aircraft Works Terminate License Agreement.

July 28, 2006: Chris Heintz, president of Zenair Ltd. and Chip Erwin, CEO of Czech Aircraft Works, jointly announced today that they have terminated the longstanding license agreement under which the Zenair ZODIAC CH 601 and STOL CH 701 light aircraft designs were produced in the Czech Republic for the European market, effective December 31, 2006.

Starting in 2007, the popular all-metal STOL CH 701 and ZODIAC CH 601 Heintz designs will no longer be produced and sold by Czech Aircraft Works. They will continue to be made available across Europe by the Zenair dealer network, as kits coming from Zenith Aircraft Company (Missouri, USA) and as assembled aircraft from Zenair Ltd.

Czech Aircraft Works will continue manufacturing the Heintz designs through 2006, and will continue thereafter to provide spare parts and technical support to its existing customers.

In the early 90s, Heintz entered into a license agreement with Czech Aircraft Works of Stare Mesto, Czech Republic, to produce and market his STOL CH 701 and ZODIAC CH 601 designs for the European market. The Czech-produced Zodiacs were modified and lightened to meet European rules for "microlight" aircraft. CZAW produced some 750 such machines under this agreement.

Czech Aircraft Works has designed and developed its own line of light aircraft. Heintz (designer and engineer responsible for the entire line of Zenair aircraft) emphasized that he is not involved with the designs now offered by the Czech company.

In the United States, Heintz's designs are manufactured in kit form by Zenith Aircraft Company (in Missouri), and as factory-produced Light-Sport Aircraft (LSA) by Aircraft Manufacturing and Development Co. (in Georgia). Czech Aircraft Works designs are produced in the Czech Republic.

More:

www.zenair.com

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