

September 9, 2020

Diamond Aircraft Owners & Operators:

Today we are announcing several avionics upgrade programs for owners of Diamond Aircraft with G1000 integrated avionics. The *G1000 WAAS Upgrade Program* ("WAAS Upgrade") provides an opportunity for airplane owners to add WAAS capabilities. The *G1000 NXI Phase 1 to Phase 2 Upgrade Program* ("NXI P1-P2") offers NXI-Phase 1 equipped airplane owners an opportunity to upgrade their planes to match the features of our latest production models. They will also become eligible to receive our planned NXI system software updates. These programs also provide ADS-B solutions across the fleet, as well as Flight Stream 510 (FS510) and GFC700 options for aircraft eligible.

We are initially offering these upgrades through specially selected Diamond Service Center locations (see Appendix A). Only upgrade projects that include the optional installation of a GFC700 automatic flight control system must be performed at a Diamond Factory location.

The *NXI P1-P2 Upgrade* replaces the two GIA63Ws with GIA64Ws and the GMA1347 with a GMA1360 Bluetooth audio panel. It also upgrades selected LRUs to match those used in current production models. The upgrade will install and configure the latest certified production G1000 NXI system software for your airplane model. You also have the option to install the FS510 Connex feature. The new Garmin avionics installed are covered by the standard 2-year Garmin avionics warranty. We encourage all G1000NXI Phase 1 owners to upgrade to G1000NXI Phase 2, in order to ensure you will continue to receive the latest software and feature releases that will become available in future.

The *WAAS Upgrade* replaces the non-WAAS GIA63 LRUs with GIA63Ws and updates the system software to the latest certified production release for that airplane model. Diamond has a modest stock of ready-to-install GIA63Ws, and the additional units made available through NXI P1-P2 Upgrades will support additional WAAS Upgrades. We plan to schedule upgrades in the sequence in which orders are received and will integrate prior waiting lists into these plans. We will communicate expected upgrade kit availability dates when we accept each order. If we are unable to establish an availability date, we will suspend taking additional orders and create a waiting list. We will contact those owners in sequence as more upgrade kits become available.

Appendix A "How to Participate" describes the initial set of selected Diamond Service Centers and the Diamond Aircraft contact information for asking questions and placing an order. Orders require a 20% non-refundable deposit on the parts price. Appendix B, "Pricing & Description," describes the model-specific details of each upgrade program. The parts pricing shown is committed for orders placed through December 2021. The Service Center rebate that results in the discounted parts pricing for the NXI P1-P2 Upgrade is contingent upon the return of the GIA63Ws and associated FAA paperwork by the Service Center. The Diamond Service Center will determine shipping costs, labor costs, and the total price of your upgrade based on their location and the complete scope of the work required for your airplane.

Diamond Aircraft and Garmin have been working closely with representatives from the Diamond Aviators Network (DAN) to understand the needs and priorities of the owners and operators of Diamond Aircraft. These upgrade programs are a result of that collaboration. We appreciate their tireless efforts to provide input and feedback and look forward to continuing our work together to improve the utility and value of your Diamond airplanes.

Sincerely,

A handwritten signature in blue ink, appearing to read "Scott McFadzean", with a long horizontal flourish extending to the right.

Scott McFadzean
Chief Executive Officer
Diamond Aircraft Industries Inc.

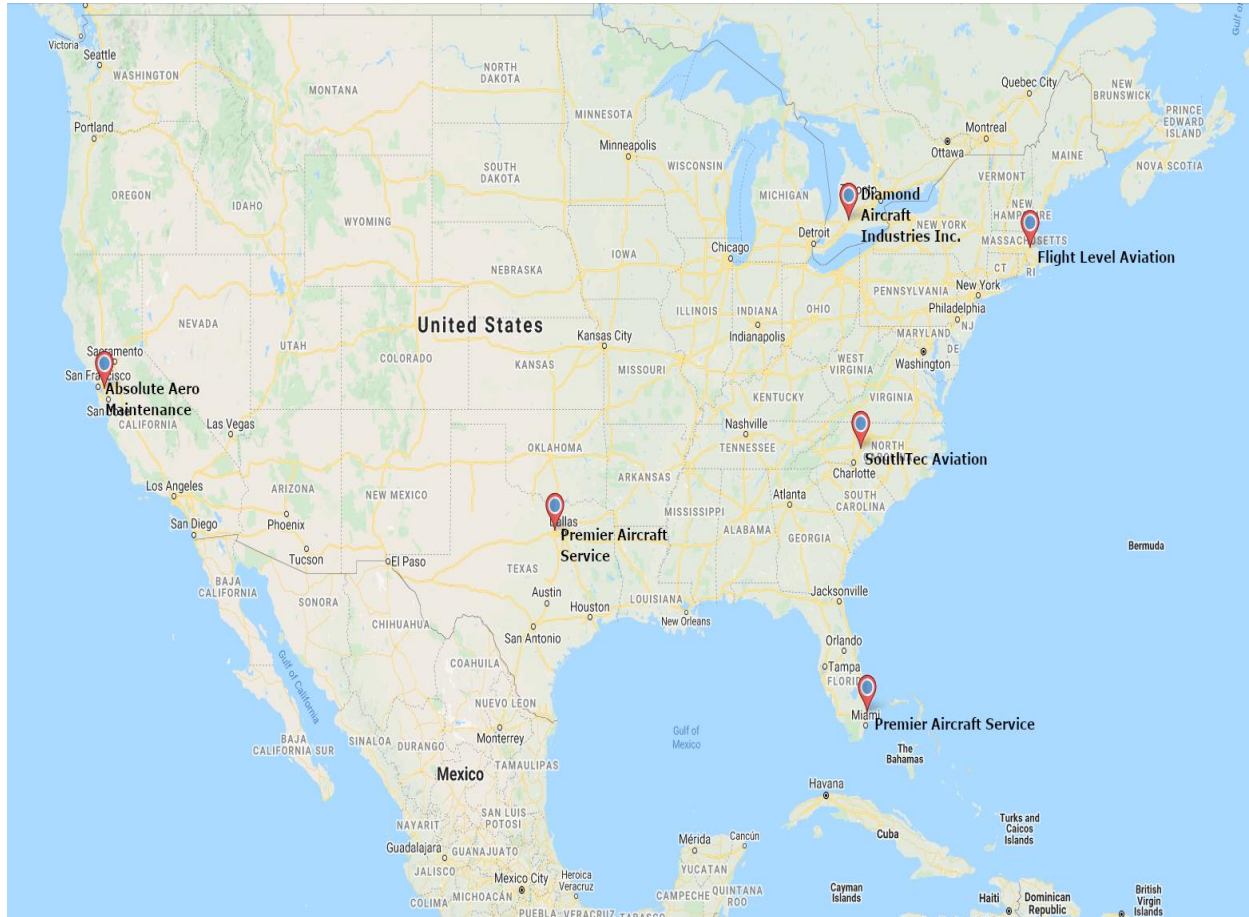
Appendix A

How to Participate

1. Review Appendix B, and if you have any questions about the information presented or wish to take advantage of one of the published offers, please contact Diamond Aircraft Industries Inc (Canada) **directly** via either method below. Staff are prepared and ready to respond to any concerns or questions and will be happy to instruct you on how to pay your deposit. The required deposit will be 20% of the Listed price, not including the potential credit.
 - a. Phone – 519-457-4041
 - b. E-mail – upgrades@diamondaircraft.com
2. Once we receive your deposit, Diamond staff will contact you to confirm your schedule and maintenance facility preference (if you have one). A map displaying the available shops is provided below for reference.
3. Diamond will then contact the selected facility directly to confirm both the scope of work and the date work will begin. Once this is done, we will ensure you are updated and again, confirm the details with you. Please understand that all of the selected shops are very busy and their time is limited, so if you are considering or interested in having any additional work done while it is in the shop for the subject upgrade, please let Diamond know ahead of time, so we can ensure they can accommodate.
4. Diamond will ensure the applicable parts are ordered and delivered to the Service Center in a timely manner. Please note that shipping costs are borne by the aircraft owner/operator and will be assessed with your labor invoice by the applicable Service Center.
5. Please also keep in mind that for many of these offers, the pricing offered (as well as any available credits/rebates), are done so with the express intent that all Garmin Line Replaceable Units (LRU's) are returned to Diamond in serviceable condition with the appropriate paperwork. Participating in any of these upgrade offers expressly transfers ownership of all removed components to Diamond Aircraft Industries, who will work with the Service Centers to affect their return.
6. At the appointed time, ensure your aircraft is at the designated facility and leave it to these experienced professionals to install your chosen upgrades.
 - a. DA42-TDI – The approval for WAAS **operations** on the DA42-TDI is pending, however the hardware and software needed to employ them are currently approved for installation. Applicable owners/operators who move forward with this feature, should anticipate having the work done as soon as practicable, regardless. In this event, the further work to the aircraft when operations are approved, will be minimal (i.e. AFM update), and Diamond will ensure any affected parties are notified and assisted to conclude this upgrade.
 - b. DAI has committed itself to a solution for these units to be certified for operation in addition to certified for installation. This work is being done in collaboration with Garmin, and we are aiming to have accomplished this effort by Q1 2021.
7. **Warranty:** New Garmin units will come with the standard 2 year warranty. Used Garmin units will not come with a warranty, however should a customer want to warranty the used units, Garmin will test, overhaul and warranty a used unit for \$2,000 USD per unit and this will provide a 6 month or 200hr warranty.
8. Once the work is completed, **go flying and have fun!**

Appendix A

Approved Facilities Map (North America)



Appendix A

Approved Facilities Map (South America & Australia/New Zealand)



Appendix B

Pricing & Description

DA62

Up-grade option	DA62 – approved Data	Additional features	Customer Expected Costs (parts only) (USD) *	Expected Labor per OSB	LRU's to be installed	LRU's to be removed	LRU's to be returned and credit applied **
NXi Phase 1 to Phase 2	OSB62-025 Latest Software IAW MSB62-003 (latest revision)	- Flight Stream 510 -Audio panel Bluetooth	\$26,000.00 \$13,000.00 net, after credits applied	14 or 28 hrs. (depending on prior configuration)	GIA64W x2 GEA71B GMA1360	GIA63W x2 GEA71 GMA1347	GIA63W x2 GEA71 GMA1347
G1000 Legacy direct to NXi Phase 2 (with GTX335R)	OSB62-017 OSB62-025 Latest Software IAW MSB62-003 (latest revision)	-Faster processing -Addition of Vertical Situation Display -MFD Map Airspace Altitude Labels -Enhanced Map HSI -Database Management Improvements -IFR/VFR Enroute Charts -Flight Plan User Interface Changes -Visual Reporting Points -COM Frequency Decoding -Flight Stream 510 -Audio panel Bluetooth -ADS-B Out	\$55,000.00	70 hrs.	GIA64W x2 GEA72 GMA1360 GDU1050(PFD) GDU1055 (MFD) GRS79 GDC72 GTX335 Aux Tank Fuel Probes	GIA63W x2 GEA71 GMA1347 GRS77 GDC74 GTX33ES	GIA63W x2 GEA71 GMA1347 GRS77 GDC74 GTX33ES
G1000 Legacy direct to NXi Phase 2 (with GTX345R)	OSB62-017 OSB62-025 OSB62-033 Latest Software IAW MSB62-003 (latest revision)	-Faster processing -Addition of Vertical Situation Display -MFD Map Airspace Altitude Labels -Enhanced Map HSI -Database Management Improvements -IFR/VFR Enroute Charts -Flight Plan User Interface Changes -Visual Reporting Points -COM Frequency Decoding -Flight Stream 510 -Audio panel Bluetooth -ADS-B Out/In -FIS-B	\$58,000.00	70 hrs.	GIA64W x2 GEA72 GMA1360 GDU1050(PFD) GDU1055 (MFD) GRS79 GDC72 GTX345 Aux Tank Fuel Probes	GIA63W x2 GEA71 GMA1347 GRS77 GDC74 GTX33ES	GIA63W x2 GEA71 GMA1347 GRS77 GDC74 GTX33ES
GTX 345R – upgrade from GTX335R	OSB62-033 Latest Software IAW MSB62-003 (latest revision)	-ADS-B in / Out -FIS-B -Blue Tooth Connection for PDA display	\$5,320.00	14 or 28 hrs. (depending on prior configuration)	GTX345R	GTX335R	GTX335R
FS510	OSB62-034 Latest Software IAW MSB62-003 (latest revision)	-Bluetooth connectivity	\$1,595.00	1 – 2 hrs.	FS510 – SD Card	none	none

*- all pricing presented here is in USD, rounded, and does not consider any exchange rates. Final invoice amounts may vary slightly as a result. Shipping costs are not presented herein and are not covered by Diamond.

** - all returned LRU's are to be accompanied with a FORM 8130 (or equivalent). If not supplied, costs associated with re-certifying components will be applied against eligible credit return. All shipping costs for the return of parts to Diamond are to be borne by the customer. All parts removed which are not required to be returned for credit, remain the property of the aircraft owner.

All Garmin Parts / Units to be returned to DAI, and are accounted for in the incentive program. Used units to be managed by DAI to assist with continuing Legacy support.

Participating Service Centers will be responsible for all parts ordering and return procedures under the terms of their agreement with DAI. Lead times for any and or all parts will be assessed on an individual basis.

Labor requirements are presented in HOURS and are estimated times based on actual install experience and knowledge. Service Centers will invoice at their standard posted labor rates.

DA40-NG

Up-grade option	DA40 NG – approved Data	Additional features	Customer Expected Costs (parts only) (USD) *	Expected Labor per OSB	LRU's to be installed	LRU's to be removed	LRU's to be returned and credit applied **
NXi Phase 1 to Phase 2	OSB40NG-062 Latest Software IAW MSB40NG-003 (latest revision)	- Flight Stream 510 -Audio panel Bluetooth	\$26,000.00 \$13,000.00 net, after credits applied	14 or 28 hrs. (depending on prior configuration)	GIA64W x2 GEA71B GMA1360	GIA63W x2 GEA71 GMA1347	GIA63W x2 GEA71 GMA1347
GTX 345R – upgrade from GTX335R	OSB40NG-057 Latest Software IAW MSB40NG-003 (latest revision)	-ADS-B in / Out -FIS-B -Blue Tooth Connection for PDA display	\$5,320.00	3 hrs. per	GTX345R	GTX335R	GTX335R
FS510		-Bluetooth connectivity	\$1,595.00	1 – 2 hrs.	FS510 – SD Card	none	none

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Labor requirements are presented in HOURS and are estimated times based on actual install experience and knowledge. Service Centers will invoice at their standard posted labor rates.

DA40-180

Up-grade option	DA40 – approved Data	Additional features	Customer Expected Costs (parts only) (USD) *	Expected Labor per OSB	LRU's to be installed	LRU's to be removed	LRU's to be returned and credit applied **
WAAS upgrade	SA01444WI-D	-WAAS approaches -Allows for ADS-B Out upgrade	\$13,000.00	4 – 6 hrs.	GIA63W x 2 GA36 / 37 antenna x 2 – antenna's and coax not included in LRU purchase from DAI	GIA63 x 2 GA35 Antenna x 2	GIA63 x 2 GA35 Antenna x 2
GTX 335R	STC SA01714WI	-ADS-B Out	\$13,000.00 (including labor)	50 hrs. (depending on prior configuration)	GTX 335R Optional with or without WAAS. Therefore, optional with or without additional Dual comm/was antenna	GTX33 Optional comm antenna	none
GTX 345R	STC SA01714WI	-ADS-B Out/In -FIS-B -Blue Tooth Connection for PDA display	\$15,000.00 (including labor)	50 hrs. (depending on prior configuration)	GTX 345R Optional with or without WAAS. Therefore, optional with or without additional Dual comm/was antenna	GTX33 Optional comm antenna	none
GFC700	Factory only per optional installation / STC	-Autopilot functionality	\$40,000.00	250 hrs.	GDU 1044 Entire GFC system, roll servos and mounts	If KAP 140 previously installed - entire Honeywell KAP 140 System GDU1040	GDU1040

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Labor requirements are presented in HOURS and are estimated times based on actual install experience and knowledge. Service Centers will invoice at their standard posted labor rates.

DA42-TDI / NG

Up-grade option	DA42 – approved Data	Additional features	Customer Expected Costs (parts only) (USD) *	Expected Labor per OSB	LRU's to be installed	LRU's to be removed	LRU's to be returned and credit applied **
WAAS upgrade	EASA STC 10048207 TBD – DAI- A SB	-WAAS approaches -Allows for ADS-B Out upgrade	\$13,000.00	4 – 6 hrs.	GIA63W x 2 GA36 / 37 antenna x 2 – antenna's and coax not included in LRU purchase from DAI	GIA63 x 2 GA35 Antenna x 2	GIA63 x 2 GA35 Antenna x 2
GTX 335R	STC SA01714WI	-ADS-B Out	\$13,000.00 (including labor)	50 hrs. (depending on prior configuration)	GTX 335R Optional with or without WAAS. Therefore, optional with or without additional Dual comm/was antenna	GTX33 Optional comm antenna	none
GTX 345R	STC SA01714WI	-ADS-B Out/In -FIS-B -Blue Tooth Connection for PDA display	\$15,000.00 (including labor)	50 hrs. (depending on prior configuration)	GTX 345R Optional with or without WAAS. Therefore, optional with or without additional Dual comm/was antenna	GTX33 Optional comm antenna	none
GFC700	Factory only per optional installation	-Autopilot functionality	\$44,000.00	250 hrs.	GDU 1044 Entire GFC system, roll servos and mounts	If KAP 140 previously installed -entire Honeywell KAP 140 System GDU1040	GDU1040

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