

***DISCLAIMER:*** *GLADA members are encouraged to be transparent and disclose the nature and type of transaction which is being contemplated to all material parties. The proposed language below has been reviewed and provided by the Best Practices Committee (BPC). This language is for information and guide purposes only. BPC makes no representations as to the legal viability of this language as it may be used in an Aircraft Purchase Agreement (APA).*

Proposed APA Language for Buy/Sell Transactions

**For Intermediary’s APA (Acting as Purchaser from Current Owner):**

The Parties stipulate, acknowledge, and agree that Purchaser is an intermediary in the transaction contemplated in this Agreement and, although Purchaser is not the ultimate buyer of the Aircraft, it does possess the right to purchase the Aircraft on behalf of the ultimate buyer through a contract with the ultimate buyer. The Parties further stipulate, acknowledge, and agree that this Agreement contemplates Purchaser obtaining good and marketable title to the Aircraft from Seller immediately prior to conveying such title to the ultimate buyer in a planned simultaneous Closing. Alternatively, the Parties may agree, in writing, that title for the Aircraft shall pass directly from Seller to the ultimate buyer of the Aircraft at Closing, bypassing Purchaser, in which case Seller shall prepare, execute, and deliver to Escrow Agent a Warranty Bill of Sale and/or an FAA Bill of Sale to be filed at Closing for the conveyance of such title to the ultimate buyer of the Aircraft.

The Parties further stipulate, acknowledge, and agree that only one Deposit shall be required in order to secure the performance of the Parties hereunder, and Purchaser hereby warrants to Seller that the ultimate buyer has irrevocably consented to the assignment and use of the Deposit for said purpose. Escrow Agent is hereby authorized to use the Deposit for the purpose stated herein. For the avoidance of doubt, Purchaser is under no obligation to fund any amounts other than the Deposit agreed to by the Parties herein and deposited by the ultimate buyer with the Escrow Agent. In the event of any claims related to the transaction involving the Aircraft of any kind or nature, Seller agrees to look solely to the ultimate buyer of the Aircraft which received title from Purchaser at Closing, or to the ultimate buyer of the Aircraft which received title from Seller at Closing as the case may be, fully waiving and relinquishing any other claims of any kind or nature regarding the Aircraft as against Purchaser.

For Intermediary’s APA (Acting as Seller to Ultimate Buyer):

The Parties stipulate, acknowledge, and agree that Seller is an intermediary in the transaction contemplated in this Agreement and, although Seller is not the current registered owner of the Aircraft, it does possess the right to sell the Aircraft through a contract with the current registered owner. The Parties further stipulate, acknowledge, and agree that this Agreement contemplates Seller obtaining good and marketable title to the Aircraft from the current registered owner immediately prior to conveying such title to Purchaser in a planned simultaneous Closing. Alternatively, the Parties may agree, in writing, that title for the Aircraft shall pass directly from the current registered owner of the Aircraft to Purchaser at Closing, bypassing Seller, in which case Seller shall cause the current registered owner of the Aircraft to prepare, execute, and deliver to Escrow Agent a Warranty Bill of Sale and/or an FAA Bill of Sale to be filed at Closing for the conveyance of such title to Purchaser.

The Parties further stipulate, acknowledge, and agree that only one Deposit shall be required in order to secure the performance of the Parties hereunder, and Purchaser irrevocably consents to the assignment and use of the Deposit for said purpose. Escrow Agent is hereby authorized to use the Deposit for the purpose stated herein. For the avoidance of doubt, Seller is under no obligation to fund any amounts other than the Deposit agreed to by the Parties herein and deposited with the Escrow Agent. In the event of any claims related to the Aircraft of any kind or nature, including, but not limited to, the mechanical condition or history of the Aircraft prior to Closing, Purchaser agrees to look solely to the registered owner of the Aircraft from which Seller received title at Closing, or to the registered owner of the Aircraft from which Purchaser received title at Closing as the case may be, fully waiving and relinquishing any other claims of any kind or nature regarding the Aircraft as against Seller.