**AIRCRAFT PURCHASE AND SALE AGREEMENT**

This Aircraft Purchase and Sale Agreement (this “Agreement”) is made and entered into as of \_\_\_\_\_\_\_\_\_, 20\_\_ (the “Effective Date”), by and between \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, a (STATE) limited liability company, having its principle place of business at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (“Buyer”), and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, a (STATE) limited liability company, having its principle place of business at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (“Seller”).

**Witnesseth.**

Whereas, at Closing, Seller shall hold the entire, undivided ownership interest in the Aircraft, and desires to sell the Aircraft to the Purchaser pursuant to the terms and subject to the conditions set forth herein; and

Whereas, Buyer desires to buy from Seller, all upon the terms and subject to the conditions contained in this Agreement; and

Whereas, Seller owns Aircraft described and referred to herein and desires to sell Aircraft to Buyer in accordance with the terms and conditions contained in this Agreement; and

Now, Therefore, in consideration of these premises and the mutual covenants, representations, warranties, obligations, and agreements herein contained, the parties, intended to be legally bound, agree as follows:

# ARTICLE I. DEFINITIONS

The following terms shall have the following meaning for all purposes of this agreement:

**“Aircraft”** means the (MAKE) (MODEL) aircraft bearing manufacturer’s serial number (SERIAL NUM) and U.S. Registration Number (REG NUM) (the “**Airframe**”) (described on the International Registry with manufacturer designation: (DESCRIPTION), together with two (2) installed (MANUF) model \_\_\_\_\_\_\_ engines bearing manufacturer’s serial numbers \_\_\_\_\_\_\_\_\_ and \_\_\_\_\_\_\_\_\_ (the “**Engines**”) (described on the International Registry with manufacturer's designation: (DESCRIPTION), one (1) installed (MANUF) model \_\_\_\_\_\_ auxiliary power unit bearing manufacturer’s serial \_\_\_\_\_\_\_\_\_\_ (“**APU**”), and all equipment, spares, loose equipment, rotables (including life rafts), components, instruments, avionics, systems, appurtenances, appliances, parts, accessions, furnishings, engine covers, tool kits, and other equipment of whatever nature incorporated in, or attached to or associated with any of the foregoing (subject to the Inventory Listing) in Seller’s possession or control and all Aircraft Documents including, without limitation, the items set forth in the specification description attached hereto as Exhibit A.

**“Aircraft Documents”** means all documents and records whether on paper, digital, electronically stored or in any other medium documents and records that are in Seller’s possession or control relating to or required by law and standard industry practice, to be maintained with respect to the Aircraft, including, without limitation, all parts certification documents for life limited/time controlled components currently installed on the aircraft, replaced/overhauled/restored or hydrostatically tested since original delivery, a current and valid Airworthiness Certificate, flight logs, all Airframe, Engines, APU and accessory and other logbooks, manuals, flight records, weight and balance manuals, yellow service tags, technical records, traceability records, task cards, overhaul records, maintenance records, maintenance contracts, computerized maintenance programs, Airframe and Aircraft component warranties, engineering records, Engines warranties, APU warranties, avionics warranties, wiring diagrams, drawings, data, completion manuals and all issued FAA Form 337 (or its equivalent), all issued FAA Form 8100-9s, any related Supplemental Type Certificates, and any and all other records related to the Aircraft.

**“Aircraft Protocol”** means the official English language text of the Protocol to the Convention.

**“Aircraft Registration Application”** means an FAA Aeronautical Center Form 8050-1 Aircraft Registration Application.

**“Aircraft Specification**” means the Aircraft Specification set forth on Exhibit A attached hereto.

**“Aircraft Technical Acceptance/Rejection Letter”** means an Aircraft Technical Acceptance/Rejection Letter in the form of Exhibit C attached hereto.

**“Airframe”** means the airframe described in the definition of Aircraft.

**“Airworthiness Certificate”** means an FAA Standard Airworthiness Certificate (FAA Form 8100-2).

**“Airworthy”** means, without limitation, that (i) the Aircraft is in an airworthy condition (as set forth in Chapter 2, Paragraph 200 of FAA Order 8130.2H, including relative to wear and deterioration per reference to FAA Order 8900.1, Vol.1, Ch. 1, Section 2, 1-26); (ii) the Aircraft is in the mechanical condition required to be issued an Airworthiness Certificate for operation under FAR Part 91; (iii) the Aircraft is in compliance with all mandatory maintenance and inspection requirements of the Aircraft manufacturer, including airworthiness directives and mandatory service bulletins that have been issued with respect to the Aircraft with compliance dates up to and including the time of Closing; and (iv) no Discrepancies exist that require rectification prior to the Aircraft being Returned to Service.

**“APU”** means the auxiliary power unit described in the definition of the Aircraft.

“**APU MSP**” means the \_\_\_\_\_\_\_\_\_\_(MANUF) maintenance service plan with respect to the APU bearing contract number \_\_\_\_\_\_\_\_\_\_\_\_ which shall be fully paid current to the Closing Date. For the avoidance of doubt, Seller will not cash out of APU MSP, or transfer the program to another aircraft, and any negative balances shall be for the account of the Seller and any positive balances shall be transferred to the Buyer on the Closing Date.

**“Balance of the Purchase Price**” means the difference between the Purchase Price minus the Deposit received by Escrow Agent.

**“Business Day”** means any day of the year in which (i) banks are not authorized or required to close in the State of Oklahoma; and (ii) the FAA and International Registry are open for filing title documents and completing registrations.

**“Cape Town Convention”** means, collectively, the Convention and the Aircraft Protocol.

**“Closing”** means the consummation of the purchase and sale transaction contemplated by this Agreement, as further defined Section 4.1 below which shall occur on the Closing Date.

**“Closing Date”** means the date the Closing occurs or is required to occur pursuant to Section 4.5, as applicable; provided, however, that the Closing Date shall be on a Business Day and a date on which the FAA Civil Aviation Registry is open for filing conveyance documents.

“**CAMP”** means the computerized aircraft maintenance program applicable to the Aircraft.

**“Convention”** means the official English language text of the Convention on International Interests in Mobile Equipment, adopted on 16 November 2001, at a diplomatic conference in Cape Town, South Africa, together with all other rules, amendments, supplements, and revisions thereto.

**“Delivery Condition”** means that the Aircraft at the Closing shall satisfy, comply and be consistent with the required items and conditions set forth in Exhibit D attached hereto.

**“Delivery Flight”** means the positioning flight necessary (if any) to relocate the Aircraft from the Inspection Facility to the Delivery Location.

“**Delivery Location**” means \_\_\_\_\_\_\_\_\_\_\_\_\_\_ (K\_\_\_\_\_) or such other location within the 48 contiguous states of the continental United States as mutually agreed between Seller and Buyer.

**“Delivery Receipt”** means an Aircraft Delivery Receipt in the form of Exhibit D attached hereto.

“**Deposit”** means a purchase money deposit in the amount of $\_\_\_\_\_\_\_\_\_\_\_\_ to be held by the Escrow Agent, which is refundable, subject to the terms and conditions of this Agreement.

**“Discrepancy” or “Discrepancies”** means any defect, the correction of which is necessary to cause the Aircraft to be in the Delivery Condition but does not include “cosmetic” defects to any part of the Aircraft resulting from normal wear and tear associated with prior usage of the Aircraft including but not limited to the current condition of the interior of the Aircraft as well as the exterior paint.

“**Discrepancy List”** means a written list of material and significant airworthiness discrepancies.

**“Dollar, US$**,**”** means the lawful currency of the United States of America.

“**Engines**” means the engines described in the definition of Aircraft.

**“Engine MSP”** means the maintenance service plan with respect to the Engines bearing contract number \_\_\_\_\_\_\_\_\_\_\_\_\_ which shall be fully paid current to the Closing Date. For the avoidance of doubt, Seller will not cash out of Engine MSP, or transfer the program to another aircraft, and any negative balances shall be for the account of the Seller and any positive balances shall be transferred to the Buyer on the Closing Date.

**“Escrow Agent**” means \_\_\_\_\_\_\_\_\_\_\_\_\_ (ATTN: \_\_\_\_\_\_\_\_\_\_\_\_\_), whose address and contact information is listed in Section 9.1.

**“Escrow and Title Search Fee”** means an amount not to exceed the sum of \_\_\_\_\_\_\_\_ ($\_\_\_\_\_.00). Seller and Buyer shall each pay one-half (1/2) of the Escrow and Title Search Fee.

**“FAA”** means the Federal Aviation Administration.

**“FAA Bill of Sale”** means an FAA Aeronautical Center Form 8050-2 Aircraft Bill of Sale.

**“FAA Civil Aviation Registry”** means the FAA Civil Aviation Registry, Aircraft Registration Branch, Mike Monroney Aeronautical Center, 6500 South MacArthur Boulevard, Oklahoma City, Oklahoma 73169.

**“FAR”** means the Aeronautics Regulations of Title 14, Parts 1 to 399 of the United States Code of Federal Regulations, as amended.

**“Inspection”** means the inspection scope attached hereto as Exhibit F.

**“Inspection Facility”** means the (FACILITY NAME) located in \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

**“Inspection Report”** means the final written report from the Inspection Facility identifying such conditions that cause the Aircraft to fail to conform to the Delivery Condition and estimates of the cost to remedy such conditions.

**“International Interest and Prospective International Interest”** has the meaning given to it in the Convention, as amended.

**“International Registry”** means the international registry located in Dublin, Ireland, established pursuant to the Cape Town Convention.

**“International Registry Procedures”** means the official English language text of the Procedures of the International Registry issued by the supervisory authority thereof pursuant to the Cape Town Convention, as amended.

**“International Registry Regulations”** means the official English language text of the Regulations of the International Registry issued by the supervisory authority thereof pursuant to the Cape Town Convention, as amended.

**“Inventory Listing”** means an inventory of all the original items, spares and loose equipment attached hereto as Exhibit F, which inventory shall be prepared jointly by Buyer and Seller during the Inspection.

**“Lien”** means any lien, mortgage, security interest, lease, time sharing agreement or other demand, claim, charge or encumbrance or right of others, including, without limitation, rights of others under any engine or parts interchange, loan or lease, or pooling agreement, and any air navigation (*e.g.,* Transport Canada, EuroControl, CAAC), or other similar over flight charges, and any domestic or foreign, taxes, imposts or assessments or any searchable contract of sale, prospective contract of sale, actual or prospective International Interests, relating to the period prior to the Closing Date and not created by or through Buyer.

“**Lien Holder**” means any person, corporation, limited liability company, trust or other entity possessing a Lien in and to the Aircraft.

**“Lien Release”** means a document in form acceptable to Buyer which, when filed in the records of the FAA Civil Aviation Registry or other applicable civil aviation registry or recording location, will cause a recorded Lien affecting the Aircraft to be terminated and released.

**“Material Corrosion”** means corrosion, or history of corrosion, outside of manufacturers’ in-service limits, as determined by the Inspection Facility that (A) cannot be repaired, rectified or terminated on a non-recurring basis such that the Aircraft can be returned to service without (i) a requirement of repetitive or recurring inspections which deviate from the manufacturer’s recommended inspection program, and (ii) required modifications to the component life limitations or (B) the repair of which constitutes a Material Damage.

**“Material Damage”** means any damage, or history of damage, as determined by the Inspection Facility, to the Aircraft or any part thereof that requires, required or would have required (if the Aircraft had been registered on the FAA registry) (i) the issuance of an FAA Form 337 (whether or not an FAA Form 337 has actually been issued) or 8100-9s; (ii) any deviation from the approved manufacturer’s aircraft build specifications or standard production configuration; (iii) an alteration or repair, which constituted or would constitute a “major repair” or “major alteration” as such term is defined in 14 C.F.R., Part 43, Appendix A, and/or recorded or required to be recorded in a manner prescribed by 14 C.F.R., Part 43, Appendix B, or otherwise in the log books or records of the Aircraft or in an insurance claim or (iv) any damage that adversely affects or would adversely affect the fair market value of the Aircraft by more than \_\_\_\_\_%. For the purpose of clarity, the disclosed damage on Annex A shall not be considered Material Damage.

“**Offer Letter**” N/A

**“Outside Date”** means \_\_\_\_\_\_\_\_\_ or such later date mutually agreed to in writing by Seller and Buyer.

**“Buyer Broker”** means \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**.**

**“Buyer’s Flight Costs**” means Buyer shall reimburse Seller at Closing for flight costs incurred in connection with any visual inspection, demonstration flight, movement to and from the Inspection Facility, test flight, flight check (other than a Return to Service flight check) and the Delivery Flight. Seller shall bear the flight costs for any Return to Service flight check. All movement costs shall be charged at a flat rate of $\_\_\_\_\_\_\_\_\_ per flight hour, not to exceed the amount permitted by FAR 91.501 except that flight costs performed in connection with the Inspection at the Inspection Facility shall be charged at cost as invoiced by the Inspection Facility.

**“Purchase Price”** means the amount of \_\_\_\_\_\_\_\_\_\_\_ United States Dollars (US$\_\_\_\_\_).

**“Return to Service”** means the Aircraft’s return to service with the Airworthiness of the Aircraft evidenced by the applicable logbook entry or other appropriate confirmation by the Inspection Facility, without exceptions, deviations, deferments or limitations.

“**Seller’s Broker**” means \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

**“Significant Finding”** means any of the following (or history of the following) as each of the foregoing is determined by the Inspection Facility (or, as applicable, the manufacturer) (i) Material Corrosion; (ii) Material Damage; (iii) a history of any lightning strike or bird strike; (iv) any manufacturer’s warranty has been voided or is otherwise not in effect (other than expiring by its hour or calendar term), as each of the foregoing is determined by the Inspection Facility (or manufacturer, as applicable); (v) the unwillingness of Seller, or the inability of Seller as determined by the Inspection Facility to rectify a Discrepancy in order to deliver the Aircraft in the Delivery Condition within twenty (20) Business Days after receipt of the final Inspection Report; (vi) hard or overweight landing, skin replacement, flush or scab patches, dents or hail damage repairs and/or (vii) the aggregate cost quoted to Seller by the Inspection Facility to correct, repair, remedy or resolve all Discrepancies and cause the Return to Service of the Aircraft in the required Delivery Condition exceeds the sum of \_\_\_\_\_\_\_\_\_\_\_ United States Dollars (US$\_\_\_\_) (inclusive of amounts covered under service programs or warranties). and/or (viii) the Aircraft does not comply with the Aircraft Specification and cannot be made to conform to the Aircraft Specification without violating any of the foregoing clauses (i)-(vii).

**“Warranties Assignments”** means the Assignment of Warranties in the form of Exhibit F attached hereto with respect to any and all applicable warranties and maintenance and service contracts and programs relating to the Aircraft, including but not limited to Engine MSP, APU MSP, CAMP, any navigational and cabin information subscriptions, any avionics/electrical system contracts, any engine monitoring programs, and any follow-on contracts.

“**Warranty Bill of Sale”** means a Warranty Bill of Sale for the Aircraft in the form of Exhibit G attached hereto.

# ARTICLE II. SALE

**2.1 Agreement**. For and in consideration of the Purchase Price, on the Closing Date, Seller shall sell and deliver the Aircraft to Purchaser, and Purchaser shall purchase and accept delivery of the Aircraft from Seller, on and subject to the terms and conditions set forth herein.

**2.2 Subject Matter of Sale.** Subject to the provisions of this Agreement, Seller agrees to sell and deliver to Buyer and Buyer agrees to buy and take delivery of all of Seller’s right, title and interest in and to Aircraft:

|  |  |
| --- | --- |
| **Manufacturer:** |  |
| **Make and Model:** |  |
| **Serial Number:** |  |
| **Registration Mark:** |  |
| **Engine make and model number:** |  |
| **Engine Serial Numbers:** |  |

**2.3 Purchase Price.** All prices, amounts and payments referred to herein shall be in United States Dollars. The total purchase price for the Aircraft shall be \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ United States Dollars (US$\_\_\_\_\_) (the “*Purchase Price*”) payable as follows: (a) a deposit in the amount of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ United States Dollars (US$\_\_\_\_\_) (the “*Deposit*”), which is being held by Escrow Agent and (b) the amount of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_United States Dollars (US$\_\_\_\_\_) (the “*Balance*”), to be deposited with the Escrow Agent at least one (1) day prior to the Closing Date, both to be applied towards the Purchase Price at the Closing pursuant to Section 3, Escrow Instructions – Item 5, of this Agreement.

# ARTICLE III. INSPECTION AND AIRCRAFT CONDITION

* 1. **Aircraft Condition**. On the Closing Date, the Aircraft shall be in the following condition (“**Delivery Condition**”):
     1. eligible for and have a current and valid Airworthiness Certificate;
     2. in an airworthy condition suitable for operations under Part 91 of the FAR, with all systems, avionics, components, accessories and other installed equipment operating in accordance with manufacturers’ specifications, and within the manufacturers’ tolerances and limitations as published in the manufacturers’ maintenance manuals and with each of the Engines able to produce its rated takeoff power in accordance with all Engines manufacturer’s maintenance manuals;
     3. current on all manufacturers’ recommended maintenance programs and inspection schedules (including all calendar, hourly and cyclical inspections) for which compliance is required on or before the Closing Date);
     4. in compliance with all applicable FAA airworthiness directives and mandatory service bulletins (or manufacturer’s equivalent) that have been issued with respect to the Aircraft and its systems, components, accessories or equipment, for which compliance is required on or before the Closing Date;
     5. with no parts, systems or components installed in the Aircraft on a temporary, loan or exchange basis, unless provided pursuant to the Corporate Care, MSP or SMART Parts programs;
     6. with all Aircraft Documents;
     7. with the following paid current through the Closing Date, and transferable to the Purchaser at the program administrator’s then-prevailing rates:
        1. \*\*\*’s Engines maintenance service plan program;
        2. Pro-Parts, with no deficiency; and
        3. CESCOM;
     8. equipped as specified in the Aircraft Specification, with no more than \_\_\_\_\_\_ flight hours total time since new, and in the same condition as at the end of the Inspection, normal wear and tear and correction of Inspection Discrepancies excepted; and
     9. with no Material Corrosion.

**3.2 Pre-Purchase Inspection.**  Buyer has the option to conduct a preliminary visual inspection of the Aircraft, to include logbooks and records review. Buyer will provide written notice to Seller within two (2) business days after the execution hereof indicating whether Buyer elects to proceed with the transaction and have a pre-purchase inspection (the "Inspection") conducted as outlined in Exhibit E, If Buyer elects not to have the Inspection performed, Buyer shall include with the written notice an executed copy of the Aircraft Technical Acceptance Certificate and the parties shall proceed to closing. If Buyer fails to provide written notice of its election to have the Inspection to Seller within the allotted timeframe, Seller may elect to terminate this Agreement any time after the expiration of such timeframe. If Seller elects to terminate this Agreement, the parties shall direct the Escrow Agent to reimburse Seller for the Movement Expenses and refund the remainder of the Deposit to Buyer, after which this Agreement shall terminate with the parties having no further obligation to each other.

**3.3** **Aircraft Availability for Inspection.** If Buyer elects to proceed with the Inspection, Seller shall make the Aircraft available to Buyer for the Inspection which shall commence as soon as practicable after signature hereof but in any event no later than ten (10) business days after the execution of this Agreement. Seller shall provide to Buyer at the time of the Inspection all logbooks, maintenance records, reports, wiring diagrams and such materials specific to the Aircraft which are in Seller’s possession. It is further contemplated that Buyer’s inspection of the Aircraft will take place at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and will last no longer than ten (10) business days. Any flight test will be under the control of Seller at all times and will be no longer than one and one half (1 1/2) hours. Buyer shall be solely responsible for all costs related to the Inspection, including the related Movement Costs and payment to the Inspection facility.

**3.4 Acceptance or Rejection Based on Inspection Findings.** Buyer shall have the right to accept or reject the Aircraft based on the findings of the Inspection, subject to the limitations as set forth below. Within two (2) business days after Buyer’s receipt of the Inspection report from the Inspection facility, Buyer shall either:

1. execute and deliver to Seller the Aircraft Technical Acceptance Certificate, in which case the parties will immediately proceed to closing below; or
2. by written notice, advise Seller of Buyer’s rejection of the Aircraft (provided, however, that Buyer may only reject the Aircraft for material and significant airworthiness discrepancies which are not of a merely cosmetic nature), in which case the parties shall direct the Escrow Agent to reimburse Seller for the Movement Expenses and refund the remainder of the Deposit to Buyer, after which this Agreement shall terminate with the parties having no further obligation to each other; or
3. provide Seller, with a copy to Escrow Agent, with a Discrepancy List which Buyer wants Seller to correct before Buyer will proceed with the transaction. For the purposes of this Agreement, “Discrepancy List” If the total cost of remedying the Discrepancy List is \_\_\_\_\_\_ United States Dollars (US$\_\_\_\_) or less, Seller shall be obligated to perform the repairs. If the total cost of remedying the Discrepancy List exceeds \_\_\_\_\_\_ United States Dollars (US$ \_\_\_\_), Seller may elect, by providing written notice to Buyer, with a copy to Escrow Agent, within two (2) business days after receipt of the Discrepancy List, to remedy the deficiencies and proceed to closing or to terminate this Agreement. If Seller elects to terminate this Agreement, the parties shall direct the Escrow Agent to reimburse Seller for the Movement Expenses and refund the remainder of the Deposit to Buyer, after which this Agreement shall terminate with the parties having no further obligation to each other. If Seller is obligated or elects (as appropriate) to remedy the Discrepancy List, then immediately upon the completion of the repairs, Buyer shall execute the Aircraft Technical Acceptance Certificate and the parties shall immediately proceed to closing and the Deposit shall become nonrefundable.

**3.5 Discrepancies.** In the event the Discrepancies are unable to be corrected within \_\_\_\_ Business Days, for any reason or no reason whatsoever, Buyer shall have the right to terminate this agreement and the deposit shall be immediately refunded to Buyer.

**3.6 Failure to Deliver.** If Buyer fails to deliver to Seller the executed Aircraft Technical Acceptance Certificate, written notice of its rejection of the Aircraft, or a Discrepancy List within five (5) business days after completion of the Inspection,then the Aircraft shall be deemed accepted/rejected in its current condition, the deposit shall become nonrefundable, and the parties shall proceed to closing.

**3.7 Termination.** The parties to this Agreement hereby agree that if the Closing has not occurred prior to 6 p.m. Eastern Time on the Outside Date, either party may terminate this Agreement by written notification to the other. In the event that the sale and purchase failed to take place as a result of Seller’s failure to perform any of its material obligations hereunder, including the failure to deliver the Aircraft to Buyer hereunder in accordance with all terms and conditions of this Agreement (including without limitation the inability to deliver the Aircraft in the Delivery Condition) other than as a result of Buyer’s failure to perform any of its material obligations hereunder, the Deposit shall immediately be refunded to Buyer (and each of the parties hereby consents and directs Escrow Agent to disburse such funds accordingly), and Seller shall reimburse Buyer for: (i) its actual out-of-pocket cost of the Inspection, (ii) the Buyer’s Flight Costs paid or reimbursed to Seller, and (iii) all reasonable documented costs, expenses and fees (including fees of consultants and attorneys) incurred by Buyer in connection with the transactions contemplated by this Agreement, provided that the aggregate amount of the foregoing items (i), (ii) and (iii) shall not exceed the sum of \_\_\_\_\_\_\_\_\_\_\_\_\_ United States Dollars (US$\_\_\_\_\_\_\_), within five (5) Business Days of written demand by Buyer, and thereafter this Agreement shall be of no further force or effect. Upon payment of all amounts due the other party and termination of this Agreement, neither party shall have any obligation or liability to the other with respect to the subject matter of this Agreement.

**ESCROW INSTRUCTIONS**

You are hereby instructed as follows:

1. To hold a refundable deposit in the amount of \_\_\_\_\_\_\_\_ United States Dollars (US$\_\_\_\_) in accordance with the terms of this Aircraft Sales Agreement.
2. To withhold the deposit as non-refundable upon Buyer’s acceptance of the Aircraft by execution of Exhibit C in accordance with the Aircraft Sales Agreement.
3. To withhold any accrued inspection or movement expenses due to Seller under the Aircraft Sales Agreement.
4. To release title to the Aircraft to the benefit of the Buyer pursuant to the terms of the Aircraft Sales Agreement.
5. To release the Buyer’s funds held in escrow, including the deposit and remaining balance of funds, for the total purchase price of the Aircraft to the benefit of the Seller and transfer funds as directed by both Seller and any lienholders.
6. To simultaneously file all necessary documents to perfect registration of Buyer’s interest in the Aircraft, and that of any lienholders, with the International Registry and/or the appropriate Aircraft Registry.
7. To disperse the commission, fees and expenses as required.

# ARTICLE IV. CLOSING AND CLOSING PROCEDURES

**4.1** **Date and Time of Closing**.Provided the Aircraft has not been rejected by Buyerthe Closing shall occur within three (3) Business Days after the Inspection Discrepancies have been rectified and the Aircraft has been Returned to Service by the Inspection Facility (such date being the "Closing Date") and shall take place at the Delivery Location.

**4.2** **Pre-Closing Deliveries**.

**4.2.1** Immediately upon execution of this Agreement and the opening of escrow as evidenced by Escrow Agent’s execution of this Agreement where indicated under “Agreement of Escrow Agent” in the signature page of this Agreement and immediately prior to Closing, Escrow Agent shall prepare and deliver to Buyer and Seller title reports for the Airframe and each Engine, which reports shall include relevant information from both the FAA Civil Aviation Registry and the International Registry.

**4.2.2** Prior to the Closing, Seller shall deliver, or cause to be delivered, each of the following to the Escrow Agent to be held in escrow pending release in accordance herewith):

**4.2.2.1** An undated, but otherwise fully executed, FAA Bill of Sale conveying title to the Aircraft from Seller to Buyer.

**4.2.2.2** An undated, but otherwise fully executed, Warranty Bill of Sale conveying title to the Aircraft from Seller to Buyer.

**4.2.2.3** Undated, but otherwise fully executed, Warranties Assignments

**4.2.3** Prior to the Closing, Seller shall cause each Lien Holder, if any, to deliver each of the following to the Escrow Agent:

**4.2.3.1** An undated, but otherwise fully executed Lien Release which, when filed or registered, as the case may be, will cause such Lien Holder's Lien on the Aircraft to be terminated and released.

**4.2.3.2** A written statement indicating the total amount in United States Dollars that must be paid to such Lien Holder to secure the release and termination of such Lien Holder's Lien.

**4.2.3.3** Wiring instructions for payment of such amount.

**4.2.4** Prior to the Closing, Buyer shall deliver each of the following to the Escrow Agent (to be held in escrow pending release in accordance herewith):

**4.2.4.1** An undated, but otherwise fully executed, Registration Application for the Aircraft; and

**4.2.4.2** Funds in an amount equal to the sum of the Balance of the Purchase Price, plus one-half of the Escrow and Title Search Fee, plus any Flight Costs described in Section 3.5 to the extent not previously paid by Buyer.

**4.2.5** Prior to the Closing, Seller shall position the Aircraft at the Delivery Location at Buyer's cost and expense with up to three (3) designated representatives of Buyer on board but under Seller's custody and control.

**4.2.6** Prior to the Closing, Seller shall deliver to Buyer the Service Contract Confirmation(s).

**4.2.7** The Aircraft shall be in Delivery Condition, any work orders opened by Seller with the Inspection Facility with respect to the Aircraft have been paid in full or Seller shall provide that such work orders shall be paid by Escrow Agent from the sale proceeds;

**4.2.8** Prior to the Closing, Seller and Buyer shall each register as a Transacting User Entity with the International Registry and shall each appoint an Administrator; and the Administrator for each of Seller and Buyer shall appoint Escrow Agent as their Professional User Entity with the International Registry for purposes of registering and consenting to the registration of the purchase of the Airframe and each Engine by Buyer, and any other related actions.

THE PRE-POSITIONING OF ANY DOCUMENT OR THE BALANCE OF THE PURCHASE PRICE WITH THE ESCROW AGENT IS FOR THE CONVENIENCE OF THE PARTIES ONLY SO THAT THEY MAY BE RELEASED AT THE ORAL OR WRITTEN DIRECTION OF THE DEPOSITING PARTIES FOLLOWING SATISFACTION OF ANY CONDITIONS CONTAINED HEREIN, AND SHALL NOT BE CONSTRUED AS OR IMPLY ACCEPTANCE OF THE AIRCRAFT OR CONVEYANCE OF TITLE THERETO, WHICH MAY ONLY OCCUR AS SPECIFICALLY PROVIDED IN THIS AGREEMENT.

**4.3** **Conditions Precedent to Seller's Obligations**.Seller's obligation to sell and deliver the Aircraft to Buyer on the Closing Date shall be subject to the following conditions precedent:

**4.3.1** At the time of Closing, Buyer shall not be in breach or default of any of Buyer's obligations arising under this Agreement.

**4.3.2** Prior to the Closing, Buyer shall have delivered to the Escrow Agent Funds in an amount equal to the sum of the Balance of the Purchase Price, plus one-half of the Escrow and Title Search Fee, plus any Flight Costs described in Section 4.2.4.2 to the extent not previously paid by Buyer.

**4.3.3** Prior to the Closing, Buyer shall have delivered to the Escrow Agent an undated, but otherwise fully executed, Registration Application.

**4.3.4** Prior to the Closing, Buyer shall have registered as a Transacting User Entity with the International Registry and shall have appointed an Administrator; and Buyer's Administrator shall have appointed the Escrow Agent as Buyer's Professional User Entity with the International Registry.

**4.3.5** At the time of Closing, all of Buyer's representations set forth in Section 5.2 shall be true and accurate.

**4.3.6** Buyer shall have performed and complied with all of the terms, conditions and covenants required by this Agreement to be performed or complied with by Buyer prior to or at the Closing.

**4.4** **Conditions Precedent to Buyer's Obligations**.Buyer's obligation to purchase and accept delivery of the Aircraft from Seller on the Closing Date shall be subject to the following conditions precedent:

**4.4.1** At the time of Closing, Seller shall not be in breach or default of any of Seller's obligations arising under this Agreement.

**4.4.2** At the time of Closing, all of Seller's representations set forth in Section 5.1 shall be true and accurate.

**4.4.3** Prior to the Closing, Seller shall have delivered to Buyer the Service Contract Confirmation(s) and to the Escrow Agent an undated, but otherwise fully executed, FAA Bill of Sale, and an undated, but otherwise fully executed, Warranty Bill of Sale.

**4.4.4** Prior to the Closing, Seller shall have caused each Lien Holder to deliver to the Escrow Agent an undated, but otherwise fully executed Lien Release, together with a written statement indicating the total amount in United States Dollars that must be paid to such Lien Holder to secure the release and termination of such Lien Holder's Lien, and wiring instructions for payment of such amount.

**4.4.5** Prior to the Closing, Seller shall have registered as a Transacting User Entity with the International Registry and shall have appointed an Administrator; and Seller's Administrator shall have appointed the Escrow Agent as Seller's Professional User Entity with the International Registry.

**4.4.6** Prior to Closing, Seller shall have repositioned the Aircraft to the Delivery Location at Buyer’s cost and expense in the Delivery Condition.

**4.4.7** Any maintenance and service contracts and programs, including but not limited to Engine MSP, APU MSP, CAMP, shall be current, fully paid up to the Closing Date and transferable to Buyer, with the transfer fees being the responsibility of Buyer for which the Aircraft is presently enrolled as of the execution of this Agreement;

**4.4.8** The Aircraft shall be in the required Delivery Condition;

**4.4.9** Seller’s obligations expressed in Section 4.3 shall have been complied with and Seller shall have performed and complied with all of the terms, conditions and covenants required by this Agreement to be performed or complied with by Seller prior to or at the Closing.

**4.5** **Closing**.Subject to the condition that all the Conditions Precedent set forth in Section 4.3 and Section 4.4 have been satisfied or waived, at the date and time of the Closing determined in accordance with Section 4.2, the Parties shall perform the following actions in the order presented, all of which collectively shall constitute the Closing:

**4.5.1.** Seller shall confirm to Buyer and Escrow Agent that the Conditions Precedent to Seller’s Obligations as set forth in Section 4.3 have been satisfied or waived by Seller in writing;

**4.5.2.** Buyer shall confirm to Seller and Escrow Agent that the Conditions Precedent to Buyer’s Obligations as set forth in Section 4.4 have been satisfied or waived by Buyer in writing;

**4.5.3** Seller shall deliver the Aircraft to Buyer at the Delivery Location and the Aircraft shall meet the Delivery Conditions.

**4.5.4** Seller and Buyer shall commence a conference call or other mutually agreed electronic communication with Escrow Agent, and each Lien Holder if applicable, during which Seller, Buyer and such Lien Holder, as applicable, shall instruct the Escrow Agent to perform the following tasks:

**4.5.4.1** Buyer shall instruct the Escrow Agent to register the sale of the Airframe and Engines to Buyer following filing of the FAA Bill of Sale and the Aircraft Registration Application with the FAA Civil Aviation Registry; to release to any Lien Holder that portion of the Purchase Price necessary to secure the release and termination of its Lien on the Aircraft; to release to Seller the Purchase Price, less the sum of (i) any amounts paid to any Lien Holders, and (ii) one-half of the Escrow Fee which shall be retained by Escrow Agent. The Parties acknowledge that any Lien Holder may require confirmation of receipt of funds prior to the authorization to file the releases and that no disbursements shall be made to Seller until receipt by the Escrow Agent of any necessary confirmation and authorization from the Lien Holder to file its release.

**4.5.4.2** Upon receipt by the Escrow Agent of any necessary confirmation and authorization from each Lien Holder to file its release, Seller shall instruct the Escrow Agent to date and file each Lien Release, the FAA Bill of Sale in the FAA Civil Aviation Registry; to discharge any registration with the International Registry by Seller of any international interest in the Aircraft; to consent on behalf of Seller to Buyer's registration with the International Registry of the sale of the Airframe and Engines to Buyer; and to date and to deliver the Warranty Bill of Sale to Buyer.

**4.5.4.3** Upon confirmation by each Lien Holder of receipt of the amount disbursed to it pursuant to clause 4.4.4, the Lien Holder, if any, shall instruct the Escrow Agent to date and file such Lien Holder's respective Lien Release; provided, however, that a Lien Holder need not participate in the Closing conference call if such Lien Holder has provided to Escrow Agent written instructions authorizing Escrow Agent to date and file such Lien Holder's respective Lien Release at the time of the Closing.

**4.5.5** Buyer shall accept delivery of the Aircraft from Seller at the Delivery Location and Buyer's and Seller's representatives at the Delivery Location shall execute the Delivery Receipt (except that the time of delivery shall be left blank until Escrow Agent advises the time of recording of the FAA Bill of Sale in the FAA Civil Aviation Registry), arrange for their respective signatures to be notarized by a notary public present at the Delivery Location for that purpose, and fax the fully executed and notarized Delivery Receipt to the Escrow Agent.

The Parties intend that each of the foregoing actions shall be deemed to have occurred simultaneously and that each is interdependent with all of the others. Once the Closing process described in this Section 4.5.4 has begun, it shall be irrevocable, and no one shall have any right to demand or comply with any demand that the process be stopped prior to completion of each of the foregoing steps.

# ARTICLE V. REPRESENTATIONS, WARRANTIES, AND LIMITATIONS

**5.1** **Representations and Warranties of Seller**.

**5.1.1** Seller hereby represents and warrants as of the date hereof and as of the Closing Date as follows:

**5.1.1.1** Seller is authorized to convey title to the Aircraft, and that execution and delivery of the Bill of Sale and the Warranty Bill of Sale shall convey good and marketable title to the Aircraft to Buyer, free and clear of any and all liens and encumbrances, except those arising by or through Buyer; provided that Buyer shall not permit or cause any lien or encumbrance to be filed against the Aircraft prior to the Closing Date.

**5.1.1.2** There are no parts, systems, or components on the Aircraft on temporary loan or exchange.

**5.1.1.3** Except to the extent incurred by or arising through any action or inaction of Buyer, all taxes, duties, penalties, charges, or invoices or statements with respect to the Aircraft incurred on and before the Closing Date have been paid or, to the extent that they have not, Seller agrees to pay any and all of the foregoing when due.

**5.1.1.4** Seller has paid, and shall defend, indemnify and hold Purchaser harmless from and against, any and all taxes, fees, duties, penalties, charges, invoices, and statements arising from any purchase, sale, delivery, transfer, possession, use, storage, operation, consumption, or registration of the Aircraft, as to all of the foregoing relating to the period prior to the Closing (except for the costs of the Inspection which shall be borne by Purchaser except as otherwise set forth herein).

**5.1.2** Seller represents that it is a \_\_\_\_\_\_\_\_ limited liability company organized and validly existing under the laws of the state of its incorporation, having the capacity to sue and be sued in its own name, having full power, legal right and authority to carry on its business as currently conducted, and to execute, deliver and perform the provisions of this Agreement.

**5.1.3** Seller represents as of the Closing Date that:

**5.1.3.1** It is duly and validly organized and existing in good standing under the laws of the state of its incorporation, has the capacity to sue and be sued in its own name, has full power, legal right and authority in all respects to carry on its business as currently conducted and to execute, deliver and perform and observe the provisions of this Agreement.

**5.1.3.2** The execution, delivery, and performance of this Agreement have been duly authorized and do not conflict with or result in any breach of any of the terms or constitute a default under any document, instrument, or agreement to which Seller is a party and the person executing this Agreement on behalf of Seller has full power and authority to do so.

**5.1.3.3** This Agreement constitutes the legal, valid, and binding obligations of Seller enforceable against Seller in accordance with its terms.

**5.1.3.4** The Aircraft will be delivered on the Closing Date with a standard FAA Certificate of Airworthiness for the same; provided, however, that the Seller makes no representation or warranty that any such FAA Certificate of Airworthiness shall continue to be effective as to the Aircraft for any time after the Closing Date;

**5.1.3.5** the Seller is a Transacting User Entity of the International Registry;

**5.1.3.6** Delivery of the FAA Bill of Sale and the Warranty Bill of Sale and the filing with the FAA of the FAA Bill of Sale will convey to Buyer good and marketable title to the Aircraft free and clear of any and all liens whatsoever.

**5.1.6.7** Seller has not entered into any agreement for commissions, brokerage fees or similar fees to be paid upon transfer of the Aircraft which would become the obligation of Purchaser nor does Seller have any agreement or arrangement to pay any consideration whatsoever, directly or indirectly, to any employee, agent or independent contractor of Purchaser.

**5.2** **Representations and Warranties of Buyer**. Buyer hereby represents and warrants as of the date hereof and as of the Closing Date as follows:

**5.2.1** It is a \_\_\_\_\_\_\_ limited liability company organized and validly existing under the laws of the state of its incorporation or organization.

**5.2.2** It is duly and validly organized and existing in good standing under the laws of the state of its incorporation or organization, possesses perpetual existence, has the capacity to sue and be sued in its own name, has full power, legal right and authority in all respects to carry on its business as currently conducted and to execute, deliver and perform and observe the provisions of this Agreement.

**5.2.3** The execution, delivery, and performance of this Agreement have been duly authorized and do not conflict with or result in any breach of any of the terms or constitute a default under any document, instrument, or agreement to which Buyer is a party.

**5.2.4** This Agreement constitutes the legal, valid, and binding obligations of Buyer enforceable against Buyer in accordance with its terms.

**5.2.5** Buyer is and will remain in full compliance with all laws and regulations applicable to it including, without limitation, (A) ensuring that no Person who owns a controlling interest in or otherwise controls Buyer is or shall be (1) listed on the Specially Designated Nationals and Blocked Person List maintained by the Office of Foreign Assets Control ("OFAC"), Department of the Treasury, and/or any other similar lists maintained by OFAC pursuant to any authorizing statute, Executive Order or regulation or (2) a person designated under Section 1(b), (c) or (d) of Executive Order No. 13224 (September 23, 2001), any related enabling legislation or any other similar Executive Orders, and (B) all applicable Bank Secrecy Act ("BSA") laws, regulations and government guidance on BSA compliance and on the prevention and detection of money laundering violations;

**5.2.6** Neither Buyer nor any Person who owns a direct or indirect interest in Buyer, is a Person with whom a U.S. Person is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under U.S. law, regulation, executive orders and lists published by the OFAC (including those executive orders and lists published by OFAC with respect to Specially Designated Nationals and Blocked Persons) or otherwise;

**5.2.7** Buyer is in compliance with any and all applicable provisions of the USA PATRIOT Act of 2001, Pub. L. No. 107-56; and

**5.2.8** No portion of the Purchase Price paid by the Buyer is derived from Anti-Money Laundering Laws, meaning those laws, regulations and sanctions, state and federal, criminal and civil, that

**5.2.8.1** limit the use of and/or seek the forfeiture of proceeds from illegal transactions;

**5.2.8.2** limit commercial transactions with designated countries or individuals believed to be terrorists, narcotics dealers or otherwise engaged in activities contrary to the interests of the United States;

**5.2.8.3** require identification and documentation of the parties with whom a Financial Institution conducts business; or

**5.2.8.4** are designed to disrupt the flow of funds to terrorist organizations. Such laws, regulations and sanctions shall be deemed to include the Patriot Act, the Bank Secrecy Act, the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et seq, the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et seq, and the sanction regulations promulgated pursuant thereto by the OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957.

# ARTICLE VI. DISCLAIMER, INDEMNITY AND RELEASE

**6.1** **Disclaimer.** BUYER IS PURCHASING THE AIRCRAFT IN FULL AND COMPLETE RELIANCE OF ITS OWN OR ITS AGENT’S INSPECTION OF THE AIRCRAFT. AT THE MOMENT OF CLOSING AND DELIVERY, THE AIRCRAFT IS SOLD AND THE BUYER ACCEPTS THE AIRCRAFT IN AN “AS IS-WHERE IS” AND “WITH ALL FAULTS” CONDITION. EXCEPT AS SET FORTH IN THE WARRANTY BILL OF SALE, ALL REPRESENTATIONS RELATED TO THE CONDITION OF THE AIRCRAFT UNDER SECTION 3.1 SHALL BE DEEMED TO HAVE BEEN FULFILLED (OR WAIVED) AND SHALL EXPIRE AT DELIVERY. SUBSEQUENT TO DELIVERY, BUYER WAIVES, RELEASES, DISCLAIMS, AND RENOUNCES ALL EXPECTATION OF OR RELIANCE UPON ANY OTHER REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF AIRWORTHINESS, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR CONDITION WITH RESPECT TO THE AIRCRAFT, ITS DESIGN, MANUFACTURE, CONDITION, OPERATION, OR PERFORMANCE, WHETHER ARISING BY OPERATION OF LAW, COURSE OF DEALING OR USAGE OF TRADE OR OTHERWISE, AND BUYER IRREVOCABLY WAIVES AND RELEASES SELLER FROM ANY SUCH WARRANTIES. AS OF THE DATE HEREOF AND SUBSEQUENT TO DELIVERY, BUYER WAIVES, RELEASES AND INDEMNIFIES SELLER FROM AND AGAINST ANY AND ALL LIABILITIES OR DAMAGES, INCLUDING WITHOUT LIMITATION, DAMAGES FOR LOSS OF USE, LOSS OF REVENUES, LOSS OF PROFITS OR DAMAGES AS A RESULT OF ANY PERSONAL INJURIES. EACH PARTY HEREBY WAIVES ANY CLAIM OR REMEDY FOR LOSS OF USE, REVENUE OR PROFIT OR ANY INTERRUPTION IN ITS BUSINESS, OR FOR ANY OTHER DIRECT, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES.

# ARTICLE VII. RISK OF LOSS, DESTRUCTION, OR DAMAGE

**7.1 Risk of Loss, Destruction or Damage.** Except as otherwise provided herein, seller shall bear full risk of loss and damage with respect to the aircraft until the date and time upon which the escrow agent performs the closing and releases the sales proceeds to the seller, whereupon and thereafter such risk of loss and damage shall be upon buyer. In the event of loss of, or material damage to, the aircraft prior to the closing, either seller or buyer shall be entitled to terminate this agreement (and the provisions of Section 3.4 shall apply as if buyer had rejected the aircraft in a timely manner). Seller shall keep the aircraft fully insured through the date of closing.

Notwithstanding any contrary provision of this Agreement, if at any time after the date hereof and prior to the Closing the Aircraft is destroyed or is damaged in such a manner that constitutes Material Damage, either party may terminate this Agreement upon written notice to the other and the Deposit shall immediately be refunded to Buyer (and each of the parties hereby consents and directs Escrow Agent to disburse such funds accordingly), and this Agreement shall terminate and be of no further force or effect. In such event, Escrow Agent shall: (i) deduct from the Deposit and pay to itself one-half of any agreed upon Escrow Fees payable to Escrow Agent; and (ii) remit the balance of the Deposit to Buyer less any amounts owed by Buyer to the Inspection Facility or to the Seller or Escrow Agent under the terms hereof (and each of the parties hereby consents and directs Escrow Agent to disburse such funds accordingly). Thereafter, neither party shall have any obligation or liability to the other with respect to the subject matter of this Agreement, except that Buyer shall remain liable for the cost of the Inspection (excluding the cost of repairing any Discrepancies) and Buyer’s Flight Costs, if any.

# ARTICLE VIII. THIRD PARTY WARRANTIES

**8.1 Warranties.** To the extent that any warranties from manufacturers, service providers, or suppliers are still in effect and transferable with respect to the aircraft, such warranties and all rights there under shall be irrevocably assigned to buyer at the moment of closing and all documents evidencing same will be included among the aircraft documents. Seller shall evidence such assignment by executing and delivering to buyer on the closing date an executed assignment of warranties and other rights substantially in the form attached as exhibit f hereto. In addition, without limitation to the foregoing, Seller, at the time of the Closing, shall reasonably assist Buyer in connection with the transfer of any service policies, plans and/or product agreements with respect to the Aircraft, including Engine MSP, APU MSP, CMP, navigational and cabin information subscriptions, any avionics/electrical system contracts, engine monitoring programs and any follow-on contracts, provided Buyer shall be responsible for any fees, charges, costs and expenses pertaining to such assignments and transfers.

Without limiting the generality of the foregoing, effective upon the Closing, Seller hereby assigns to Buyer:

**8.1.1** All rights to enforce or compel performance under any such warranty and agreement;

**8.1.2** All rights to receive any services, property, or moneys due and that hereafter become due under or pursuant to any such warranty and agreement, and to receive proceeds of any insurance, indemnity, guaranty, or collateral security with respect to any such warranty and agreement; and

**8.1.3** All claims for damages arising out of or for breach or default under any such warranty and agreement, and all rights to exercise any remedy for breach or default under any such warranty and agreement that may be available under such warranty and agreement, at law or in equity.

# ARTICLE IX. NOTICES

**9.1 Notices.** All communications and notices hereunder shall be in writing and shall be deemed made when delivered by hand, or five (5) business days after being sent by registered mail, return receipt requested, postage prepaid, or on the next business day when sent by overnight courier or when transmitted by means of facsimile or other wire transmission (with request for assurance of receipt in a manner typical with respect to communications of that type and followed promptly with the original thereof) in each case at the address set forth below:

If to Buyer: [BUYERNAME]

[ADDRESS]

Attention:

Telephone:

Email:

with copy to Buyer’s counsel:

[NAME]

[ADDRESS]

Telephone:

Email:

If to Seller: [SELLERNAME]

[ADDRESS]

Attention:

Telephone:

Email:

with a copy to:

[NAME]

[ADDRESS]

Telephone:

Email:

If to Escrow Agent: [ESCROW COMPANY]

[ADDRESS]

Attention:

Telephone:

Email:

# ARTICLE X. MISCELLANEOUS

**10.1 Force Majeure.** Neither Buyer nor Seller shall be liable for any failure of or delay in inspection or delivery of the Aircraft for the period that such failure or delay is due to acts of God or the public enemy; civil war, insurrection or riots; fires, explosions or serious accidents; governmental priorities or allocations; strikes or labor disputes; inability to obtain necessary materials, accessories equipment or parts from the manufacturers thereof; or any other cause beyond Seller’s or Buyer’s, as applicable, reasonable control. Seller and Buyer agree to notify the other party promptly of the occurrence of any such cause and carry out this Agreement as promptly as practicable after such cause is terminated. Should such event prevent Seller from delivering the Aircraft in the condition required hereunder for sixty (60) days or more subsequent to the originally scheduled Closing Date defined herein, the unaffected party may at its option terminate this Agreement upon written notice to the other party. In such event, Escrow Agent shall: (i) deduct from the Deposit and pay to itself one-half of any agreed upon Escrow Fees payable to Escrow Agent; and (ii) remit the balance of the Deposit to Buyer less any amounts owed by Buyer to the Inspection Facility or to the Seller or Escrow Agent under the terms hereof (and each of the parties hereby consents and directs Escrow Agent to disburse such funds accordingly). Thereafter, neither party shall have any obligation or liability to the other with respect to the subject matter of this Agreement, except that Buyer shall remain liable for the cost of the Inspection (excluding the cost of repairing any Discrepancies) and Buyer’s Flight Costs, if any.

**10.2 Choice of Law.** This Agreement shall be construed in accordance with, and governed by, the laws of the state of \_\_\_\_\_\_\_\_\_\_\_\_\_. THE PARTIES TO THIS AGREEMENT HEREBY UNCONDITIONALLY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL ON ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF, DIRECTLY OR INDIRECTLY, THIS AGREEMENT, ANY OF THE RELATED DOCUMENTS, ANY DEALINGS BETWEEN THEM RELATING TO THE SUBJECT MATTER OF THIS TRANSACTION OR ANY RELATED TRANSACTIONS, AND/OR THE RELATIONSHIP THAT IS BEING ESTABLISHED BETWEEN THEM. The scope of this waiver is intended to be all encompassing of any and all disputes that may be filed in any court (including, without limitation, contract claims, tort claims, breach of duty claims, and all other common law and statutory claims). THIS WAIVER IS IRREVOCABLE MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING, AND THE WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT, ANY RELATED DOCUMENTS, OR TO ANY OTHER DOCUMENTS OR AGREEMENTS RELATING TO THIS TRANSACTION OR ANY RELATED TRANSACTION. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

**10.3 Remedies Upon Default.**

**10.3.1** Prior to Buyer’s acceptance of the Aircraft and execution of EXHIBIT C, failure by Buyer to perform any of its obligations herein, or upon any other material default by Buyer, Agreement (provided that Buyer is in compliance with its material obligations under this Agreement and is ready, willing and able to receive the Aircraft in the required Delivery Condition) which breach is not cured within five (5) Business Days of the delivery to Seller of written notice thereof from Buyer or which breach by its nature cannot be cured prior to Closing. Seller may (i) terminate this Agreement, (ii) proceed otherwise to sell or dispose of the Aircraft, and (iii) Buyer shall be entitled to a return of the Deposit upon Seller’s confirmation that all of the Buyer’s cost for the Inspection and movement have been paid by Buyer under this Agreement to return the Aircraft to its home base.

**10.3.2** Subsequent to Buyer’s acceptance of the Aircraft and execution of EXHIBIT C, failure by Buyer to perform any of its obligations herein and take delivery of the Aircraft in accordance with the terms and conditions of this Agreement, or upon any other material default by Buyer, Escrow Agent shall pay the amount of the Deposit to Seller as liquidated damages and not as a penalty, and this Agreement shall be of no further force or effect. Seller acknowledges and represents that the liquidated damages amount provided for in Section 10.3.1 is a reasonable estimate of the damages that would be incurred by Seller in the event Buyer defaults on Buyer's obligations under this Agreement. Seller's rights to receive the Deposit as liquidated damages shall be the sole and exclusive remedy available to Seller in the event Buyer defaults on Buyer's obligations under this Agreement, and Seller waives any other remedies that may otherwise be available to Seller at law or in equity.

**10.3.3** In the event of Seller’s default under this Agreement prior to the Closing Date, Buyer, as its sole remedy, shall be entitled to receive immediate release of the Deposit plus Seller agrees reimburse Buyer for (i) its actual out-of-pocket cost of the Inspection, (ii) the Buyer’s Flight Costs paid or reimbursed to Seller, including Buyer’s Flight Costs with respect to the initial visual flight test that took place in accordance with the Offer Letter (if any), and (iii) all reasonable documented costs, expenses and fees (including fees of consultants and attorneys) incurred by Buyer in connection with the transactions contemplated by this Agreement, provided that the aggregate amount of the foregoing items (i), (ii) and (iii) shall not exceed the sum of \_\_\_\_\_\_\_\_\_ United States Dollars (US$ \_\_\_\_), within five (5) Business Days of written demand by Buyer, and thereafter this Agreement shall be of no further force or effect. Buyer's rights to receive the amounts expressly set forth in this Section 10.3.3 shall be the sole and exclusive remedy available to Buyer in the event Seller defaults on Seller's obligations under this Agreement, and Buyer waives any other remedies that may otherwise be available to Buyer at law or in equity.

**10.3.4** Except as otherwise set forth herein, a default by either Buyer or Seller shall not relieve the respective parties of their obligations to pay for services or expenses of third parties as specified herein (to the extent such services have been rendered or expenses have been incurred).

**10.3.5 Bankruptcy Filing.** Upon Buyer’s written request (with a copy to Seller), the Escrow Agent shall immediately return the Deposit to Purchaser if there is any bankruptcy filing made by or on behalf of Seller or any of Seller’s affiliates. Upon Seller’s written request (with a copy to Purchaser), the Escrow Agent shall immediately pay the Deposit to Seller if there is any bankruptcy filing made by or on behalf of Buyer or any of its affiliates.

**10.4 Transaction Costs and Expenses.** Except as otherwise provided in this Agreement, each party hereto shall bear its own transaction costs and expenses including, without limitation, any brokers' commissions and/or attorneys' fees. Buyer shall pay, and shall defend, indemnify, and hold Seller harmless from and against, all brokerage fees and commissions due and payable to Buyer’s Broker and any other aircraft brokers or other persons or entities arising from any actual or alleged relationship with Buyer relating to Buyer’s purchase of the Aircraft. Seller shall pay, and shall defend, indemnify, and hold Buyer harmless from and against, all brokerage fees and commissions due and payable to Seller’s Broker and any other aircraft brokers or other persons or entities arising from any actual or alleged relationship with Seller relating to Seller’s sale of the Aircraft. Buyer and Seller shall each pay one-half (½) of the Escrow and Title Search Fee relating to the transactions contemplated hereby. In the event of Buyer’s rejection of the Aircraft under Section 3.4 then any un-reimbursed expenses due to Seller under this Agreement may be collected from the Deposit prior to return to the Buyer.

**10.5 Amendments.** This Agreement may not be waived, altered, modified, amended, supplemented or terminated in any manner whatsoever except by a written instrument signed by an authorized signatory of both parties.

**10.6 Assignment.** Except as set forth in this Agreement, no party may assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the other party, except that this Agreement may be assigned by Buyer (i) to an affiliate or related party or to a dealer (*i.e.*, any entity controlled by Buyer, any entity that controls Buyer, or any entity that is under common control with Buyer), as part of the qualification of the transaction as a trade-in for sales tax purposes ; (ii) assign its rights under this Agreement to a financial institution providing lease or mortgage financing of the Aircraft or the Purchase Price; and (iii) assign its rights to an institutional trustee for purposes of registration within the United States; provided that the Buyer, as assignor, shall remain primarily obligated for the payment and performance of its obligations hereunder; provided, however, in the case of any such assignment, Seller shall remain primarily obligated for its assignee’s payment and performance of assignor’s obligations hereunder and shall affirm the same upon request. Any assignment of this Agreement by Buyer shall include an express assignment of the Deposit. Except as expressly provided hereunder, this Agreement shall inure to the benefit of and will be binding upon each party hereto and their respective successors and assigns.

This Agreement shall inure to the benefit of and be binding upon each of the parties hereto and their respective successors and permitted assigns.

**10.7 Headings and References.** The division of this Agreement into sections, and the insertion of headings, are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

**10.8 Counterparts.** This Agreement may be fully executed in any number of separate counterparts by each of the parties hereto, all such counterparts together constituting but one and the same instrument. Such counterparts may be exchanged via email or facsimile or other electronic transmission, any of which shall constitute a valid original document.

**10.9 Non‑Waiver.** Any failure at any time of any party to enforce any provision of this Agreement shall not constitute a waiver of such provision or prejudice the right of such party to enforce such provision at any subsequent time.

**10.10 Severability of Provisions.** If any provision hereof is prohibited or unenforceable in any jurisdiction, such prohibition or unenforceability shall not invalidate the remaining provisions hereof or affect the validity or enforceability of such provisions in any other jurisdiction.

**10.11 Attorneys’ Fees**. In any action or proceeding brought by any party against the other arising under or in connection herewith or any other documents related hereto, the prevailing party shall, in addition to other allowable costs, be entitled to an award of reasonable attorneys’ fees from the losing party, including any such fees or costs arising from subsequent appeals and efforts to execute on any judgment.

**10.12 Indemnity Against Brokers and Finders.** Each party hereto agrees to pay their respective broker’s and finder’s fees and shall indemnify and hold the other party harmless against any claim for broker’s and finder’s fees based on the alleged or the actual retention of a broker or finder by the indemnifying party.

**10.13 Further Documentation and Necessary Action.** Buyer and Seller shall take (and, except as provided herein, at such party’s own expense) all such actions and execute all such documents and certificates as may be reasonably necessary or appropriate in order to effectuate the purposes and intent of this Agreement, and to consummate the transactions contemplated hereby.

**10.14 Survival.** The representations, warranties, disclaimers, indemnification obligations and covenants of Buyer and Seller shall survive the Closing Date in perpetuity; provided, however, that any of the same pertaining to the technical or mechanical condition of the Aircraft, if any, shall terminate at the Closing.

**10.15 Escrow Fees.** Escrow fees will be paid fifty percent (50%) by Seller and fifty percent (50%) by Buyer.

**10.16 Aircraft Registration**. Should Seller wish to retain the FAA Aircraft Registration Number N\_\_\_\_\_\_ , Buyer agrees to release such number to Seller within ninety (90) days following the Closing Date. Seller will reimburse Buyer for the cost of removal and replacement of such number from the Aircraft (including painting costs).

**10.17 Liability for Records.** In the event that Buyer accepts physical possession of the Aircraft’s logbooks or records at any time during the course of its due diligence and/or technical Inspection prior to the Closing and Delivery, then Buyer assumes the risk of loss for those records and shall be liable for damages caused to Seller caused as a result of Buyer’s loss of records.

**10.18 Cape Town Convention Compliance.**

**10.18.1** In the event that it is determined that either Buyer or Seller is required to comply with requirements of the International Aircraft Registry located in Dublin Ireland and established pursuant to the Cape Town Convention, the Parties shall undertake the following acts prior to and contemporaneously with Closing:

**10.18.1.1** Prior to Closing, Seller and Buyer shall each become a “transacting user entity” with the International Registry. Each of Buyer and Seller shall bear its own expense in doing so.

**10.18.1.2** party shall provide to the other through Escrow Agent, as a condition to Closing, evidence that it has been approved by the International Registry as a “transacting user entity,” has duly registered with, is authorized to make filings with and has received all approvals from the International Registry, and has appointed an “administrator” (as such term is defined and used in the International Registry Procedures and International Registry Regulations).

**10.18.1.3** Each party shall, as a condition to Closing, authorize Escrow Agent to act as, and shall designate Escrow Agent as, a “professional user entity” (as such term is defined and used in the International Registry Procedures and International Registry Regulations) to effect, amend, discharge and consent to registrations with respect to the Aircraft (including the airframe and the related engines) on its behalf. Neither Seller nor Buyer shall revoke such authorization until after the earlier to occur of (i) registration of the sale of the Aircraft with the International Registry following the filing with the FAA of the Bill of Sale conveying the Aircraft from Seller to Buyer or (ii) termination of this Agreement in accordance with its terms.

**10.18.1.4** Buyer and Seller shall cooperate to cause Escrow Agent, as a professional user entity, to register the sale of the Aircraft with the International Registry immediately after filing of the FAA Bill of Sale with the FAA. Seller and Buyer shall cause to be filed with the FAA Aircraft Registry an AC Form 8050‑135.

**10.18.1.5** Any Priority Search Certificate obtained by the Escrow Agent from the International Registry with respect to the Aircraft shall identify the Buyer and the Seller as having the benefit of the search.

**10.18.1.6** Seller and Buyer each warrant and represent that each, at Closing shall be registered as a transacting user entity with the International Registry.

**10.18.1.7** Buyer agrees that neither Buyer nor its lien holder(s) shall create a prospective international interest of any kind in the Aircraft airframe and engines with the International Registry prior to Closing.

**10.19** **Clarifications.**

**10.19.1** “Aircraft Protocol” means the official English language text of the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment, adopted on 16 November 2001, at a diplomatic conference in Cape Town, South Africa.

**10.19.1.1** “Cape Town Convention” means, collectively, the Convention and the Aircraft Protocol.

**10.19.1.2** “Convention” means the official English language text of the Convention on International Interests in Mobile Equipment, adopted on 16 November 2001, at a diplomatic conference in Cape Town, South Africa.

**10.19.2** “International Registry” means the international registry located in Dublin, Ireland, established pursuant to the Cape Town Convention.

**10.19.3** “International Registry Procedures” means the official English language text of the Procedures of the International Registry issued by the supervisory authority thereof pursuant to the Cape Town Convention.

**10.19.4** “International Registry Regulations” means the official English language text of the Regulations of the International Registry issued by the supervisory authority thereof pursuant to the Cape Town Convention.

**10.20 Confidentiality.** Each party shall keep this Agreement, the identities of the parties hereto (and their principals) and the transactions contemplated hereby strictly confidential (to the extent that such information is not publicly available) provided that a party may disclose such information if required to do so: (a) for the purpose of legal proceedings, administrative or regulatory requirements or as otherwise required by law; (b) to effect any registrations, filings or recordation required by or pursuant hereto; (c) for the purpose of disclosure to its auditors or to its legal or other professional advisers on a “need to know” basis; or (d) for performance of its obligations hereunder. Each party hereto agrees it will treat the Purchase Price as confidential and will not, without prior written consent of the other, disclose such Purchase Price to any third party, except for disclosure to its lenders or other funding sources, attorneys, auditors or its successors or permitted assigns and as may be required by applicable law or governmental regulations or as may be necessary to effect the transactions contemplated hereby, in which case the party so disclosing shall use good faith efforts to limit disclosure to such third parties on a need to know basis. A party may pursue all available remedies for a breach of this Agreement by the other party with the express written consent of the other party and in the event that such information has entered the public domain without fault of the disclosing party hereunder; provided, however, that if a party believes a disclosure is required pursuant to clause (i), above, such party (the “**Disclosing Party**”) shall provide reasonable advance notice of such disclosure to the other party (the “**Non-Disclosing Party**”), and will cooperate with the Non-Disclosing Party, to the extent reasonably requested by the Non-Disclosing Party, to limit the scope of any such disclosure to the extent legally required. The foregoing confidentiality obligation will be applicable to any employees, board members, attorneys, accountants, consultants, or other advisors of a party or its affiliates to whom such party makes any disclosure, such party will advise any such persons of the confidential nature of the information, and such party will be responsible for any breach of such confidentiality obligation by any of them.

**10.21 Seller’s Agent**. The Seller has hired \_\_\_\_\_\_\_\_\_ (“XX”) as its agent in this transaction. The Seller authorizes Escrow Agent to withhold and disburse to \_\_\_\_\_\_\_\_\_\_\_ its sales commission directly from escrow on the Closing Date according to the Sales Management Agreement. The Buyer acknowledges that \_\_\_\_\_\_\_\_\_ is not an agent of or for the Buyer.

**10.22 Engine Maintenance Program.** The Aircraft is enrolled on the \_\_\_\_\_\_\_\_\_\_\_ engine maintenance program, which shall be transferable to the Buyer. Any and all fees, charges or costs related to the \_\_\_\_\_\_\_\_\_\_\_\_\_\_ Engine Maintenance program on each respective engine, which is incurred or accrued prior to the engine times at the time of Delivery shall be the sole responsibility of the Seller and shall be paid prior to or at time of Closing. Any and all fees, charges or cost related to the Engine Maintenance program on each respective engine, which is incurred or accrued subsequent to the engine times at the time of Delivery shall be the responsibility of the Buyer. Any transfer fees shall be the responsibility of the Buyer.

**10.23 Liquidated Damages.** Subsequent to Buyer’s acceptance of the Aircraft in accordance with Section 3.4, in the event that Buyer fails to close the escrow envisioned in this Agreement within the time and in the manner specified in this Agreement, Seller shall be released from all obligations in law or in equity to proceed further with this Agreement to close the escrow. The Buyer and Seller agree that because of the foregoing and the circumstances surrounding the purchase of the Aircraft, it would be difficult or impracticable to fix the actual damages suffered by Seller because of default. The Buyer and Seller acknowledge that the Deposit made by the Buyer is a reasonable estimate, approximation and agreed stipulation of the damages that Seller would suffer should the transaction not close and that the Seller shall retain such Deposit as liquidated damages and not as a penalty and that Seller will have no other right, cause of action or additional recourse against Buyer for the default in closing this transaction.

**10.24 Independent Advice from Counsel.** Buyer and Seller have received independent legal advice from legal counsel of its choice with respect to the advisability of entering into this Agreement and its terms or have knowingly and voluntarily waived its right to do so. The terms of this Agreement are the result of mutual negotiations between the parties, and the provisions of this Agreement shall be interpreted and construed in accordance with their fair meanings, and not strictly for or against either party, regardless of which party may have drafted this Agreement or any specific provision.

**10.25 Facsimile or E-Mail Transmission.** This Agreement when ratified and sent by facsimile or e-mail shall carry the same binding authority on both Buyer and Seller as an original.

**10.26 Time is of the Essence**. Unless stated expressly to the contrary herein, time shall be of the essence for all events contemplated hereunder. Non-performance by either party within the time parameters specified herein shall be considered a default in accordance with Section 10.3 herein.

**10.27 COMMERCIAL ACKNOWLEDGEMENT / JURY WAIVERS**. Buyer hereby further AGREES THAT THIS IS A COMMERCIAL TRANSACTION. Buyer HEREBY KNOWINGLY, VOLUNTARILY AND INTELLIGENTLY WAIVES ITS RIGHTS TO A JURY TRIAL IN ANY ACTION, SUIT OR PROCEEDING RELATING TO, ARISING UNDER, OR IN CONNECTION WITH, ANY OF THIS AGREEMENT, THE BILLS OF SALE, THE DELIVERY RECEIPT, THE ESCROW LETTER AGREEMENT, THE AIRCRAFT AND ANY OTHER DOCUMENT, AGREEMENT OR INSTRUMENT EXECUTED AND/OR DELIVERED IN CONNECTION WITH ANY OR ALL OF THE FOREGOING.

**10.28 Patriot Act.** Buyer and Seller each represent to the other that it is not on the Specially Designated National & Blocked Persons List of the Office of Foreign Assets Control of the United States Treasury Department and is not otherwise blocked or banned by any foreign assets office rule or any other law or regulation, including the USA Patriot Act or Executive Order 13224.

**10.29 Entire Agreement.** The terms and conditions hereof constitute the entire agreement between the parties and supersede all previous agreements between the parties. Buyer acknowledges that there have been no warranties, representations, or statements about the condition of the Aircraft or any equipment or its prior use, not contained in this Agreement.

**10.30 No Shop**. From the date of receipt by Seller of the Aircraft Technical Acceptance/Rejection Letter pursuant to Section 3.4 hereof until the earlier to occur of (i) the Closing of the sale of the Aircraft to Buyer or (ii) the date of the termination of this Agreement in accordance with its terms (the “**No Shop Period**”), neither Seller nor any agent or other person acting on its behalf will solicit or entertain offers from, any person other than Buyer relating to the acquisition of the Aircraft; provided, however, the parties acknowledge that certain advertising remains in place for the Aircraft which shall not be deemed to violate the terms of the foregoing restriction during the No Shop Period and that Seller may receive unsolicited offers during the No Shop Period. Seller and its agents will inform all such prospective Buyers and their agents or other representatives that the Aircraft is “under contract.”

**10.31 Continuing Obligations**. Each party shall take, or cause to be taken, such actions, and will execute and deliver, or cause to be executed and delivered, such additional documents and instruments, and will do, or cause to be done, all such actions, as are necessary, in conjunction with, and after the Closing, to effectuate the transactions contemplated in this Agreement.

# ARTICLE XI. SALES AND OTHER TAXES

**11.1** **Buyer’s Tax Indemnity.** Neither the Purchase Price nor any other payments to be made by Buyer under this Agreement includes the amount of any sales, use, retail, or other taxes that may be imposed by any jurisdiction, including, but not limited to Buyer’s home state or any other governmental authority as a result of the sale to or purchase and/or use of the Aircraft by Buyer. Buyer shall be responsible for, shall indemnify and hold harmless Seller against, and shall pay promptly when due any and all taxes of any kind or nature whatsoever (including, without limitation, any and all sales, use, VAT and / or retail taxes), duties, or fees assessed or levied by any federal, national, state, county, local, or other governmental authority which may be imposed on Buyer, Seller or both as a result of the sale and delivery of the Aircraft to Buyer as contemplated hereby, or the registration, ownership or use of the Aircraft by Buyer, upon or subsequent to the Closing, except solely for any taxes attributed to Seller’s income or capital gains or taxes. Unless the jurisdiction in which Closing occurs does not have a general sales (or equivalent) tax, at the time of Closing, Buyer shall either (a) pay to Seller the amount of such tax due or payable on the sale of the Aircraft hereunder (and Seller shall remit the tax so collected from Buyer to the applicable tax authority as provided by law), or (b) deliver to Seller an appropriate exemption certificate, affidavit or other document, as the case may be, in form and substance reasonably satisfactory to Seller. Buyer hereby agrees to indemnify and hold harmless Seller and its representatives from the payment of any tax applicable to purchase of the Aircraft and equipment, excluding any state, local, or federal income tax measured against Seller. If any jurisdiction shall recover or claim any such tax or duty or charge from Seller, Buyer will reimburse Seller forthwith for said tax, including any related interest and/or penalty, and will further pay any and all reasonable expenses incurred by Seller including a reasonable attorney's fee. The terms of this Section 11.2 shall survive the Closing Date.

**11.2 Seller’s Tax Indemnity.** Seller shall be responsible for, indemnify and hold Buyer harmless against, any and all sales, use, excise, VAT taxes, property and other similar taxes, and any and all taxes, fees, duties, interest, fines, penalties, charges, invoices, claims, assessments and statements related thereto, which may be imposed or imposable by any federal, state, county, local, foreign or other governmental authority, entity or party arising from or as a result of any purchase, sale, lease, delivery, transfer, possession, use, storage, operation, maintenance, consumption, or registration of the Aircraft prior to the Closing, including with respect to the correction, repair or remediation and resolution of the Discrepancies as set forth in Article III. In the event Buyer receives notice of any audit, claim, assessment or proposed assessment of any tax for which Seller may be responsible, Buyer shall promptly notify Seller thereof, and Seller and Buyer shall reasonably cooperate to manage and/or defend any such audit, claim, assessment or proposed assessment, at Seller’s cost. Buyer’s failure to notify Seller shall not relieve Seller of its responsibilities under this Section 11.2 Seller has paid or will pay when due, (a) any and all personal property taxes, excise taxes, fuel taxes, sales/use or similar taxes and any duties, fees or claims assessed or levied against the Aircraft (including, without limitation, any item referenced in Section 1) prior to the Closing and (b) any and all U.S. Customs duties assessed or levied against any item of the Aircraft that is of foreign manufacture, if any.

***[SIGNATURE PAGE TO FOLLOW***]

[**THIS SPACE INTENTIONALLY LEFT BLANK]**

**IN WITNESS WHEREOF**, the undersigned Parties have caused this Aircraft Purchase Agreement to be executed, delivered and effective as of the date first above written.

|  |  |
| --- | --- |
| Seller: | Purchaser: |
| **[SELLERNAME]** | **[PURCHASERNAME]** |
| By: | By: |
| Printed Name:  Title: | Printed Name:  Title: |

**Agreement of Escrow Agent**

Purchaser and Seller hereby appoint Escrow Agent as document holder and stakeholder for the sale and purchase of the Aircraft, and Escrow Agent accepts such appointment for and in consideration of the Escrow Fee. The Parties acknowledge that Escrow Agent is acting as a document holder and stakeholder only, its duties being purely ministerial, at their request and for their convenience, that Escrow Agent shall not be deemed to be the agent or trustee for either of the Parties, and that Escrow Agent shall not be liable to either of the Parties for any act or omission unless it involves willful misconduct or negligence on its part.

The undersigned does hereby consent to and join in the foregoing Agreement hereby agreeing to act as Escrow Agent in accordance with the provisions of the Agreement applicable to Escrow Agent.

The Escrow Fees shall be a total of US$ \*Total EA FEE\* and Purchaser and Seller shall each be responsible for one-half (1/2) of said total.

# Escrow Agent:

[Escrow Company]

By:

Printed Name:

Title:

[SIGNATURES END]

EXHIBIT A

AIRCRAFT SPECIFICATIONS

**EXHIBIT B**

**WARRANTY BILL OF SALE**

\_\_\_\_\_\_\_\_\_\_\_\_\_ (hereinafter “Seller”), in consideration of the sum of one dollar ($1.00) plus other good and valuable consideration paid by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**,** (hereinafter “Buyer”), receipt of which is acknowledged, pursuant and subject to an Aircraft Sales Agreement between Seller and Buyer, dated  (the “Agreement”), hereby sells, grants, assigns, transfers and delivers to Buyer and its successors and assigns, all of Seller’s right, title and interest in and to the aircraft described as: 1) \_\_\_\_\_\_\_\_\_\_\_\_, bearing Registration Mark N\_\_\_\_\_\_\_\_\_ and manufacturer’s serial number\_\_\_\_\_\_\_\_\_\_; 2) \_\_\_\_\_\_\_\_\_\_\_\_ engines, respectively bearing manufacturer’s serial numbers \_\_\_\_\_\_\_ and \_\_\_\_\_\_\_\_\_ ; 3) all other equipment of whatever nature installed on the aircraft as set forth in the Agreement and 4) all Aircraft Documents (as defined in the Agreement) (collectively referred to as “Aircraft”).

Seller hereby represents, warrants and agrees to Buyer its successors and assigns, that (1) Buyer will acquire by the terms of this Warranty Bill of Sale and the FAA Bill of Sale (Form 8050-2) good and full title to the Aircraft and that the Aircraft is free and clear of all mortgages, leases, security interests, claims, charges, liens and encumbrances of any kind whatsoever except those arising by or through Buyer; (2) Seller has the right to sell the Aircraft as aforesaid; and (3) Seller shall warrant and defend title to the Aircraft and indemnify Buyer against the claims of any person, party, firm, corporation or entity of any kind whatsoever which may have attached thereto or arisen prior to transfer of title by Seller to Buyer.

Seller’s warranties and representations, including disclaimers and limitations, with respect to the Aircraft are and shall be as set forth in the Agreement.

**THE AIRCRAFT IS SOLD “AS IS” AND “WITH ALL FAULTS.” NO WARRANTY OF ANY TYPE, WHETHER OF MERCHANTABILITY, FITNESS FOR PURPOSE OR OTHERWISE, EXPRESSED OR IMPLIED IN FACT OR IN LAW, IS OR SHALL BE APPLICABLE TO THE AIRCRAFT SOLD HEREUNDER, EXCEPT FOT THE WARRANTY OF TITLE SET FORTH WITHIN. SELLER AND ITS DIRECT AND INDIRECT SUPPLIERS/VENDORS SHALL HAVE NO OTHER OR FURTHER LIABILITY BY REASON OF THE MANUFACTURE OR SALE OF THE AIRCRAFT SOLD HEREUNDER, OR OF ITS USE, WHETHER ON THE THEORY OF BREACH OF WARRANTY, STRICT LIABILITY, NEGLIGENCE OR OTHERWISE. NEITHER SELLER NOR ITS DIRECT OR INDIRECT SUPPLIERS/VENDORS, SHALL BE LIABLE FOR GENERAL, SPECIAL, CONSEQUENTIAL OR INCIDENTAL DAMAGES RELATING TO PROPERTY DAMAGE OR ECONOMIC LOSS (INCLUDING WITHOUT LIMITATION, DAMAGES FOR LOSS OF USE OR LOSS OF PROFITS).** **BUYER AGREES THAT UPON BUYER’S ACCEPTANCE OF THE AIRCRAFT AT DELIVERY AND CLOSING AND BUYER’S ISSUANCE OF EXHIBIT D TO THE AGREEMENT, BUYER HAS INSPECTED THE AIRCRAFT AND FOUND IT TO BE IN ACCORDANCE WITH THE AGREEMENT, AND ANY RIGHT TO OBJECT THERETO IS DEEMED WAIVED.**

Seller agrees and acknowledges that the terms and conditions of this Warranty Bill of Sale, including without limitation, all representations, warranties and agreements for the benefit of Buyer, shall survive the delivery of the Aircraft and the delivery, execution and recording of the Federal Aviation Administration Bill of Sale.

In witness whereof, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_has caused this Warranty Bill of Sale to be signed by its duly authorized officer this \_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_, 20\_\_\_.

**[Seller Entity]**

**Authorized Signature:**

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**EXHIBIT C**

**AIRCRAFT ACCEPTANCE/REJECTION**

(To be delivered to Seller within 2 days after technical Inspection)

DATE: \_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_

[Seller Name]

[Address]

Email:

**REF:** (YEAR/Model) **Bearing Registration Number N\_\_\_\_\_\_ and Serial Number\_\_\_\_\_\_\_\_\_:**

Gentlemen:

Pursuant to that certain Aircraft Sales Agreement (the “Agreement”) dated\_\_\_\_\_, 20 \_\_ by and between \_\_\_\_\_\_\_\_\_\_\_\_\_ (“Buyer”)and\_\_\_\_\_\_\_\_\_\_\_\_\_\_(“Seller”) with regard to the above‑referenced aircraft (the “Aircraft”), this letter confirms that Buyer has completed its technical Inspection of the Aircraft as of this date.

**Check one:**

🞎 **ACCEPTANCE** - Subject to Seller’s remediation, at Seller’s sole cost and expense, of the Airworthy Discrepancies necessary to deliver the Aircraft in compliance with the condition stated in **Section 3.4**, the Buyer hereby “Accepts” the Aircraft and agrees to pay for and accept delivery of the Aircraft in accordance with the Aircraft Sales Agreement on the Closing Date. The Aircraft is hereby accepted in accordance with the terms of **Section 3.4(c)** thereof. Escrow Agent is hereby instructed to make Buyer's Deposit non-refundable, subject only to Seller's payment for correction of the above discrepancies and delivery of the Aircraft in accordance with the above referenced Agreement.

🞎 **REJECTION** - Pursuant to Buyer’s Inspection, the Aircraft is hereby rejected as unsuitable or is otherwise unacceptable to Buyer pursuant to the terms of the Aircraft Sales Agreement and **Section 3.4(b)** thereof. Escrow Agent is hereby instructed to deduct any outstanding movement or inspection expenses due to Seller or the Inspection Facility pursuant to the Aircraft Sales Agreement and return the balance of the Buyer's Deposit to Buyer.

Sincerely,

**[Buyer Entity]**

**Authorized Signature:**

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

# ANNEX “A” TO

POST-INSPECTION NOTICE

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**EXHIBIT D**

AIRCRAFT ACCEPTANCE / DELIVERY

Dated \_\_\_\_\_ Day of \_\_\_\_\_\_\_\_\_, 20\_\_

\_\_\_\_\_\_\_\_\_ SERIAL # \_\_\_\_\_ MAKE \_\_\_\_\_\_\_\_ MODEL \_\_\_\_\_\_\_\_\_

Location Airport, City of

Total Airframe Time At Delivery: hours/ \_\_\_\_\_\_\_\_\_\_\_\_\_\_ cycles

Total Time Engines at Delivery:

Engine \*E1SN\*: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ hours \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_cycles

Engine \*E2SN\*: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ hours \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_cycles

Total Time APU at Delivery: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ hours \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_starts

Buyer has inspected the Aircraft, all Aircraft documents, records and logbooks with regard to this transaction to his satisfaction and accepts delivery of the Aircraft as-is where-is, with all inherent faults and defects, from Seller fully in accordance with the Aircraft Sales Agreement.

Buyer is satisfied with the Aircraft and acknowledges that the price paid for same was fairly bargained and represents an arm’s length transaction and was, in all respects, reasonable. Buyer indemnifies Seller of and from any and all sales tax which may accrue as a result of this transaction or use tax liability and this indemnity shall survive closing and delivery of the Aircraft.

BUYER ACKNOWLEDGES THAT IT HAS INSPECTED THE AIRCRAFT AND EQUIPMENT AND THE RECORDS RELATING THERETO AND THE AIRCRAFT, EQUIPMENT, AND RECORDS ARE FULLY SATISFACTORY TO IT AND IN ACCORDANCE WITH THE SALES AGREEMENT. EXECUTION AND DELIVERY OF THIS AIRCRAFT DELIVERY RECEIPT BY BUYER SHALL BE CONCLUSIVE EVIDENCE FOR ALL PURPOSES THAT THE AIRCRAFT, EQUIPMENT, AND RECORDS RELATED THERETO, AS DELIVERED, ARE FULLY IN ACCORDANCE WITH PARAGRAPH 3. OF THE AIRCRAFT PURCHASE AND SALE AGREEMENT AND ALL REQUIREMENTS OF SELLER UNDER SAME SHALL BE DEEMED ENTIRELY FULFILLED AND EXTINGUISHED. EXCEPT FOR WARRANTY OF TITLE, BUYER CONFIRMS THAT THE AIRCRAFT IS BEING ACQUIRED IN AN “AS-IS” AND “WITH ALL FAULTS” CONDITION WITHOUT ANY WARRANTIES OF ANY KIND WHATSOEVER INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OF FITNESS FOR A PARTICULAR USE OR OTHERWISE, ALL OF WHICH THE UNDERSIGNED ACKNOWLEDGES ARE AND HAVE BEEN EXPRESSLY DISCLAIMED BY THE SELLER. BUYER RELEASES AND HOLDS SELLER HARMLESS FROM AND AGAINST ANY LIABILITY FOR ANY LATENT OR UNDISCOVERED DEFECTS IN THE CONDITION OF THE AIRCRAFT, WHICH MAY ARISE SUBSEQUENT TO THIS DELIVERY AND ANY RIGHT TO OBJECT THERETO IS DEEMED WAIVED. BUYER ACKNOWLEDGES THAT THE USE AND OPERATION OF AIRCRAFT ARE ULTRA-HAZARDOUS ACTIVITIES INVOLVING SUBSTANTIAL RISK OF BODILY HARM, INCLUDING DEATH. BUYER IS NOT RELYING UPON ANY STATEMENTS OR REPRESENTATIONS WHATSOEVER REGARDING THE AIRCRAFT OR ITS PHYSICAL CONDITION BUT, RATHER, IS RELYING SOLELY UPON INFORMATION DERIVED FROM AN INDEPENDENT INSPECTION OF THE AIRCRAFT AND THAT THE BUYER IS A KNOWLEDGEABLE AND SOPHISTICATED AIRCRAFT BUYER. BUYER CONFIRMS (BOTH FOR BUYER AND FOR THE HEIRS AND ASSIGNS OF BUYER) THAT THE SELLER SHALL HAVE NO OBLIGATION OR LIABILITY TO THE BUYER OR TO ANY PERSON, FIRM OR ENTITY CLAIMING BY, THROUGH OR UNDER BUYER, THAT WILL SURVIVE THE CLOSING OF THE SALE OF THE USED AIRCRAFT TO BUYER, AND ALL CLAIMS ARISING FROM THE USE OR OPERATION OF THE AIRCRAFT ARISING AFTER THE DELIVERY OF THE AIRCRAFT.

**EXHIBIT E**

**INSPECTION ITEMS PURSUANT TO SECTION 3.4**

**EXHIBIT F**

**LOOSE EQUIPMENT**