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**From:** [REDACTED]  
**Sent:** Wednesday, October 9, 2013 10:13 PM  
**To:** jeevacation@gmail.com  
**Subject:** B727  
**Attachments:** B727engineinspection.pdf; FuelpriceDubia.pdf

Jeffrey, how does this email to the Sultan look? can you insert corrections=please? I will send after you approve.  
thx, Larry

Dear Sultan,

in response to operational cost, Pleas see my comments in BLUE ink to =our original email.

I have compiled actual cost to address these numbers that were =resented to you,. many of these numbers are inflated. I have attached the&=bsp;actual cost of the #2 engine corrosion inspection for your review= Price for #2 engine was \$237,000.00 and will not be due until 2021 now, i=s a 8 year inspection on this engine. Engines #1 and #3 are due every 9 years, and come due 2014, next year.=I have included a verbal quote received today from Atlantic Gas Turbines i= Miami, price for #1 and #3 engines is \$118,500 per engine, howe=er that does not include possible repair of LLP turbine disc that may requ=re additional replacement, "IF" needed price per engine is budged at =225k to MAX of \$300k for each engine total, see email below: NOT the=\$1M per engine your email states below:

Engines #1 and #3 are verbally quoted in this email from today:

From: [REDACTED]  
Date: October 9, 2013, 5:30:50 PM EDT  
To: [REDACTED]  
Subject: 219 Engines: Repair Estimate<=b>

Hi Larry=

I discussed with Atlantic Gas Turbine Corp today =he two 219 engines that will require ASB 6435 HPC Corrosion Inspection

and Hot Section Inspection of exposed combustion =ardware.

They verbally indicated a fixed price to accompli=h

ASB 6435/ AD HPC Corrosion Inspection  
HSI Inspection  
Test/ Fuel and Oil  
all Build Up ( 100% expendables) parts  
Strip/ Repair and Recoat of HPC Disks  
Return engine to service. Preserve Long Term

Pricing was quoted at \$118,500.00 per engine.

LLP Replacement will be considered Over and Above this pricing as will any other requirements to the engine due to exposure for ASB 6435.

With replacement of LLPs and possibly requirement to the N1 Compressor/ Fan Section due to condition a good budgetary estimate for Repair of the engine would be in the range of \$ 225K to \$300K per engine.

AGTC can provide a written quotation at your request.

Thanks

Michael Maier

A dry lease is a leasing arrangement whereby an aircraft financing entity, such as GECAS and ILFC (lessor), provides an aircraft without insurance, crew, ground staff, supporting equipment, maintenance, etc.) then you would pay a fixed cost for the "lease" of the aircraft and then be responsible for all other direct operating costs plus maintenance.

I have attached a breakdown of what the fixed costs are estimated to be. As you will see this is approx. \$1,220,651 per year.

The more hours you fly then your hourly cost comes down.

However, for example, if the engines are due AD 2003-16-05, this involves a complete engine strip-down, and I estimate this will cost approx. \$1 mill per engine as well as 6 months down time.

There is mention of Crew Training at a cost of \$99,000.00 per year, I use FAA approved PanAM Flight academy in Miami training my pilots for \$6,500 for TOTAL for all three crew member,.

FUEL Pricing:

I have attached quote.

Insurance cost for 2013 was \$125,000

BOEING VIP SUPER 727

ESTIMATED VARIABLE COSTS PER HOUR

Corporate

Fuel (1)

\$11,623.50

Fuel Additives

0.00

Maintenance Labor (2)

427.50

Parts Airframe/Eng/Avion (3)

197.43

Engine Restoration (4)

627.06

Thrust Reverser Allowance<=span>

12.54

Propeller Allowance=/div> 0.00

APU Allowance

68.97

Major Periodic Maintenance=/span>

0.00

216.21

- Crew Expenses 290.58

- Supplies/Catering=/div> 153.30

- Other

0.00

Total Variable Cost/Hour

<=ont face="Times New Roman">

<=pan style='font-family: "Arial", "sans-serif"; font-size: 10pt; mso-hansi=theme-font: minor-latin; mso-bidi-font-family:

"Times New Roman"; mso-bidi=theme-font: minor-bidi; mso-bidi-font-size: 11.0pt; mso-hansi-font-

family:=Calibri;'>\$13,617.09=/div>

Cost per Nautical Mile

\$31.30

Average Speed-Kts (5)

435.00

REFERENCE

Size of operation:

Date: 10/6/2013

&nbsp; Currency: \$=

1. Fuel Cost

7.38

Gallons/Hour Blk Fuel/Flt Time +15%

1,575

2. Maint Labor Cost per Hr

90.00

Maint. Hrs/Flt Hours

4.75

Aircraft Model Year

1984

3. Incl Engine Parts Cost

No

Engine Model

JT8D-17 & 217C

4. Overhaul Cost Source

Estimated

5. Block Speed Source

Mftr Data

ANNUAL FIXED COSTS

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B727 VIP Super 27

Corporate

								Crew Salaries -							
Captain (6)															
\$161,000															
Co Pilot															
120,000															
Flt Attendant															
90,000															



10 Yr Avg

9. Refurbish Labor Hrs/Seat

105

10. Comp Mx Program Source

Typical

11. Weather Service Source

Typical

=

B727 VIP Super 27

Corporate

Utilization - Nt. Miles

175,000

- Hours

402

<=ont face="Calibri">

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Variable Cost

<=ont face="Calibri">

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5,474,070

Fixed Cost

1,220,651

Total Cost (No Depreciation)

\$6,694,721

- Per Hour

16,654

- Per Nt. Mile

38.28

- Per Seat Nt. Mile

2.01=0:p>

<=ont face="Calibri">



=!--[if !supportLists]-->13. Market Depreciation=Rate = &n=sp; = &n=sp; = &n=sp;  
= 4<=div>

## GENERAL COMPARISON

B727 VIP Super 27

&n=sp;

Corporat=

<file:///C:/Users/Owner/AppData/Local/Temp/msohtmlclip1/01/clip\_image004.gif> =!--[endif]-->Cabin Height (Ft)  
=nbsp; &nbsp;p;  
&nbsp;p; 6.90  
- Width &nbsp;p; &nbsp;=; &nbsp;p; &nbsp;=; &nbsp;p; &nbsp;=; &nbsp;p; &nbsp;=; &nbsp;p; &nbsp;=; &nbsp;p;  
&nbsp;p; 11.50  
- =font size="2">Length&nbsp;p; &nbsp;=; &nbsp;p; &nbsp;=; &nbsp;p; &nbsp;=; &nbsp;p; &nbsp;=; &nbsp;p; &nbsp;=; &nbsp;p;  
&nbsp;=; &nbsp;p; 92.70=0:p>  
Cabin Volume (Cu. Ft.) &nbsp;p; &nbsp;=; &nbsp;p; &nbsp;=; &nbsp;p; &nbsp;=; &nbsp;p; &nbsp;=; &nbsp;p; &nbsp;=; &nbsp;p;  
&nbsp;=; &nbsp;p; 6,425.00  
Cabin Door Height (Ft.) =nbsp; &nbsp;p;  
&nbsp;p; =nbsp; &nbsp;p; &nbsp;p; 6.00  
<=ont size="2">Width&nbsp;p; =nbsp; &nbsp;p; &nbsp;p; =nbsp; &nbsp;p; &nbsp;p; =nbsp; &nbsp;p; &nbsp;p; =nbsp; &nbsp;p; &nbsp;p;  
=nbsp; &nbsp;p; &nbsp;p; 2.80=/span>  
Baggage - Int. (Cu.Ft.) &n=sp; = &n=sp; = &n=sp; = &n=sp; = &n=sp; = &n=sp;  
10.00</=pan>  
<=ont size="2">External=nbsp; &nbsp;p; =nbsp; &nbsp;p; =nbsp; &nbsp;p; =nbsp; &nbsp;p; =nbsp; &nbsp;p; =nbsp; &nbsp;p; =nbsp; &nbsp;p;  
&nbsp;p; =nbsp; &nbsp;p; 750.00  
<file:///C:/Users/Owner/AppData/Local/Temp/msohtmlclip1/01/clip\_image003.gif> =ypical Crew/Pass Seating  
=nbsp; &nbsp;p;  
</=pan>3 / 19

Weight - Max Take-off (Lbs.) &nbsp;p; &nbsp;=; &nbsp;p; &nbsp;=; &nbsp;p; &nbsp;=; &nbsp;p; &nbsp;=; &nbsp;p; &nbsp;=; &nbsp;p;  
&nbsp;p; &nbsp;=; &nbsp;p; &nbsp;=; &nbsp;p; 194,800  
<=ont size="2">Maximum Landing &nbsp;p; &nbsp;=; &nbsp;p; &nbsp;=; &nbsp;p; &nbsp;=; &nbsp;p; &nbsp;=; &nbsp;p; &nbsp;=; &nbsp;p;  
&nbsp;=; &nbsp;p; 158,000<=span>  
<=ont size="2">Basic Operating &n=sp; = &n=sp; = &n=sp; = &n=sp; = &n=sp; = &n=sp;  
115,000  
<=ont size="2">Usable Fuel &nbsp;p; &nbsp;=; &nbsp;p; &nbsp;=; &nbsp;p; &nbsp;=; &nbsp;p; &nbsp;=; &nbsp;p; &nbsp;=; &nbsp;p; &nbsp;=; &nbsp;p;  
&nbsp;=; &nbsp;p; &nbsp;p; 77,260

Payload-Full Fuel (Lbs.)   =nbsp;   &nb=p;   =nbsp;   &nb=p;   =nbsp;   &nb=p;   =nbsp;   &nb=p;  
&nb=p;   =nbsp;   3,240  
<--[if gte vml 1]> Maximum &n=sp;   =   &n=sp;   =   &n=sp;   =   &n=sp;   =  
&n=sp; 26,000

<file:///C:/Users/Owner/AppData/Local/Temp/msohtmlclip1/01/clip\_image002.gif> =ertified &n=sp;   =  
&n=sp;   =   &n=sp;   =   &n=sp;   =   &n=sp;   Yes  
<file:///C:/Users/Owner/AppData/Local/Temp/msohtmlclip1/01/clip\_image003.gif> &n=sp;   =   &n=sp;  
=   &n=sp;   =   &n=sp;   =   &n=sp;   Yes

Price - New (Corporate)/1000 &nb=p;   =nbsp;   &nb=p;   =nbsp;   &nb=p;   =nbsp;   &nb=p;  
=nbsp;   \$0  
- Pre Owned Rng/1000 &nb=p;   =nbsp;   &nb=p;   =nbsp;   &nb=p;   =nbsp;   &nb=p;  
=nbsp;   &nb=p;   5000 / 8000  
<file:///C:/Users/Owner/AppData/Local/Temp/msohtmlclip1/01/clip\_image005.gif> = Years Produced &nb=p;  
=nbsp;   &nb=p;   =nbsp;   &nb=p;   =nbsp;   &nb=p;   =nbsp;   &nb=p;   1968 1984

#### PERFORMANCE COMPARISON

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B727 VIP Super 27</=pan>

Corpor=te

<file:///C:/Users/Owner/AppData/Local/Temp/msohtmlclip1/01/clip\_image006.gif> Range - NB=A IFR Res (N.  
Mi.)</=iv>  
- 4 Passenger  
3,900  
- Ferry Range  
4,050  
Range - 30 Min. Res (N. Mi.)  
0<=:p>  
- 4 Passenger  
0<=:p>  
- Ferry Range  
0<=:p>

Balanced Field Length (Ft.)<=span>

5,550

Landing Distance - FAR 91

2,250

Landing Distance - FAR 121</=pan>

3,750

Landing Distance - FAR 135</=pan>

2,813

Rate of Climb (Ft/Min) &nb=p;  =nbsp; &nb=p;  =nbsp; &nb=p;  =nbsp; &nb=p;  =nbsp; &nb=p;

=nbsp; &nb=p; 2,380

<file:///C:/Users/Owner/AppData/Local/Temp/msohtmlclip1/01/clip\_image007.gif> -One Engine Out &=bsp;

&nbs; &=bsp; &nbs; &=bsp; &nbs; &=bsp; &nbs; &=bsp; 0

Cruise Speed - Max (KTAS)

485

- Long Range

455

Ceiling Certified MTOW (Ft.)=span>

42,000

- Service

42,000

- Service OEI

31,000

Ceiling Service HIGE (Helicopter Only)=o:p> 0=o:p> Ceiling Service HOGE (Helicopter Only)<=:p> 0<=:p>