



**U.S. Department of Justice**

*United States Attorney  
Southern District of Florida*

---

*500 South Australian Ave., Suite 400  
West Palm Beach, FL 33401*

*Facsimile:* [REDACTED]

May 15, 2007

VIA FACSIMILE

Jack A. Goldberger, Esq.  
Atterbury, Goldberger & Weiss, P.A.  
One Clearlake Centre, Suite 1400  
250 Australian Ave S.  
West Palm Beach, FL 33401-5015

Re: Subpoenas to JEGE, Inc. and Hyperion Air, Inc.

Dear Mr. Goldberger:

It was a pleasure speaking with you today. As we discussed, the deadlines for complying with the subpoenas to JEGE, Inc. and Hyperion Air, Inc. have been extended to May 29, 2007. If there are any categories for which no documents exist, please ask the Custodian of Records to provide a certificate of nonexistence of records.

Also, following our conversation I received a voicemail from Lilly Ann Sanchez addressing the subpoenas. Since you have provided a written statement that you represent JEGE and Hyperion, I will assume that you alone serve as their counsel unless you tell me otherwise. With that in mind, pursuant to Rule 6(e), I do not intend to discuss matters related to these subpoenas with other attorneys.

Thank you again for your assistance.

Sincerely,

R. Alexander Acosta  
United States Attorney

By: [REDACTED]

[REDACTED]  
Assistant United States Attorney

cc: [REDACTED], FBI

EFTA00188126

° JOSEPH R. ATTERBURY

°† JACK A. GOLDBERGER

JASON S. WEISS

° Board Certified Criminal Trial Attorney

† Member of New Jersey & Florida Bars

May 10, 2007

A. Marie Villafaña, Esq.  
 Assistant United States Attorney  
 Office of the United States Attorney  
 Southern District of Florida  
 500 South Australian Avenue, Suite 400  
 West Palm Beach, Florida 33401

**VIA HAND-DELIVERY**

*JEGE, Inc. ("JEGE") and Hyperion Air, Inc. ("Hyperion")*

Dear Ms. Villafaña:

I write as counsel to the above noted entities to respond to the subpoenas dated April 24, 2007, served, respectively, on those entities. I understand from Gerald B. Lefcourt and Lilly Ann Sanchez, both counsel to Jeffrey Epstein, that as a result of a telephone conversation had amongst you, Mr. Lefcourt and Ms. Sanchez, you are now seeking documents reflecting:

1. Ownership of JEGE and Hyperion;
2. Assets of JEGE and Hyperion; and
3. Employees of JEGE and Hyperion.

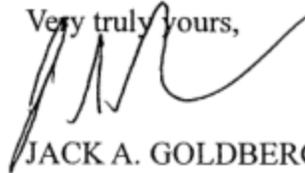
As I believe Mr. Lefcourt and Ms. Sanchez told you, JEGE and Hyperion are each wholly owned by Mr. Epstein. Enclosed is an IRS Form 2553 ("Election by a Small Business Corporation") filed by JEGE, showing that Mr. Epstein is the sole shareholder of that entity. A similar document was filed on behalf of Hyperion, but we have not been able to locate it. As soon as we do, we will forward it to you. I have instead enclosed a share certificate reflecting Mr. Epstein's ownership of 100 shares of Hyperion. I can also represent that I have examined the books and records of that company and state that no other shares have been issued. Thus, Mr. Epstein is the sole owner of Hyperion, as well.

As to the assets of these entities, both entities exist solely for the purpose of owning their respective aircraft. JEGE owns Mr. Epstein's Boeing 727 and Hyperion owns Mr. Epstein's Gulfstream G-IIB. To demonstrate this, enclosed are (i) the Certificate of Aircraft Registration and Standard Airworthiness Certificate for the Boeing 727, showing ownership by JEGE; and (ii) the Certificate of Aircraft Registration and Standard Airworthiness Certificate for the Gulfstream, showing ownership by Hyperion.

As to employees, each of JEGE and Hyperion pays crew costs for the crew members (whom we understand you have interviewed), as well as the costs of contract crew members whom JEGE or Hyperion may sporadically engage. Neither JEGE nor Hyperion employs any other crew members or other personnel.

Thank you for your cooperation in this matter. If you have any questions, please do not hesitate to call.

Very truly yours,



JACK A. GOLDBERGER

cc: [REDACTED], Federal Bureau of Investigation  
Gerald B. Lefcourt, Esq.  
Lilly Ann Sanchez, Esq.

**REGISTRATION NOT TRANSFERABLE**

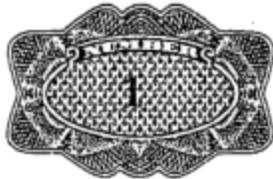
UNITED STATES OF AMERICA DEPARTMENT OF TRANSPORTATION - FEDERAL AVIATION ADMINISTRATION CERTIFICATE OF AIRCRAFT REGISTRATION		This certificate must be in the aircraft when operated.
NATIONALITY AND REGISTRATION MARKS <b>N808JE</b>	AIRCRAFT SERIAL NO. <b>[REDACTED]</b>	
MANUFACTURER AND MANUFACTURER'S DESIGNATION OF AIRCRAFT BOEING 727-31 ICAO Aircraft Address Code: 59108661		
I S S U E D	JEGE INC 103 FOULK RD STE 202 WILMINGTON DE 19803-3742	This certificate is issued for registration purposes only and is not a certificate of title. The Federal Aviation Administration does not determine rights of ownership as between private parties.
	CORPORATION	
It is certified that the above described aircraft has been entered on the register of the Federal Aviation Administration, United States of America, in accordance with the Convention on International Civil Aviation dated December 7, 1944, and with the Federal Aviation Act of 1958, and regulations issued thereunder.		U.S. Department of Transportation Federal Aviation Administration
DATE OF ISSUE January 25, 2001	<i>John A. Diaz</i> ADMINISTRATOR	

AC Form 8050-303/17 Separate prices apply

UNITED STATES OF AMERICA  
DEPARTMENT OF TRANSPORTATION-FEDERAL AVIATION ADMINISTRATION  
**STANDARD AIRWORTHINESS CERTIFICATE**

1 NATIONALITY AND REGISTRATION MARKS [REDACTED]	2 MANUFACTURER AND MODEL BOEING 727-31	3 AIRCRAFT SERIAL NUMBER [REDACTED]	4 CATEGORY TRANSPORT
5 AUTHORITY AND BASIS FOR ISSUANCE This aircraft certificate is issued pursuant to the Federal Aviation Act of 1958 and certifies that, as of the date of issuance, the aircraft to which issued has been inspected and found to conform to the type certificate therefor, to be in condition for safe operation, and has been shown to meet the requirements of the applicable comprehensive and detailed airworthiness code as provided by Annex B to the Convention of International Civil Aviation, except as noted herein. Exception:  NONE			
6 TERMS AND CONDITIONS Unless otherwise restricted, suspended, revoked, or a termination date is otherwise established by the Administrator, this airworthiness certificate is effective pending the maintenance, preventive maintenance, and alterations are performed in accordance with Parts 21, 43, and 45 of the Federal Aviation Regulations, as appropriate, and the aircraft is registered in the United States.			
DATE OF ISSUANCE May 17 2001	FAA REPRESENTATIVE <i>John A. Diaz</i> JOHN A. DIAZ	DESIGNATION NUMBER SO17	

Any alteration, modification or repair of this certificate may be performed by a PMA unit exceeding \$1,000 in investment and exceeding 2 years in use. THIS CERTIFICATE MUST BE DISPLAYED IN THE AIRCRAFT IN ACCORDANCE WITH APPLICABLE FEDERAL REGULATIONS.



INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE



SEE REVERSE SIDE FOR CERTAIN DEFINITIONS

# HYPERION AIR, INC.

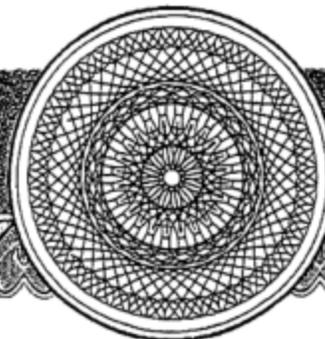
TOTAL AUTHORIZED ISSUE  
1,500 SHARES PAR VALUE \$.0001 EACH  
COMMON STOCK

This is to Certify that Jeffrey E. Epstein is the owner of  
One Hundred (100) *fully paid and*

*non-assessable shares of the above Corporation transferable only on the books of the Corporation by the holder hereof in person or by duly authorized Attorney upon surrender of this Certificate properly endorsed.*

*Witness, the seal of the Corporation and the signatures of its duly authorized officers.*

Dated: As of July 26, 1991



Form **2553**

(Rev. July 1999)

Department of the Treasury  
Internal Revenue Service

### Election by a Small Business Corporation

(Under section 1362 of the Internal Revenue Code)

▶ See Parts II and III on back and the separate instructions.

▶ The corporation may either send or fax this form to the IRS. See page 1 of the instructions.

OMB No. 1545-0146

- Notes: 1. This election to be an S corporation can be accepted only if all the tests are met under *Who may elect* on page 1 of the instructions; all signatures in Parts I and III are originals (no photocopies); and the exact name and address of the corporation and other required form information are provided.
2. Do not file Form 1120S, U.S. Income Tax Return for an S Corporation, for any tax year before the year the election takes effect.
3. If the corporation was in existence before the effective date of this election, see *Taxes an S corporation may owe* on page 1 of the instructions.

#### Part I Election Information

<b>Please Type or Print</b>	Name of corporation (see instructions) <b>JEGE, Inc.</b>	A Employer identification number [REDACTED]
	Number, street, and room or suite no. (if a P.O. box, see instructions.) <b>103 Foulk Road, Suite 202</b>	B Date incorporated <b>September 7, 2000</b>
	City or town, state, and ZIP code <b>Wilmington, DE 19803</b>	C State of incorporation <b>Delaware</b>
D Election is to be effective for tax year beginning (month, day, year) . . . . . ▶ <b>01 / 01 / 01</b>		
E Name and title of officer or legal representative who the IRS may call for more information <b>Darren K. Indyke, Vice President</b>		F Telephone number of officer or legal representative ( [REDACTED] )
G If the corporation changed its name or address after applying for the EIN shown in A above, check this box . . . . . ▶ <input type="checkbox"/>		
H If this election takes effect for the first tax year the corporation exists, enter month, day, and year of the earliest of the following: (1) date the corporation first had shareholders, (2) date the corporation first had assets, or (3) date the corporation began doing business . . . . . ▶ <b>1 / 1 /</b>		
I Selected tax year: Annual return will be filed for tax year ending (month and day) ▶ <b>December 31</b> If the tax year ends on any date other than December 31, except for an automatic 52-53-week tax year ending with reference to the month of December, you must complete Part II on the back. If the date you enter is the ending date of an automatic 52-53-week tax year, write "52-53-week year" to the right of the date. See Temporary Regulations section 1.441-2T(e)(3).		

J Name and address of each shareholder; shareholder's spouse having a community property interest in the corporation's stock; and each tenant in common, joint tenant, and tenant by the entirety. (A husband and wife (and their estates) are counted as one shareholder in determining the number of shareholders without regard to the manner in which the stock is owned.)	K Shareholders' Consent Statement. Under penalties of perjury, we declare that we consent to the election of the above-named corporation to be an S corporation under section 1362(a) and that we have examined this consent statement, including accompanying schedules and statements, and to the best of our knowledge and belief, it is true, correct, and complete. We understand our consent is binding and may not be withdrawn after the corporation has made a valid election. (Shareholders sign and date below.)		L Stock owned		M Social security number or employer identification number (see instructions)	N Shareholder's tax year ends (month and day)
	Signature	Date	Number of shares	Dates acquired		
Jeffrey E. Epstein [REDACTED] Suite B-3 St. Thomas, USVI 00802			100	1/1/01	[REDACTED]	12/31

Under penalties of perjury, I declare that I have examined this election, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of officer ▶ Title ▶ Vice President

Date ▶ 1/24/01

UNITED STATES OF AMERICA  
DEPARTMENT OF TRANSPORTATION - FEDERAL AVIATION ADMINISTRATION  
**STANDARD AIRWORTHINESS CERTIFICATE**

1 NATIONALITY AND REGISTRATION MARKS [REDACTED]	2 MANUFACTURER AND MODEL GULFSTREAM G1159B	3 AIRCRAFT SERIAL NUMBER 151	4 CATEGORY TRANSPORT
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5 AUTHORITY AND BASIS FOR ISSUANCE  
This airworthiness certificate is issued pursuant to the Federal Aviation Act of 1958 and certifies that, as of the date of issuance, the aircraft to which issued has been inspected and found to conform to the requirements of the applicable airworthiness standards in effect on the date of issuance, and has been shown to meet the requirements of the applicable airworthiness standards and to be in compliance with the provisions of the Convention on International Civil Aviation except as may be required by the Administrator.

NONE

6 REMARKS/CONDITIONS  
Unless shown otherwise, this certificate is issued on the basis of the information furnished to the Administrator, the applicant, or the manufacturer, and is not intended to constitute a warranty of the aircraft's condition or performance. The certificate is issued in accordance with the provisions of the Federal Aviation Regulations, and the certificate is subject to the provisions of the Federal Aviation Regulations.

DATE OF ISSUANCE R July 6 1989	ISSUANCE AUTHORITY JORNIA DIAZ	DESIGNATION NUMBER ASC-1580-17
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Any alteration, modification, or repair of the aircraft, or any part thereof, which may affect the airworthiness of the aircraft, must be done in accordance with applicable Federal Aviation Regulations.

FAA Form 8130-2 (8-82) AFS Form 7000-1 (10-78) - Aeronautics Form 7000-1 (10-78)

**REGISTRATION NOT TRANSFERABLE**

UNITED STATES OF AMERICA  
DEPARTMENT OF TRANSPORTATION - FEDERAL AVIATION ADMINISTRATION  
**CERTIFICATE OF AIRCRAFT REGISTRATION**

This certificate must be in the aircraft when operated.

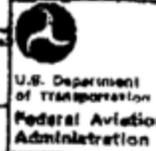
NATIONALITY AND REGISTRATION MARKS [REDACTED]	AIRCRAFT SERIAL NO. 151
--	----------------------------

MANUFACTURER AND MANUFACTURER'S DESIGNATION OF AIRCRAFT GULFSTREAM AEROSPACE G1159B ICAO Aircraft Address Code: 53110550
--

ISSUED TO HYPERION AIR INC 109 FOULK RD STE 202 WILMINGTON DE 19808-8742	This certificate is issued for registration purposes only and is not a certificate of title. The Federal Aviation Administration does not determine rights of ownership as between private parties.
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It is certified that the name described aircraft has been entered on the register of the Federal Aviation Administration, United States of America, in accordance with the Convention on International Civil Aviation dated December 7, 1944, and with the Federal Aviation Act of 1958, and regulations issued thereunder.

DATE OF ISSUE March 15, 1994	ADMINISTRATOR <i>[Signature]</i>
---------------------------------	-------------------------------------



AC Form 8050-918/97 Expires for previous editions



U.S. Department of Justice

United States Attorney  
Southern District of Florida

500 South Australian Avenue, Suite 400  
West Palm Beach, Florida 33401-6235  
Tel: [REDACTED]  
Fax: [REDACTED]

May 14, 2007

VIA HAND DELIVERY

Jack A. Goldberger, Esq.  
Atterbury, Goldberger & Weiss, P.A.  
One Clearlake Centre, Suite 1400  
250 Australian Avenue South  
West Palm Beach, FL 33401-5015

Dear Mr. Goldberger:

Thank you for your letter of May 10, 2007, and the documents attached thereto. I have enclosed another copy of the grand jury subpoenas that were provided to Bruce Lyons, former counsel for Hyperion and JEGE, on April 25, 2007. The time for responding has passed, so please provide the requested documents as soon as possible. Please also have the Custodians of Records of the Corporations complete the Business Records Certifications and Inventory Forms and return everything to Special Agent [REDACTED] at the Federal Bureau of Investigation, 505 South Flagler Drive, Suite 500, West Palm Beach, FL 33401-5933.

Thank you for your assistance with this matter.

Sincerely,

R. ALEXANDER ACOSTA  
UNITED STATES ATTORNEY

By [REDACTED]  
Assistant United States Attorney

Enclosures

cc: Special Agent [REDACTED], FBI

EFTA00188133



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## Entity Details

### THIS IS NOT A STATEMENT OF GOOD STANDING

**File Number:** 3284812      **Incorporation Date / Formation Date:** 09/07/2000 (mm/dd/yyyy)

**Entity Name:** JEGE, INC.

**Entity Kind:** CORPORATION      **Entity Type:** GENERAL

**Residency:** DOMESTIC      **State:** DE

### REGISTERED AGENT INFORMATION

**Name:** THE CORPORATION TRUST COMPANY

**Address:** CORPORATION TRUST CENTER 1209 ORANGE STREET

**City:** WILMINGTON      **County:** NEW CASTLE

**State:** DE      **Postal Code:** 19801

**Phone:** [REDACTED]

Additional Information is available for a fee. You can retrieve Status for a fee of \$10.00 or more detailed information including current franchise tax assessment, current filing history and more for a fee of \$20.00.

Would you like  Status  Status, Tax & History Information

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## REMOTE AGENTS "C"

**CAPITOL SERVICES, INC.**  
 615 South DuPont Highway  
 Dover, DE 19901  
 Kent County

Ph: [REDACTED]  
 Fax: [REDACTED]

Website: <http://www.capitol-services.com>

**CORPAMERICA, INC.**  
 2711 Centerville Road  
 Suite 400  
 Wilmington, DE 19808  
 New Castle County

Ph: [REDACTED]  
 or  
 Fax: [REDACTED]

e-mail: [info@corpamerica.com](mailto:info@corpamerica.com)

Website: <http://www.CorpAmerica.com>

**THE COMPANY CORPORATION**  
 2711 Centerville Road  
 Suite 400  
 Wilmington, DE 19808  
 New Castle County

Ph: [REDACTED]  
 or  
 Fax: [REDACTED]

Website: <http://www.corporate.com>

**THE CORPORATION TRUST COMPANY**  
 Corporation Trust Center  
 1209 Orange Street  
 Wilmington, DE 19801  
 New Castle County

Ph: [REDACTED]  
 Fax: [REDACTED]

Website: <http://www.ctadvantage.com>

**CORPORATION SERVICE COMPANY**  
 2711 Centerville Road  
 Suite 400  
 Wilmington, DE 19808  
 New Castle County

Ph: [REDACTED]  
 or  
 Fax: [REDACTED]

e-mail: [info@incspot.com](mailto:info@incspot.com)

Website: <http://www.incspot.com>

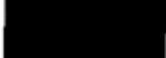
**CORPORATIONS USA, LLC**  
 341 Raven Circle  
 Wyoming, DE 19934  
 Kent County

Ph: [REDACTED]  
 or 866/356-CUSA (2872)  
 Fax: [REDACTED]

Website: <http://www.corporationsusa.com>

**CORPORATIONS & COMPANIES, INC.**  
 (CorpCo)  
 910 Foulk Road  
 Suite 201

Wilmington, DE 19803  
New Castle County

Ph:   
or  
Fax: 

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Please select the jurisdiction in which you are located to contact the CT service office serving your area. (Please note: The addresses listed below are for contact purposes only and should not be used on official documentation. Your service team can provide Registered Agent addresses.) We are always just a phone call or email away. Call 1- [REDACTED] or email us at [info@ctadvantage.com](mailto:info@ctadvantage.com)

Select a state

For Delaware:

CT  
Corporation Trust Center  
1209 Orange Street  
Wilmington, DE 19801  
Phone: [REDACTED]  
Toll Free: [REDACTED]  
Fax: [REDACTED]

We are always just a phone call or email away. Call 1- [REDACTED] or email us at [REDACTED]



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## Entity Details

### THIS IS NOT A STATEMENT OF GOOD STANDING

File Number: **2268758**      Incorporation Date / Formation Date: **07/18/1991**  
 (mm/dd/yyyy)

Entity Name: **HYPERION AIR, INC.**

Entity Kind: **CORPORATION**      Entity Type: **GENERAL**

Residency: **DOMESTIC**      State: **DE**

### REGISTERED AGENT INFORMATION

Name: **CORPORATION SERVICE COMPANY**

Address: **2711 CENTERVILLE ROAD SUITE 400**

City: **WILMINGTON**      County: **NEW CASTLE**

State: **DE**      Postal Code: **19808**

Phone: **[REDACTED]**

Additional Information is available for a fee. You can retrieve Status for a fee of \$10.00 or more detailed information including current franchise tax assessment, current filing history and more for a fee of \$20.00.

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Westlaw

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## CORPORATE RECORDS &amp; BUSINESS REGISTRATIONS

This Record Last Updated: 04/04/2001  
 Database Last Updated: 04-25-2007  
 Update Frequency: WEEKLY  
 Current Date: 04/25/2007  
 Source: AS REPORTED BY THE SECRETARY OF STATE OR OTHER OFFICIAL SOURCE

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## COMPANY INFORMATION

Company Name: J. EPSTEIN & COMPANY, INC.  
 Process Name: GOLD & WACHTEL, ESQS  
 Process Address: 10 EAST 53RD STREET  
 NEW YORK, NY 10022  
 County: NEW YORK

## FILING INFORMATION

Identification Number: [REDACTED]  
 Filing Date: 11/18/1988  
 State of Incorporation: NEW YORK  
 Duration: PERPETUAL  
 Status: INACTIVE  
 Status Attained Date: 04/04/2001  
 Corporation Type: PROFIT  
 Business Type: DOMESTIC BUSINESS CORPORATION

Where Filed: DEPARTMENT OF STATE/DIVISION OF CORPORATIONS  
 41 STATE STREET  
 ALBANY, NY 12231

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## NAME INFORMATION

Former Name: JEFFREY E. EPSTEIN, INC.

## AMENDMENT INFORMATION

Amendments: 04/04/2001 DISSOLUTION REFER TO MICROFILM NUMBER  
010404000011  
10/03/1997 NAME CHANGE REFER TO MICROFILM NUMBER  
971003000402  
02/22/1993 ERRONEOUS ENTRY REFER TO MICROFILM NUMBER  
930222000039  
09/23/1992 DISSOLUTION BY PROCLAMATION REFER TO  
MICROFILM NUMBER DP-747315

## STOCK INFORMATION

Stock: Authorized 200  
Shares:

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U.S. Department of Transportation  
Federal Aviation Administration

### ASSIGNMENT OF SPECIAL REGISTRATION NUMBERS

Aircraft Make and Model

BOEING

727-31

Serial Number

[REDACTED]

[REDACTED]

Special Registration Number

N [REDACTED]

Present Registration Number

N [REDACTED]

ICAO AIRCRAFT ADDRESS CODE  
FDR N908JE = 53106661

JEGE INC  
103 FOULK RD STE 202  
WILMINGTON DE 19803-3742

NUMBER CHANGED TO 908JE  
DATE 10 APR 18 2001

Issue Date:

MARCH 24, 2001

This is your authority to change the United States registration number on the above described aircraft to the special registration number shown.

Carry duplicate of this form in the aircraft together with the old registration certificate as interim authority to operate the aircraft pending receipt of revised certificate of registration. Obtain a revised certificate of airworthiness from your nearest Flight Standards District Office.

The latest FAA Form 8130-6, Application For Airworthiness on file is dated:  
JULY 23, 1990

The airworthiness classification and category:  
STD TRANSP

#### INSTRUCTIONS:

SIGN AND RETURN THE ORIGINAL of this form to the Civil Aviation Registry, AFS-750, within 5 days after the special registration number is affixed on the aircraft. A revised certificate will then be issued. This authority is valid for 90 days from the issue date.

The authority to use the special number expires:

MARCH 24, 2002

CERTIFICATION: I certify that the special registration number was placed on the aircraft described above.

Signature of Owner:

Title of Owner:

PRESIDENT

Date Placed on Aircraft:

4-6-01

RETURN FORM TO:

Civil Aviation Registry, AFS-750  
P.O. Box 25504  
Oklahoma City, Oklahoma 73125-0504

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PART II

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FORM APPROVED  
OMB No. 2120-0042

42-1

UNITED STATES OF AMERICA DEPARTMENT OF TRANSPORTATION  
FEDERAL AVIATION ADMINISTRATION-MIKE MONRONEY AERONAUTICAL CENTER  
AIRCRAFT REGISTRATION APPLICATION

CERT. ISSUE DATE

UNITED STATES REGISTRATION NUMBER N [REDACTED]

AIRCRAFT MANUFACTURER & MODEL

Boeing 727-31

JAN 25 2001

AIRCRAFT SERIAL No. [REDACTED]

FOR FAA USE ONLY

TYPE OF REGISTRATION (Check one box)

- 1. Individual
- 2. Partnership
- 3. Corporation
- 4. Co-owner
- 5. Gov't.
- 8. Non-Citizen Corporation

NAME OF APPLICANT (Person(s) shown on evidence of ownership. If individual, give last name, first name, and middle initial.)

JEGE, Inc.

TELEPHONE NUMBER: ( [REDACTED] ) [REDACTED]

ADDRESS (Permanent mailing address for first applicant listed.)

Number and street: 103 Foulk Road, Suite 202

Rural Route:

P.O. Box:

CITY

STATE

ZIP CODE

Wilmington

DE

19803

**CHECK HERE IF YOU ARE ONLY REPORTING A CHANGE OF ADDRESS ATTENTION! Read the following statement before signing this application. This portion MUST be completed.**

A false or dishonest answer to any question in this application may be grounds for punishment by fine and / or imprisonment (U.S. Code, Title 18, Sec. 1001).

**CERTIFICATION**

I/WE CERTIFY:

(1) That the above aircraft is owned by the undersigned applicant, who is a citizen (including corporations) of the United States.

(For voting trust, give name of trustee: \_\_\_\_\_), or:

CHECK ONE AS APPROPRIATE:

a.  A resident alien, with alien registration (Form 1-151 or Form 1-551) No. \_\_\_\_\_

b.  A non-citizen corporation organized and doing business under the laws of (state) \_\_\_\_\_ and said aircraft is based and primarily used in the United States. Records or flight hours are available for inspection at \_\_\_\_\_

(2) That the aircraft is not registered under the laws of any foreign country; and

(3) That legal evidence of ownership is attached or has been filed with the Federal Aviation Administration.

NOTE: If executed for co-ownership all applicants must sign. Use reverse side if necessary.

TYPE OR PRINT NAME BELOW SIGNATURE

EACH PART OF THIS APPLICATION MUST BE SIGNED IN INK.	SIGNATURE	TITLE	DATE
		President	1/19/01
	SIGNATURE	TITLE	DATE
		ISSUED TEMP CERT OF REG TO EXPIRE	DATE 2-24-01
		T 010517	

NOTE Pending receipt of the Certificate of Aircraft Registration, the aircraft may be operated for a period not in excess of 90 days, during which time the PINK copy of this application must be carried in the aircraft.

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FILED WITH FAA  
AIRCRAFT REGISTRATION BR  
2001 JAN 19 PM 11 54  
OKLAHOMA CITY  
OKLAHOMA

UNITED STATES OF AMERICA  
U.S. DEPARTMENT OF TRANSPORTATION FEDERAL AVIATION ADMINISTRATION  
**AIRCRAFT BILL OF SALE**

9 4 70015169

41-1

FOR AND IN CONSIDERATION OF \$1.00 <sup>OD</sup> <sup>2 DVC</sup> THE  
UNDERSIGNED OWNER(S) OF THE FULL LEGAL  
AND BENEFICIAL TITLE OF THE AIRCRAFT DES-  
CRIBED AS FOLLOWS:

UNITED STATES  
REGISTRATION NUMBER [REDACTED]  
AIRCRAFT MANUFACTURER & MODEL  
Boeing 727-31  
AIRCRAFT SERIAL No.  
[REDACTED]

CONVEYANCE RECORDED

2001 JAN 25 AM 9 04

DOES THIS 19<sup>th</sup> DAY OF Jan 2001  
HEREBY SELL, GRANT, TRANSFER AND  
DELIVER ALL RIGHTS, TITLE, AND INTERESTS  
IN AND TO SUCH AIRCRAFT UNTO:

FEDERAL AVIATION  
ADMINISTRATION  
Do Not Write In This Block  
FOR FAA USE ONLY

PURCHASER

NAME AND ADDRESS  
(IF INDIVIDUAL(S), GIVE LAST NAME, FIRST NAME, AND MIDDLE INITIAL.)  
**JEGE, Inc.**  
457 Madison Ave, 4th Floor  
New York NY 10022

DEALER CERTIFICATE NUMBER

AND TO its successors ~~EXECUTORS, ADMINISTRATORS,~~ AND ASSIGNS TO HAVE AND TO HOLD  
SINGULARLY THE SAID AIRCRAFT FOREVER, AND WARRANTS THE TITLE THEREOF.

IN TESTIMONY WHEREOF I HAVE SET my HAND AND SEAL THIS 19<sup>th</sup> DAY OF Jan 2001

SELLER

NAME (S) OF SELLER (TYPED OR PRINTED)	SIGNATURE (S) (IN INK) (IF EXECUTED FOR CO-OWNERSHIP, ALL MUST SIGN.)	TITLE (TYPED OR PRINTED)
Real Estate Ex- change, Inc.	<i>Jim J. Beukle</i>	Vice President

ACKNOWLEDGMENT (NOT REQUIRED FOR PURPOSES OF FAA RECORDING; HOWEVER, MAY BE REQUIRED  
BY LOCAL LAW FOR VALIDITY OF THE INSTRUMENT.)

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\$5.00 01/19/2001

ORIGINAL: TO FAA

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FILED WITH FAA  
AIRCRAFT REGISTRATION BR  
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OKLAHOMA

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AIRCRAFT REGISTRATION BR

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DEPARTMENT OF TRANSPORTATION  
FEDERAL AVIATION ADMINISTRATION

THIS FORM SERVES TWO PURPOSES:  
PART I acknowledges the recording of a security conveyance covering the collateral shown.  
PART II is a suggested form of release which may be used to release the collateral from the terms of the conveyance.

PART I - CONVEYANCE RECORDATION NOTICE

NAME (last name first) OF DEBTOR Real Estate Exchange, Inc.

NAME and ADDRESS OF SECURED PARTY/ASSIGNEE Limited Service Corporation  
c/o Timothy P. Stehle  
The Limited, Inc.  
4387 International Gateway  
Columbus, Ohio 43219

NAME OF SECURED PARTY'S ASSIGNOR (if assigned) N/A

CONVEYANCE RECORDED

2001 JAN 25 AM 9 02

FEDERAL AVIATION  
ADMINISTRATION

SEE RECORDED  
CONVEYANCE

NUMBER K028213  
FICHE# R3 PAGE# 39-21

FAA REGISTRATION NUMBER [redacted] AIRCRAFT SERIAL NUMBER [redacted] AIRCRAFT MFR. (BUILDER) and MODEL Boeing 727-31

ENGINE MFR. And MODEL Pratt & Whitney, JT8D-219 (position 1 & 3) and JT8D-7B (position 2) ENGINE SERIAL NUMBER (S) 726121(position 1), 654373 (position 2) & 726122 (position 3)

PROPELLER MFR. And MODEL None PROPELLER SERIAL NUMBER (S) None

THE SECURITY CONVEYANCE DATED 11/16/00 filed 11/16/00 COVERING THE ABOVE COLLATERAL WAS RECORDED BY THE FAA AIRCRAFT REGISTRY ON 12/18/00 AS CONVEYANCE NUMBER K028213  
\_\_\_\_\_  
FAA CONVEYANCE EXAMINER

PART II - RELEASE - (This suggested release form may be executed by the secured party and returned to the FAA Aircraft Registry when the terms of the conveyance have been satisfied. See below for additional information)

THE UNDERSIGNED HEREBY CERTIFIES AND ACKNOWLEDGES THAT HE IS THE TRUE AND LAWFUL HOLDER OF THE NOTE OR OTHER EVIDENCE OF INDEBTEDNESS SECURED BY THE CONVEYANCE REFERRED TO HEREIN ON THE ABOVE-DESCRIBED COLLATERAL AND THAT THE SAME COLLATERAL IS HEREBY RELEASED FROM THE TERMS OF THE CONVEYANCE. ANY TITLE RETAINED IN THE COLLATERAL BY THE CONVEYANCE IS HEREBY SOLD, GRANTED, TRANSFERRED, AND ASSIGNED TO THE PARTY WHO EXECUTED THE CONVEYANCE, OR TO THE ASSIGNEE OF SAID PARTY IF THE CONVEYANCE SHALL HAVE BEEN ASSIGNED: PROVIDED, THAT NO EXPRESS WARRANTY IS GIVEN NOR IMPLIED BY REASON OF EXECUTION OR DELIVERY OF THIS RELEASE.

DATE OF RELEASE: Jan. 19, 2001

LIMITED SERVICE CORPORATION  
(NAME OF SECURITY HOLDER)

SIGNATURE (in ink) [Signature]

TITLE Kenneth B. Gilman  
President

A PERSON SIGNING FOR A CORPORATION MUST BE A CORPORATE OFFICER OR HOLD A MANAGERIAL POSITION AND MUST SHOW HIS TITLE. A PERSON SIGNING FOR ANOTHER SHOULD SEE PARTS 47 AND 49 OF THE FEDERAL AVIATION REGULATIONS (14 CFR)

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AIRCRAFT REGISTRATION BR  
2001 JUN 19 PM 11 54  
OKLAHOMA CITY  
OKLAHOMA

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<b>U.S. DEPARTMENT OF TRANSPORTATION</b> FEDERAL AVIATION ADMINISTRATION <b>CROSS-REFERENCE--RECORDATION</b>		SEE CONVEYANCE NO _____ FILING DATE: _____
This form is to be used in cases where a conveyance covers several aircraft and engines, propellers, or locations. File original of this form with the recorded conveyance and a copy in each aircraft folder involved.		
TYPE OF CONVEYANCE AIRCRAFT SECURITY AGREEMENT		DATE EXECUTED November 16, 2000
FROM REAL ESTATE EXCHANGE, INC.		DOCUMENT NO. K028213
TO OR ASSIGNED TO LIMITED SERVICE CORP.		DATE RECORDED December 18, 2000
<b>THE FOLLOWING COLLATERAL IS COVERED BY THE CONVEYANCE:</b>		
AIRCRAFT (List by registration number)		TOTAL NUMBER INVOLVED 1
[REDACTED]		
ENGINES		TOTAL NUMBER INVOLVED 3
MAKE(S) PRATT & WHITNEY JT8D-219 PRATT & WHITNEY JT8D-7B	SERIAL NO. [REDACTED]	
PROPELLERS		TOTAL NUMBER INVOLVED
MAKE(S)	SERIAL NO.	
SPARE PARTS --LOCATIONS		TOTAL NUMBER INVOLVED
LOCATION		
RECORDED CONVEYANCE FILED IN: [REDACTED] BOEING 727-31, SN: [REDACTED]		

AC FORM 8050-23 (1-96) (0052-00-582-6000)

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K028213

AIRCRAFT SECURITY AGREEMENT

Debtor: Real Estate Exchange, Inc.  
900 SW 5<sup>th</sup> Avenue  
Mezz. Level  
Portland, Oregon 97204

CONVEYANCE RECORDED

2000 DEC 18 PM 1 35

FEDERAL AVIATION  
ADMINISTRATION

Secured Party: Limited Service Corporation  
c/o Timothy P. Stehle  
The Limited, Inc.  
4387 International Gateway  
Columbus, Ohio 43219

Date: 11-16, 2000

Complete description of collateral being mortgaged:

Aircraft: FAA Registration Number - [REDACTED]  
Make and Model - Boeing 727-31  
Serial Number - [REDACTED]  
Engines: Two Pratt & Whitney engines, model number JT8D-219, serial numbers 726121 and 726122; and Pratt & Whitney engine, model number JT8D-7B, serial number 654373

Spare Parts Locations: None  
(not exhaustive)

together with all equipment and accessories attached thereto or used in connection therewith, all spare parts, all replacements, and all proceeds of the foregoing (whether accounts, general intangibles, instruments, documents, money, or goods), all of which are included in the term "Aircraft" as used herein.

1. GRANT OF LIEN AND SECURITY INTEREST

Section 1.01. Debtor hereby grants a lien on and security interest in the Aircraft to Secured Party for the purpose of securing the following obligations (the "Obligations") in the order named:  
003211455076  
\$5.00 11/16/2000

FIRST: The payment of all indebtedness evidenced by and according to the terms of that certain promissory note dated as of October 22, 1998, executed by Debtor and payable to the order of Secured Party in the aggregate principal amount of Forty-Two Million Dollars (\$42,000,000), with interest thereon at the rate of the prime rate of interest per annum announced from time to time by Bank One, N.A. (the "Prime Rate"), compounded from such

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\$5.00 11/16/2000

003211454135  
\$5.00 11/16/2000

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OKLAHOMA

SECOND: (1) The prompt and faithful discharge and performance of (a) each agreement of Debtor herein contained made with or for the benefit of Secured Party in connection with the Obligations secured hereby and (b) each of the other documents executed by Debtor in connection herewith or with the Note, and (2) the repayment of any sums expended or advanced by or on behalf of Secured Party or Debtor for the maintenance or preservation of the property mortgaged hereby or in enforcing Secured Party's rights hereunder or thereunder.

## 2. DEBTOR'S REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 2.01. Debtor hereby represents and hereby warrants to Secured Party that it is the absolute owner of all of the legal and equitable title to the Aircraft and in possession thereof and that the same is free and clear of all liens, encumbrances, and adverse claims whatsoever.

Section 2.02. Debtor hereby agrees to (a) maintain, at its expense and with reputable, licensed insurers, insurance naming it and Secured Party as named insureds in the following types and amounts: (i) hull insurance in amount not less than \$21,000,000; (ii) liability insurance in amount not less than \$300,000,000 per occurrence as respects ground risks; and, (iii) liability insurance in amount not less than \$300,000,000 with respect to the Aircraft for all times during which the Aircraft is engaged in flight operations; (b) convey or suffer to exist no interest in the Aircraft without the express written consent of Secured Party; and (c) indemnify and save and hold harmless Secured Party for and against any and all claims, losses or expenses arising out of Debtor's (i) possession, operation or use of the Aircraft or (ii) breach or failure to comply with any provision of the Note or this Security Agreement to be kept and performed by Debtor.

Section 2.03. Debtor will, at its own cost and expense, (a) record, re-record, register, re-register, file and refile this Security Agreement, financing and continuation statements with respect thereto, and such other instruments as may from time to time be requested by Secured Party in all such jurisdictions and offices as Secured Party may from time to time request in order that (i) the lien and security interest provided by this Security Agreement is at all times a valid first and prior lien on and perfected security interest in the Aircraft, and (ii) the security for the Obligations and the rights and remedies of Secured Party may be established, confirmed, maintained and protected; and (b) furnish to Secured Party evidence satisfactory to Secured Party of every such recording, registering, filing and other action.

Section 2.04. Debtor covenants, agrees and warrants that it will at all times defend and protect the lien and security interest created by this Security Agreement upon the Aircraft, and further covenants and agrees that it will hereafter from time to time, perform, execute, deliver and file or cause to be performed, executed, delivered and filed all such further and other acts, conveyances, transfers, instruments, financing statements, continuation statements and assurances as may be requested by Secured Party, for the better assuring, conveying, transferring, mortgaging, hypothecating and confirming unto Secured Party of all or any part of the Aircraft, whether now owned or hereafter acquired by Debtor, or for securing the rights and remedies of Secured Party.

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Section 2.05. (a) Debtor will, at its own cost and expense, inspect, service, repair and maintain the Aircraft, or cause the Aircraft to be inspected, serviced, repaired and maintained, in good operating condition, and will cause the airworthiness certification of the Aircraft to be maintained in good standing at all times under the Federal Aviation Act.

(b) Debtor shall, at its own cost and expense, replace or cause to be replaced all equipment and replacements which may from time to time be a part of the Aircraft and which from time to time may become worn out, lost, destroyed, confiscated or rendered unfit for use. Such equipment and replacements (i) shall be in as good operating condition and shall have a value and utility equal to that which the equipment or replacement being replaced would have had if it were in usual condition and good repair, and (ii) shall be owned by Debtor free and clear of all liens and encumbrances. All such equipment and replacements shall be and become a part of the Aircraft and shall be subject to all the terms of this Security Agreement. Replacements involving an engine and replacements involving major items of equipment shall be reported by Debtor to Secured Party promptly after such replacements are made, and such reports shall describe in reasonable detail the items so used as replacements and the items replaced thereby.

(c) Any part or item of property may be removed from the Aircraft in order that the same may be replaced, inspected, repaired, reconditioned or otherwise serviced without affecting or impairing the lien and security interest of Secured Party with respect to such part or item of property. However, no replacement or equipment subject to the lien imposed by this Security Agreement or other item of property useful in connection with the operation of the Aircraft shall be removed therefrom or replaced except in accordance with this Section 2.05 and for the purposes of such replacement, inspection, repair, reconditioning or other service operation.

Section 2.06. (a) Immediately after any engine which becomes a part of the Aircraft is replaced in accordance with the provisions of Section 2.05, Debtor will execute and deliver a supplement to this Security Agreement in form and substance satisfactory to Secured Party (the "Supplement"), which Supplement, among other things, shall cause the property described therein to be subject to the lien and security interest created under this Security Agreement.

Section 2.07. Debtor covenants and agrees that it will comply with all applicable federal, state, municipal, territorial and foreign laws, ordinances, regulations and rules applicable to any of the Aircraft, and that it will not cause or permit the Aircraft to be used or operated in any manner contrary to any such law, ordinance, regulation or rule. Debtor also agrees not to fly the Aircraft, or suffer the Aircraft to be flown or located, in any area excluded from coverage by any insurance policy in effect with respect to the Aircraft or required by the terms hereof. Debtor also agrees, without limiting the generality of the foregoing, (a) not to fly or suffer the Aircraft to be flown or located in any of the former so-called "Iron-Curtain" countries or areas, including without limitation Russia, Ukraine, Georgia, Hungary, the Czech Republic, the Slovak Republic, Croatia, Bosnia-Herzegovina, Bulgaria, Albania, Poland, Rumania, Latvia, Estonia, Lithuania, Viet Nam, China, Cuba and North Korea, or in any satellite country of, or any territory occupied by, or under control of, Russia or China, or in Iraq, Iran or Afghanistan; and (b) not to use, fly or locate any of the Aircraft, or suffer any of the Aircraft to be used, flown or located, in or near any recognized or threatened area of hostilities unless fully covered to Secured Party's satisfaction by

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war risk insurance or unless the Aircraft is operated or used under contract with the government of the United States of America under which contract such government assumes liability for any damage, loss, destruction or failure to return possession of the Aircraft at the end of the term of such contract.

(c) Debtor will not take any action, or suffer any omission, that would cause the Aircraft to be ineligible to be maintained under Part 91, subpart F, of the Federal Aviation Regulations.

Section 2.08. If Debtor shall default in the observance or performance of any of its agreements contained in this Security Agreement, Secured Party may do all acts and make all expenditures necessary to remedy each such default including, without limitation, entering upon or obtaining access to the Aircraft to make repairs upon the Aircraft and to purchase and discharge any lien or security interest, and Debtor shall give, or take all necessary steps to give, Secured Party access to the Aircraft for such purposes. Debtor shall promptly reimburse Secured Party, together with interest at a rate equal to two percent per annum in excess of the Prime Rate for any and all expenditures so made or incurred and such expenditures shall constitute part of the Obligations; provided, however, that Secured Party, though privileged so to do, shall be under no obligation to Debtor to make any such expenditures nor shall the making thereof relieve Debtor of any default in that respect.

Section 2.09. Debtor will permit and/or arrange for inspection by Secured Party, its officers, employees and agents, of the Aircraft and all maintenance and operational records on the Aircraft at any reasonable time and from time to time upon the request of Secured Party.

Section 2.10. (a) Debtor shall maintain such log books and other records pertaining to the Aircraft required by the rules and regulations of the Federal Aviation Administration. Debtor shall keep accurate and complete books and records regarding the Aircraft in accordance with generally accepted accounting principles. For the purpose of establishing the location and value of the Aircraft, Debtor shall furnish to Secured Party information adequate to identify the Aircraft at such times and in such form and substance as may be requested by Secured Party. Debtor shall permit and arrange for Secured Party to review such log books, books and records upon written request and shall furnish Secured Party with such additional information relating to the Aircraft as Secured Party shall reasonably request.

(b) Debtor represents and warrants that the site at which the Aircraft will be permanently hangared or located (its "Permanent Site") is accurately and completely set forth on Exhibit A attached to this Security Agreement and that an exhibit to each Supplement will accurately and completely set forth the Permanent Site of any additional engines which become part of the Aircraft. Debtor shall not change, or permit to be changed, the Permanent Site of Aircraft, except to such new location as it may establish in accordance with paragraph (d) of this Section 2.10. In the event that the Aircraft is to be removed from its Permanent Site to a location within the United States of America for more than 180 days (or more than 60 days with respect to any such engine of less than 750 horsepower which is removed to the State of Louisiana), Debtor shall give Secured Party written notice of this fact, including information concerning proposed temporary locations, the length of time it is expected to be removed from its Permanent

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Site and such other information in connection therewith as Secured Party may reasonably request. The Aircraft shall not be removed from its Permanent Site to a location outside of the United States of America for any period of time without first notifying Secured Party in writing at least 30 days in advance of such removal; provided, however, that this prohibition shall not apply to routine flights from or to the United States of America in the ordinary course of business.

(c) Debtor represents and warrants that Debtor has its principal business office at, and all of the original books of account and records of Debtor relating to the Aircraft are kept at, the address set forth for Debtor at the beginning of this Security Agreement. Neither the location of Debtor's principal office nor the location where such books of account and records are kept will be changed except in accordance with paragraph (d) of this Section 2.10.

(d) Debtor will not establish any different location for the Permanent Site of the Aircraft, or for the place where the books of account and records on the Aircraft are kept, until (i) it shall have given to Secured Party written notice, at least 10 days before doing so, of its intention to establish such new location, clearly describing each such new location and providing such other information in connection therewith as Secured Party may reasonably request, and (ii) with respect to each such new location, it shall have taken such action, satisfactory to Secured Party, as may be necessary to maintain the security interest of Secured Party in the Aircraft granted hereunder at all times fully perfected and in full force and effect.

Section 2.11. Debtor will immediately notify Secured Party of any change, of which Debtor has knowledge, which materially and adversely affects or may materially and adversely affect either Secured Party's or Debtor's right, title or interest in or to, or the value of, the Aircraft.

Section 2.12. Debtor will pay when due any and all taxes, charges and assessments which are levied upon or with respect to the Aircraft and the operation thereof.

Section 2.13. Debtor will furnish to Secured Party or make available to Secured Party for review as and when requested by Secured Party any information or documentation or records reasonably requested by Secured Party.

### 3. DEFAULT; REMEDIES

Section 3.01. Time is of the essence of this Security Agreement. It is hereby agreed that, if default be made in the payment of any part of the principal or interest of the Note secured hereby at the time and in the manner therein specified, or if any breach be made of any of the other Obligations, or if any or all of the property covered hereby be hereafter sold, leased, transferred, mortgaged, or otherwise encumbered without the written consent of Secured Party first had and obtained, or in the event of attachment or seizure of the Aircraft under execution or other legal process, or if for any other reason Secured Party may deem itself insecure (each an "Event of Default"), then the whole principal sum unpaid upon the Note, with the interest accrued thereon, or advanced under the terms of this Security Agreement, or secured thereby, and

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the interest thereon, shall immediately become due and payable at the sole option of Secured Party.

Section 3.02. Upon the occurrence of any Event of Default, but subject always to any mandatory requirement of applicable law, Secured Party may, by notice to Debtor:

(a) Take possession of all or any part of the Aircraft then subject to this Security Agreement and all of the rights of Debtor therein shall forthwith be surrendered to Secured Party, and Secured Party may by its agents, or otherwise, take possession of the Aircraft wherever found, with or without notice or process of law and without being responsible for any loss or damage, and for that purpose may enter upon any premises of Debtor without liability for suit, action or other proceeding by Debtor and remove the same. Secured Party, without being responsible for loss or damage, may hold, store and/or use, operate, manage and control the Aircraft, and may collect and receive all tolls, rents, revenues, issues and profits of the Aircraft and every part thereof, until:

(i) the Aircraft is sold pursuant to this Section 3.02; or

(ii) the Obligations are satisfied and paid in full, at which time Secured Party shall deliver to the person or persons entitled thereto all of the Aircraft then held by Secured Party under this paragraph (a) of this Section 3.02.

(b) Secured Party shall be deemed to have exercised reasonable care in the custody and preservation of such of the Aircraft as may be in Secured Party's possession if Secured Party takes such action for that purpose as Debtor shall request in writing, provided that Secured Party shall not be required to take any such requested action if, in the judgment of Secured Party, such action would impair Secured Party's security interest in the Aircraft or its rights in, or the value of, the Aircraft, and provided further that such written request is received by Secured Party in sufficient time to permit Secured Party to take the requested action. Debtor acknowledges that failure of Secured Party to comply with any such request shall not of itself be deemed a failure to exercise reasonable care, and no failure of Secured Party to preserve or protect any rights with respect to the Aircraft against prior parties, or to do any act with respect to the preservation of the Aircraft not so requested by Debtor, shall be deemed to be a failure to exercise reasonable care in the custody or preservation of the Aircraft.

(c) Secured Party may, by its agent or otherwise, sell at public auction the Aircraft, or any part thereof, upon such conditions as to price, terms of payment and such other terms of sale as Secured Party may fix.

(d) Notice of any sale pursuant to this Section 3.02 shall state the time when, and the place where, such sale is to be made, shall contain a brief description of the property to be sold and shall be deemed reasonable if it is mailed to Debtor at least 10 days before the date of such sale. Such sale may be held at any place where sales or public auctions are customarily held in the City of Columbus, State of Ohio, or in any city or county in a state where the Aircraft to be sold is located.

39-8

39-8

(e) Secured Party, with or without taking possession of the Aircraft, may take legal proceedings for:

(i) the specific performance of any covenant or agreement herein contained or in aid of the execution of any right or power herein granted;

(ii) foreclosure hereunder;

(iii) the sale, under the judgment or decree of any court of competent jurisdiction, of the Aircraft or any part thereof;

(iv) the appointment of a receiver or receivers pending any foreclosure hereunder or the sale of the Aircraft under an order of a court of competent jurisdiction or under executory or other legal process;

(v) the recovery of judgment for the outstanding balance of the Obligations and the collection of the same out of any properties of Debtor; or

(vi) the enforcement of any other appropriate remedy, and Secured Party shall be entitled, as a matter of right, to the appointment of a receiver of all or any part of the Aircraft.

Section 3.03. Debtor hereby irrevocably appoints Secured Party, its agents and attorneys, successors and assigns, and each of them, the true and lawful attorneys of Debtor, in its name and stead, to make all necessary transfers of any part or all of the Aircraft in connection with any sale or other disposal thereof made pursuant to Section 3.02, and for that purpose they may execute all necessary instruments of assignment and transfer, Debtor hereby ratifying and confirming all that its said attorneys shall lawfully do by virtue hereof. Nevertheless, Debtor shall, if so requested by Secured Party, ratify and confirm any such sale or other Aircraft disposal by executing and delivering to the transferee of any part or all of the Aircraft such proper bill of sale, conveyance, instrument of transfer, release or other document as may be designated in such request.

#### 4. MISCELLANEOUS

Section 4.01. Any notices hereunder shall be given to the parties at their respective addresses set forth herein.

Section 4.02. This Security Agreement is to be interpreted under the local laws of the State of Ohio, except only to the extent of United States federal laws of mandatory application.

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IN WITNESS WHEREOF, the parties hereto have executed and sealed this Agreement on the day and year first above written.

ACKNOWLEDGMENT:

DEBTOR:

REAL ESTATE EXCHANGE, INC.

\_\_\_\_\_

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

Print Name: \_\_\_\_\_

Its: \_\_\_\_\_

ACKNOWLEDGMENT:

SECURED PARTY:

LIMITED SERVICE CORPORATION

Sam Z. Jaffe

By: Timothy B. Lyons

Print Name: TIMOTHY B. LYONS

Title: V.P.

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IN WITNESS WHEREOF, the parties hereto have executed and sealed this Agreement on the day and year first above written.

ACKNOWLEDGMENT:

*John F. Burt*

DEBTOR:

REAL ESTATE EXCHANGE, INC.

By: *Vonda K. Gora*  
Print Name: Vonda K. Gora  
Its: Secretary

ACKNOWLEDGMENT:

\_\_\_\_\_

SECURED PARTY:

LIMITED SERVICE CORPORATION

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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