

GE Commercial  
Finance  
Global Asset  
Management

Brian Huber  
Manager Aircraft Remarketing

83 Wooster Heights, Lee Farm  
Danbury, CT 06810



March 22, 2016

Mr. Stephen Hanson  
SFS, LLC  
c/o Muchnick, Golieb & Golieb, P.C.  
200 Park Avenue South, Suite 1700  
New York, New York 10003

Dear Mr. Hanson:

Path Air, LLC ("Seller") is pleased to submit to SFS, LLC ("Buyer") this proposal ("Proposal") regarding the sale of a certain Gulfstream 550 s/n 5017, N62MS (the "Airframe"); equipped with two Rolls Royce BR710C4-11 engines, serial numbers 15137 and 15136 (the "Engines"); one Honeywell RE220(GV) auxiliary power unit, s/n P-327 ( the "APU"); together with all of the equipment and accessories installed thereon, as well as all related log books, records and manuals, spare parts, and loose or support equipment related to said aircraft to the extent any of the foregoing are in Seller's possession or under Seller's control (hereinafter collectively the "Aircraft"). Seller further agrees that upon Buyer's signature and return of this Proposal, Seller shall not further solicit, entertain or accept additional offers with respect to the Aircraft until such time as the transaction as contemplated herein is consummated or terminated according to the provisions set forth below.

Seller hereby proposes to sell the Aircraft to Buyer for a purchase price equal to the sum of Eighteen Million Five Hundred Thousand United States Dollars (\$18,500,000.00) plus any applicable sales or other taxes (the "Purchase Price"). The sale of the Aircraft shall be on an "as-is, where-is basis", without any recourse or warranty of any kind, expressed or implied from

Seller, except as provided in the Aircraft Limited Warranty Bill of Sale in the form attached hereto as Appendix II.

The terms of the proposed sale shall be as follows:

- 1) The Aircraft will be available for pre-purchase inspection immediately following completion of Seller's preliminary "know your customer" and other disclosure requirements to the satisfaction of Seller in its sole discretion so that Buyer may determine whether the Aircraft is in acceptable condition. The pre-purchase inspection shall consist of a log book review, engine borescopes and a test flight not to exceed two hours in duration with not more than three (3) representatives of Buyer on board to act as observers only subject to such representatives satisfying Seller's passenger screening requirements and executing a passenger waiver in form acceptable to Seller (collectively, the "Inspection") at the Pentastar Aviation facility in Waterford, MI (the "Inspection Facility"). Buyer shall be solely responsible for all costs associated with the Inspection, including the cost of the test flight. Buyer, in its sole and absolute discretion, shall have two (2) Business Days (as defined in Section 18) from completion of the Inspection and receipt by Buyer of the final written pre-purchase inspection report (the "Report") which Buyer shall instruct the Inspection Facility to promptly deliver to Buyer to accept or reject the Aircraft for purchase. Such acceptance or rejection shall be in writing to Seller in the form of the Certificate of Pre-Delivery Acceptance or Rejection to Seller set forth as Appendix I.

If Seller notifies Buyer that it is not satisfied with the results of Seller's preliminary "know your customer" and other disclosure requirements, or if Buyer exercises its right to reject the Aircraft, or if Buyer does not deliver a completed Certificate of Pre-Delivery Acceptance or Rejection to Seller within two (2) Business Days after completion of the Inspection and receipt by Buyer of the Report, Buyer shall be deemed to have rejected the Aircraft. In any such case, either party shall have the right to terminate this Proposal by written notice to the Escrow Agent referred to below and the other party. In that event, (i) the Escrow Agent shall immediately, and without regard to any notices or demands from Seller or any other person, refund the Deposit referred to below to Buyer, and (ii) thereafter, this Proposal shall terminate.

- 2) Not as a representation or warranty of any kind by Seller but instead solely as the purpose of Buyer's Inspection, Buyer shall verify the following during the Inspection: (i) all calendar and hourly inspections of the Aircraft which are required to be completed by the date of the Closing (as defined in Section 5 below) are current without deferment or extension; (ii) all Mandatory Service Bulletins and Airworthiness Directives which are required to be completed by the date of the Closing have been complied with, without deferment or extension; and (iii) the Aircraft is in airworthy condition, with a current and valid Standard Airworthiness Certificate with no exceptions or limitations. To the extent any Airworthiness Discrepancies are found during the Inspection by the Inspection Facility, Seller shall be responsible to pay directly to the Inspection Facility, invoices of the Inspection Facility for

the correction of such Airworthiness Discrepancies at its sole expense. For purposes hereof, "Airworthiness Discrepancy" shall mean any discrepancy that must be repaired in order for the Aircraft to be returned to service by the Inspection Facility.

- 3) Not later than one Business Day following Buyer's acceptance of this Proposal, Buyer shall wire transfer to Insured Aircraft Title Service, Oklahoma City, Oklahoma, (the "Escrow Agent") a refundable good faith deposit in the amount of Five Hundred Thousand United States Dollars (US\$500,000.00) (the "Deposit") which, after the Aircraft is accepted by Buyer, shall, except as otherwise expressly provided in this Proposal, be credited toward the Purchase Price due on Closing. Buyer shall be responsible for any and all Escrow Agent fees associated with this proposed sale and shall ensure that the Escrow Agent verifies the origin of the Purchase Price and the Deposit to the satisfaction of Seller. To that end, Buyer hereby irrevocably authorizes Escrow Agent to release to Seller the inbound wire report for funds wired to the Escrow Agent as part of the Deposit and the Purchase Price. Upon acceptance of the Aircraft pursuant to Paragraph 1 above, the Deposit shall, except as otherwise expressly provided in this Proposal, be deemed fully earned and non-refundable. If the Aircraft is rejected in accordance with Paragraph 1, the Deposit shall be immediately returned to Buyer.
- 4) To the extent permitted by the applicable service program provider, Seller shall cooperate with Buyer, at Buyer's sole cost and expense, to transfer to Buyer on Closing the Rolls-Royce Corporate Care contract covering the Engines as well as any other pre-existing contracts, subscriptions and service programs in respect of the Aircraft, each of which shall be current, up-to-date, paid in full for all amounts incurred through the Closing Date (as defined below). Buyer shall be responsible for any ongoing hourly payments and any other amounts incurred after the Closing due under such contracts, subscriptions and service programs and for any transfer fees charged by the providers thereof, as well as the administration and execution of contracts for continued enrollment on such programs from and after the Closing.
- 5) The parties acknowledge and agree that the passing of title and formal delivery of the Aircraft to Buyer (the "Closing") shall take place on a Business Day that is not more than three Business Days after the date of completion of the Inspection and receipt by Buyer of the Report unless Airworthiness Discrepancies have been identified in which case the Closing shall take place on a Business Day that is not more than three Business Days after the date all Airworthiness Discrepancies have been corrected, unless extended to another date by mutual agreement of Buyer and Seller (the "Closing Date"). The Closing Date must be a Business Day on which the FAA Registry is fully open for filing title documents. At the time of Closing, the Aircraft shall be located at the TBD (the "Delivery Location").
- 6) The Closing shall take place only after the following conditions precedent have been satisfied:

- (a) Seller's obligation to sell and deliver the Aircraft to Buyer on the Closing Date shall be subject to the satisfaction by Buyer of each of the conditions precedent set forth below:
- (i) On or before the Closing Date, Buyer shall have delivered to the FAA Counsel (as defined in Section 7 below) in escrow, (A) an executed undated FAA Form 8050-1, "Aircraft Registration Application," registering the Aircraft to Buyer; (B) an Aircraft Limited Warranty Bill of Sale executed by Buyer but undated; and (C) an original copy of the Aircraft Delivery Receipt in form attached hereto as Appendix III duly executed by Buyer but undated,
  - (ii) On or before the Closing Date, Buyer shall have delivered to the Escrow Agent, in escrow, funds equal to the amount of the Purchase Price, plus any unpaid Flight Costs due to Seller, plus the Escrow Agent's fee;
  - (iii) Seller shall have determined that Buyer has fulfilled Seller's know your customer and other disclosure requirements as determined by Seller in its sole discretion; and
  - (ii) At the time of Closing, Buyer shall not be in breach or default of any of the covenants, agreements and conditions required to be performed or complied with by Buyer prior to the Closing.
- (b) Buyer's obligation to purchase and accept delivery of the Aircraft from Seller on the Closing Date shall be subject to the satisfaction by Seller of each of the conditions precedent set forth below:
- (i) On or before the Closing Date, Seller shall have delivered to the FAA Counsel, in escrow: (A) an executed undated FAA Form 8050-2, "Aircraft Bill of Sale", transferring ownership of the Aircraft to Buyer; (B) an Aircraft Limited Warranty Bill of Sale executed by Seller but undated; (C) releases of any liens and encumbrances created by Seller or any person claiming by, through or under Seller ("Seller Liens") to which the Aircraft is subject, if any, in a form reasonably satisfactory to Buyer and any entity to which Buyer grants a purchase money security interest in the Aircraft;
  - (ii) The Aircraft shall be at the Delivery Location, with all Airworthiness Discrepancies corrected;
  - (iii) At the time of Closing, the Aircraft shall be free of Seller Liens at the FAA Registry and the International Registry (as defined in Section

7(a)(vii) below) other than Seller Liens that will be discharged out of amounts and/or documents then held in escrow by the Escrow Agent; and

(iv) Seller shall not be in breach or default of any of the covenants, agreements and conditions required to be performed or complied with by Seller prior to the Closing.

(c) On the Closing Date and subject to satisfaction (or written waiver by Seller) of the conditions precedent set forth in Section 6(a) above, Seller shall deliver the Aircraft to Buyer and Buyer shall subject to satisfaction (or written waiver by Buyer) of the conditions precedent set forth in Section 6(b) above accept delivery of the Aircraft from Seller at the Delivery Location in accordance with the procedures set forth in Section 7 below.

(7) Subject to the satisfaction of the conditions precedent to Closing set forth in Section 6(a) and Section 6(b) above, the closing shall be conducted by the parties via conference call (the "Closing Conference Call") with Daugherty, Fowler, Peregrin, Haught & Jenson ("FAA Counsel") and the Escrow Agent participating in the call. Seller shall pay the entire cost of FAA Counsel.

(a) At the Closing, after the representatives of each of the parties hereto and FAA Counsel and Escrow Agent have announced their attendance on the Closing Conference Call, the following shall occur:

(i) Seller shall confirm that Buyer has fulfilled Seller's know your customer and other disclosure requirements as determined by Seller in its sole discretion;

(ii) The Escrow Agent shall confirm that it is holding in escrow funds equal to the entire Purchase Price, plus any amounts due from Buyer to Seller for Flight Costs, plus the Escrow Agent's fee;

(iii) FAA Counsel shall confirm that it is holding each of the following documents: (A) an Aircraft Registration Application (AC Form 8050-1) covering the Airframe of the Aircraft duly executed by Buyer, but undated, (B) an original copy of the Aircraft Delivery Receipt in form attached hereto as Appendix III duly executed by Buyer but undated, (C) an original FAA Form 8050-2 Aircraft Bill of Sale duly executed by Seller, but undated, and (D) two counterparts of an original Aircraft Limited Warranty Bill of Sale, one duly executed by Seller and the other duly executed by Buyer, but undated; and

(iv) FAA Counsel shall confirm that the records of the FAA and the International Registry then reflect that Seller is the record owner of the Airframe

and the two Engines, free and clear of all recorded liens, claims and encumbrances (and FAA Counsel shall so advise the participants on the Closing Conference Call).

(v) Provided that each of the confirmations set forth in clauses (i) – (iv) above has been made, Buyer shall immediately instruct Escrow Agent to wire the Purchase Price, plus any amounts due to Seller for Flight Costs to Seller in accordance with the wire transfer instructions previously provided to the Escrow Agent by Seller.

(vi) After Escrow Agent's representative has announced to the participants on the Closing Conference Call that Escrow Agent has initiated the above described wire transfer of the Purchase Price to Seller's account, Seller shall, as promptly as is possible, obtain confirmation from its bank that the wire transfer of the Purchase Price has been received and, immediately thereupon, (A) Seller's representative shall announce the confirmation of such receipt to the other participants on the Closing Conference Call, (B) FAA Counsel shall immediately date and file each of the original FAA Form 8050-2 Aircraft Bill of Sale and the Aircraft Registration Application (AC Form 8050-1) with the FAA for recordation and, upon doing so, shall then notify each of the participants on the Closing Conference Call of the time of filing of each of such documents, and (C) FAA Counsel shall date and release the Aircraft Limited Warranty Bill of Sale executed by Seller out of escrow to Buyer and the Aircraft Limited Warranty Bill of Sale executed by Buyer and the Aircraft Delivery Receipt to Seller.

(vii) Immediately upon confirmation that such documents have been filed with the FAA, FAA Counsel, as Buyer's "professional user entity," shall initiate a "sale" filing with respect to the Airframe and Engines at the International Registry in favor of Buyer, and FAA Counsel, as Seller's "professional user entity," shall discharge any registration with the International Registry established pursuant to the Convention on International Interests on Mobile Equipment and Protocol thereto on Matters specific to Aircraft Equipment on the Aircraft ( the "International Registry") of any other international interest, sale, prospective international interest or prospective sale with respect to the Airframe or Engines, and consent to Buyer's registration of a sale with respect to the Airframe and Engines.

(b) The parties agree that each of the steps set forth in Section 7(a)(v)-(vii) is interdependent with all of the others. Once the Closing process described in Section 7(a)(v)-(vii) has begun, it shall be irrevocable, and no one shall have any right to demand or to comply with any demand that the process be stopped prior to completion of each of the foregoing steps.

- 8) Buyer expressly acknowledges that, THE AIRCRAFT IS SOLD TO BUYER ON AN "AS IS", "WHERE IS" BASIS WITHOUT RECOURSE TO, OR WARRANTY OF ANY KIND OR NATURE BY, SELLER EXCEPT THE WARRANTIES EXPRESSLY SET FORTH IN SECTION 11(B) BELOW AND IN THE AIRCRAFT LIMITED WARRANTY BILL OF SALE. THE WARRANTIES SET FORTH HEREIN AND THEREIN ARE EXCLUSIVE AND IN SUBSTITUTION FOR, AND BUYER HEREBY WAIVES, RELEASES AND RENOUNCES, ANY AND ALL OTHER WARRANTIES, INCLUDING, WITHOUT LIMITATION, ANY SUCH WARRANTIES CONTAINED IN THE AIRCRAFT LOGBOOKS OR OTHER AIRCRAFT DOCUMENTATION, WHICH BUYER MAY HAVE AGAINST SELLER ARISING BY LAW OR OTHERWISE, WITH RESPECT TO ANY DEFECT IN THE AIRCRAFT WHETHER OR NOT DISCOVERABLE BY SELLER OR BUYER. THE PARTIES SPECIFICALLY STATE, ACKNOWLEDGE AND AGREE THAT REGARDING THE CONDITION OF THE AIRCRAFT, THERE IS: (A) NO WARRANTY AS TO THE AIRWORTHINESS OR CONDITION OF THE AIRFRAME, ENGINES OR ANY COMPONENT OR OTHER ITEM DELIVERED PURSUANT HERETO; (B) NO IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR USE; (C) NO IMPLIED WARRANTY ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE; (D) NO OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY IN TORT, WHETHER OR NOT ARISING FROM THE ACTUAL OR IMPUTED NEGLIGENCE OF EITHER SELLER OR BUYER OR THEIR ASSIGNS; AND (E) NO OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY FOR LOSS OF OR DAMAGE TO ANY TANGIBLE OR INTANGIBLE THING, FOR LOSS OF USE, REVENUE, PROFIT OR TAX BENEFIT, OR FOR ANY OTHER DIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND.
- 9) The parties hereto hereby agree that except as expressly provided in Section 7(a)(vii) above, no registrations of the Aircraft at the International Registry will be registered, requested or demanded by either party hereto. Buyer hereby agrees that as between Seller and Buyer that this Proposal does not create any "international interest", "prospective sale" or except as expressly provided in Section 7(a)(vii) above, any "contract of sale" in favor of Buyer. Buyer hereby specifically waives the provisions of Articles 11(2) and 13(2) of the Convention and Article IX (6) of the Protocol.
- 10) Risk of loss or destruction of, and damage to, the Aircraft shall pass to Buyer at the time the FAA Aircraft Bill of Sale is filed with the FAA. If the Aircraft is destroyed prior to that time, (i) the Escrow Agent shall immediately, and without regard to any notices or demands from Seller or any other person, refund the Deposit referred to below to Buyer, and (ii) thereafter, this Proposal shall terminate. If the Aircraft is damaged prior to that time, Buyer shall have the right to terminate this Proposal on written notice to Seller and the Escrow Agent. In that case, (A) the Escrow Agent shall immediately, and without regard to any notices or demands from Seller or any other person, refund the Deposit referred to below to Buyer, and (B) thereafter, this Proposal shall terminate.

11) (a) By executing this Proposal, Buyer hereby represents and warrants to Seller that on the date hereof and as of the Closing Date as follows: (A) Buyer is and will be in full compliance with all laws and regulations applicable to it including, without limitation, (i) ensuring that no person who owns a controlling interest in or otherwise controls Buyer is or shall be (Y) 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 (Z) 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 (ii) compliance with all applicable Bank Secrecy Act ("**BSA**") laws, regulations and government guidance on BSA compliance and on the prevention and detection of money laundering violations; (B) Buyer has adequate power and capacity to enter into, and perform under, the transaction as described herein and is duly qualified to do business wherever necessary to carry on its present business and operations; (C) this Proposal has been duly authorized, executed and delivered by Buyer and upon Buyer's acceptance of the Aircraft pursuant to Paragraph 1 above will constitute a valid, legal and binding agreement, enforceable in accordance with its terms, except to the extent that the enforcement of remedies may be limited under applicable bankruptcy and insolvency laws; (D) no approval, consent or withholding of objections is required from any governmental authority or entity with respect to the entry into or performance by Buyer of the transaction described herein except such as have already been obtained; and (E) the entry into and performance by Buyer of the transactions described herein do not and will not: (i) violate any judgment, order, law or regulation applicable to Buyer or any provision of Buyer's organizational documents; or (ii) result in any breach of, constitute a default under or result in the creation of any lien, charge, security interest or other encumbrance pursuant to any indenture, mortgage, deed of trust, bank loan or credit agreement or other instrument to which Buyer is a party. The representations and warranties with respect to Buyer set forth in this Section 11(a) shall survive the Closing.

(b) By executing this Proposal, Seller hereby represents and warrants to Seller that on the date hereof and as of the Closing Date as follows: (A) Seller has title to the Aircraft and will at Closing convey to Buyer title to the Aircraft, free and clear of all Seller Liens; (B) Seller has adequate power and capacity to enter into, and perform under, the transaction as described herein and is duly qualified to do business wherever necessary to carry on its present business and operations with respect to the Aircraft; (C) this Proposal has been duly authorized, executed and delivered by Seller and upon Buyer's acceptance of the Aircraft pursuant to Paragraph 1 above will constitute a valid, legal and binding agreement, enforceable in accordance with its terms, except to the extent that the enforcement of remedies may be limited under applicable bankruptcy and insolvency laws; (D) no approval, consent or withholding of objections is required from any governmental authority or entity with respect to the entry into or performance by Seller of the transaction described herein except such as have already been obtained; and (E) the entry into and performance by Seller

of the transactions described herein do not and will not: (i) violate any judgment, order, law or regulation applicable to Seller or any provision of Seller's organizational documents; or (ii) result in any breach of, constitute a default under or result in the creation of any lien, charge, security interest or other encumbrance pursuant to any indenture, mortgage, deed of trust, bank loan or credit agreement or other instrument to which Seller is a party. The representations and warranties with respect to Seller set forth in this Section 11(b) shall survive the Closing.

- 12) Neither party shall be liable for any failure or delay in closing the transaction contemplated hereby (other than for delay in the payment of money due and payable hereunder unless caused by a failure of the Federal Reserve wire transfer system) to the extent said failures or delays are proximately caused by events or circumstances beyond that party's control and occurring without its fault or negligence, including, without limitation, Acts of God or any governmental agency or authority, or any casualty occurrence or damage affecting the Aircraft (any such event, a "Force Majeure Event"). If such Force Majeure Event continues for ten (10) days from the onset, either party may terminate this Proposal, in which case, the terminating party shall notify the other party in writing of its intent to terminate this Proposal and instruct the Escrow Agent to return the Deposit to Buyer. In that event, the Escrow Agent shall immediately refund the Deposit to Buyer, and thereafter this Proposal shall terminate.
- 13) Except with respect to Seller's agreement that upon Buyer's signature and return of this Proposal, it will not further solicit, entertain or accept additional offers with respect to the Aircraft until such time as the transaction contemplated hereby is consummated or terminated according to the provisions hereof and the requirements set forth in Paragraph 1 and Paragraph 3 and as described in this paragraph, this Proposal (i) is not intended to, and does not create any binding legal obligation on either party; (ii) is not, and is not to be considered to be, a commitment by Seller or Buyer or any of their respective affiliates to enter into the proposed sale; (iii) is an expression of both parties' interest to consider the transaction generally based upon the terms and conditions outlined herein; and (iv) **notwithstanding anything in this Proposal to the contrary, upon written acceptance by the Buyer of the Aircraft pursuant to Paragraph 1 hereof, this Proposal shall become a fully valid agreement that is binding on both Seller and Buyer and enforceable against each of them in accordance with its terms, notwithstanding any reference to such agreement as a "Proposal". Notwithstanding such written acceptance of the Aircraft pursuant to Paragraph 1 hereof,** such commitment and agreement may be terminated by Seller at any time upon (i) Buyer's failure to meet Seller's "know your customer" and other disclosure requirements as determined by Seller in its sole discretion or (ii) Buyer's failure to comply with any term or condition hereof, which failure has not been cured within three Business Days after Buyer receives written notice from Seller specifying such default. Buyer acknowledges that this Proposal is being provided by Seller to Buyer prior to Seller having

completed its internal “know your customer” and other disclosure requirements. Seller shall not be responsible in any way for any costs and expenses incurred by Buyer in connection with the transactions described herein in the event that Buyer fails to meet Seller’s “know your customer” and other disclosure requirements. Notwithstanding anything in this Proposal to the contrary, if, at any time prior to completion of the Closing, Seller notifies Buyer that it has failed to satisfy Seller’s internal “know your customer” and other disclosure requirements, Seller shall instruct Escrow Agent to return the Deposit to Buyer. In that event, (i) the Escrow Agent shall immediately, and without regard to any notices from or demands or consents by Seller or any other person, refund the Deposit to Buyer, and (ii) thereafter, this Proposal shall terminate.

- 14) This Proposal and the rights hereunder shall not be assigned by Buyer without the prior written consent of Seller and any such attempted sale shall be void *ab initio*; provided, however, that subject to satisfaction of Seller’s know your customer requirements as determined by Seller in its sole and reasonable discretion and execution of a written assignment document in form acceptable to Seller, Buyer may assign its interests in this Proposal to a lender providing financing to Buyer in connection with this transaction. No assignment shall relieve the assignor of any of its obligations under this Proposal. This Proposal shall be governed by the laws of the State of New York without regard to conflicts of law principles other than Section 5-1401 and Section 5-1402 of the New York General Obligations Law. Each party hereby irrevocably submits to the exclusive jurisdiction of the federal and state courts located in the State and County of New York in connection with any legal action, suit or proceeding with respect to any matter relating to or arising out of or in connection with this Proposal and fully waives any objection to the venue of such courts. To the fullest extent permitted by applicable law, each party hereby waives, and agrees not to assert, by way of motion, as a defense or otherwise, in any such suit action or proceeding any claim that is not personally subject to the jurisdiction of the above-named courts, that the suit, action or proceeding is brought in an inconvenient forum, or that the venue of the suit, action or proceeding is improper. Each party hereby unconditionally waives its rights to a jury trial of any claim or cause of action arising out of the transactions contemplated by this Proposal.
- 15) To help the government fight the funding of terrorism and money laundering activities, Seller is required to obtain, verify and record information that identifies each person who enters into a transaction with Seller. What this means for Buyer is that when the transaction contemplated hereby is consummated, Seller will ask for Buyer’s name, address, and other information that will allow Seller to identify Buyer and Buyer’s beneficial owners and related parties to the satisfaction of Seller. Seller may also ask to see identifying documents. Buyer hereby agrees to provide Seller with such requested information.
- 16) Seller shall be responsible for, and hereby agrees to pay, any sales, use, excise and property taxes or any other taxes or tariffs assessed or levied by any taxing or governmental authority with respect to the purchase, ownership, operation, importation or exportation of the Aircraft prior to the Closing. Seller shall be responsible for, and hereby agrees to pay any income

taxes imposed on Seller as a result of the sale of the Aircraft to Buyer hereunder, and any deferred taxes assessed and/or pertaining to events having occurred prior to the Closing. Buyer shall be responsible for, and hereby agrees to pay, any sales, use, excise and property taxes or any other taxes or tariffs assessed or levied by any taxing or governmental authority upon or as a result of the sale and purchase of the Aircraft hereunder or the ownership, operation, importation or exportation of the Aircraft on or after the Closing.

- 17) Each party agrees that it will treat the Purchase Price as confidential and will not, without the 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, brokers, industry advisors, consultants or its successors or permitted assigns or as may reasonably be believed to be required by subpoena, 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.
- 18) All notices and other communications required or permitted to be given under this Proposal shall be in writing and either hand-delivered or sent by PDF attachment to e-mail or nationally-utilized overnight delivery service on a priority basis, addressed as set forth in Appendix IV. Notices given by e-mail (other than PDF), fax or postal service shall not be effective. Any person may change its address for receipt of notices by written notice given as prescribed above. Notices shall be deemed to have been given and made on the Business Day on which hand-delivered or sent by PDF, or one Business Day after having been sent by nationally-utilized overnight delivery service on a priority basis. For all purposes of this Proposal, the term "Business Day" means any day (other than a Saturday or Sunday) on which banks in New York, New York are required or authorized to open for business.
- 19) Each party represents that it has not entered into any agreement for consulting fees, commissions, brokerage fees or similar fees to be paid in connection with the transactions contemplated by this Proposal that would become the obligation of the other party. Buyer agrees to be responsible for and to pay the fees and expenses of TBD in connection with the transactions contemplated by this Proposal in accordance with the terms and conditions of a separate agreement between them. Seller agrees to be responsible for and to pay the fees and expenses of Dallas Jet International, LP in connection with the transactions contemplated by this Proposal in accordance with the terms and conditions of a separate agreement between them.
- 20) This Proposal (including all Appendices) may for all purposes be executed in several counterparts, each of which shall be deemed an original, and all such counterparts, taken together, shall constitute one and the same instrument, even though all parties may not have executed the same counterpart. Each party may transmit its signature by PDF to the other party, and any signature and/or counterpart sent in this manner shall have the same force and effect as a manually executed original.

- 21) This Proposal (including the Appendices hereto) sets forth the entire understanding between the parties with respect to sale and purchase of the Aircraft and supersedes any and all other agreements, understandings, communications, representations or negotiations, whether oral or written, relating thereto. This Proposal may not be modified, waived or amended other than by an instrument in writing executed by both Seller and Buyer.

**(signature page follows)**

If you are in concurrence with the terms of this Proposal, please acknowledge by signing the acceptance below and returning it by pdf to brian.huber@ge.com by 5:00 p.m. on March 28, 2016.

Should you have any questions, please contact me on (203) 546-4495.

Sincerely,

PATH AIR, LLC

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

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

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

of GE Capital US Holdings, Inc., its attorney in fact

The foregoing Proposal is hereby accepted:

SFS, LLC

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

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

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

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

ESCROW AGENT:

Insured Aircraft Title Service hereby accepts the terms and conditions of this Proposal and agrees to perform and discharge all of the duties and obligations of the Escrow Agent hereunder strictly in accordance with the terms hereof:

Insured Aircraft Title Service

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

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

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

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

## Appendix I

### CERTIFICATE OF PRE-DELIVERY CONDITIONAL ACCEPTANCE OR REJECTION

CHOOSE ONE:

\_\_\_\_\_ The Aircraft, as described below, has been inspected and flown to determine that the Aircraft is satisfactory to Buyer and Buyer's selection of this option and signature on this Certificate of Pre-Delivery Conditional Acceptance or Rejection evidences its unconditional acceptance of the Aircraft in accordance with the terms of the Proposal between Buyer and Seller dated March \_\_, 2016 (the Proposal"), subject in all respects to performance in full by Seller of all of its obligations thereunder.

\_\_\_\_\_ The Aircraft, as described below, is hereby rejected by Buyer in its sole discretion. Buyer hereby terminates the Proposal and Seller is free to remarket the Aircraft to any person or entity it sees fit, and the Deposit referred to in the Proposal shall be immediately returned to Buyer at Buyer's direction:

Aircraft Description:

Make and Model:	Gulfstream 550
Serial No.:	5017
Registration No.:	N62MS
Make and Model of Engines:	Rolls-Royce BR710C4-11
Serial numbers:	15137 and 15136.

IN WITNESS WHEREOF, Buyer has caused this Certificate of Pre-Delivery Acceptance or Rejection to be executed by its duly authorized representative this \_\_\_\_ day of \_\_\_\_\_ 2016.

SFS, LLC

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

Appendix II

**AIRCRAFT LIMITED WARRANTY BILL OF SALE**

Path Air, LLC ("Seller") in consideration of the sum of Eighteen Million Five Hundred Thousand United States Dollars (\$18,500,000.00) paid by SFS, LLC (hereinafter called "Buyer"), receipt of which is acknowledged, hereby grants, sells, transfers and delivers to Buyer the airframe, engines and auxiliary power unit described below, together with all of the equipment and accessories installed thereon, all related log books, records and manuals, spare parts, and loose and support equipment related to thereto to the extent any of the foregoing are in Seller's possession or under Seller's control (the "Aircraft"),

Aircraft Description:

Make and Model: Gulfstream 550  
Serial No.: 5017  
Registration No.: N62MS  
Make and Model of Engines: Rolls-Royce BR710C4-11, Serial numbers:15137 and 15136  
Make and Model of APU: Honeywell RE220 (GV)  
Serial Number: P-327.

BUYER IS PURCHASING THE AIRCRAFT DESCRIBED ABOVE IN RELIANCE UPON ITS PERSONAL INSPECTION AND KNOWLEDGE OF THE AIRCRAFT AND IN AN "AS IS, WHERE-IS" CONDITION.

EXCEPT AS SET FORTH HEREIN, SELLER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, OF ANY KIND OR NATURE EXCEPT THAT (1) BUYER WILL ACQUIRE BY THE TERMS OF THIS AIRCRAFT LIMITED WARRANTY BILL OF SALE TITLE TO THE AIRCRAFT FREE FROM ALL CLAIMS AND ENCUMBRANCES CREATED BY SELLER OR ANY PERSON CLAIMING BY, THROUGH OR UNDER SELLER AND (2) SELLER HAS THE RIGHT TO SELL THE AIRCRAFT. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, SELLER MAKES NO WARRANTIES WITH RESPECT TO THE QUALITY, CONTENT, CONDITION, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OF THE AIRCRAFT AND NO WARRANTIES AGAINST PATENT INFRINGEMENT OR THE LIKE AND NO WARRANTIES WITH RESPECT TO, OR ARISING OUT OF, THE ACCURACY, COMPLETENESS, CONTENT OR EXISTENCE, OF ANY LOG BOOKS, CERTIFICATES, OR MAINTENANCE RECORDS.

Buyer agrees to save and hold harmless Seller from and against any and all federal, state, municipal and local license fees and taxes of any kind or nature that Buyer would normally incur, or that would normally be assessed against Buyer as a consequence of the sale of the Aircraft to Buyer, or the ownership, possession, operation or use of the Aircraft by, Buyer from and after the execution and delivery of this Aircraft Limited Warranty Bill of Sale to Buyer

This Aircraft Limited Warranty Bill of Sale may for all purposes be executed in several counterparts, each of which shall be deemed an original, and all such counterparts, taken together, shall constitute one and the same instrument, even though both parties may not have executed the same counterpart.

IN WITNESS WHEREOF, Seller and Buyer have executed this Aircraft Limited Warranty Bill of Sale this \_\_\_\_ day of \_\_\_\_\_, 2016.

SELLER:

BUYER:

PATH AIR, LLC

SFS, LLC

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

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

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

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

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

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

of GE Capital US Holdings, Inc., attorney in fact

**Appendix III**

**AIRCRAFT DELIVERY RECEIPT**

TYPE AIRCRAFT: Gulfstream 550

SERIAL NUMBER: 5017

REGISTRATION NO.: N62MS

PLACE OF DELIVERY: \_\_\_\_\_

DATE OF DELIVERY: \_\_\_\_\_ TIME OF DELIVERY: \_\_\_\_\_

AIRFRAME HOURS: \_\_\_\_\_

LANDINGS: \_\_\_\_\_

ENGINE SERIAL NUMBER 15137:

TOTAL TIME: \_\_\_\_\_ TOTAL CYCLES: \_\_\_\_\_

ENGINE SERIAL NUMBER 15136:

TOTAL TIME: \_\_\_\_\_ TOTAL CYCLES: \_\_\_\_\_

APU SERIAL NUMBER P-327

TOTAL TIME: \_\_\_\_\_ TOTAL CYCLES: \_\_\_\_\_

Received from Path Air, LLC ("Seller"), at the time and place set forth above, in accordance with the Aircraft Limited Warranty Bill of Sale dated as of \_\_\_\_\_, 2016 between Seller and SFS, LLC ("Buyer").

The undersigned is authorized by Buyer to accept the above referenced Aircraft and has accepted same.

**(signature page follows)**

**IN WITNESS WHEREOF**, Buyer has caused this Aircraft Delivery Receipt to be executed by its duly authorized representative this \_\_\_\_ day of \_\_\_\_\_, 2016.

Used Aircraft Accepted and Received by:

**BUYER:**

**SFS, LLC**

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

Appendix IV

ADDRESSES FOR NOTICES

Seller:

Path Air, LLC  
83 Wooster Heights, Lee Farm  
Danbury, Connecticut 06810  
Attn: Brian Huber  
E-mail: brian.huber@ge.com

Buyer:

SFS, LLC  
c/o Muchnick, Golieb & Golieb, P.C.  
200 Park Avenue South, Suite 1700  
New York, New York 10003

Escrow Agent:

Insured Aircraft Title Service  
P.O. Box 19527  
Oklahoma City, OK 73144  
Attn:  
E-mail: