

AVIONETA HOLDINGS

445 Park Ave, Ste. 1401, New York, NY 10022

To/: Chulavista Limited
15, rue Necker,
1201 Genève,
Switzerland

Attention: Juan Manuel Cid, Director
Email: [REDACTED]
Facsimile: [REDACTED]

Dated: 10 March 2015

Dear Sirs,

Boeing Business Jet aircraft msn 30751 registration N737L Letter of Offer – Sale

We refer to our discussions in relation to the above Aircraft.

Avioneta Holdings, on behalf of itself and its affiliates and/or nominee (the “**Buyer**”), hereby offers to buy the above aircraft, as more particularly defined in the Terms below, (the “**Aircraft**”) from Chulavista Limited. (the “**Seller**”) for the sum of **TWENTY EIGHT MILLION FIVE HUNDRED THOUSAND DOLLARS (US\$28,500,000.00)** on the terms of this letter of offer as set out below (“**Offer**”).

This Offer remains open for acceptance by you on behalf of the Buyer until 1800 hours CET time on **Friday 13 March 2015** (the “**Expiry Time**”) when, without its extension by us, it will expire, and is subject to:

- (A) a Visual Inspection of the Aircraft by the Buyer, as further provided below, and the Aircraft being found on such inspection to be satisfactory to the Buyer, in the Buyer’s absolute discretion; and
- (B) the entering into of a definitive Aircraft Sale and Purchase Agreement in respect of the sale of the Aircraft by the Seller and its purchase by the Buyer in form and substance satisfactory to the Seller and the Buyer (the “**Sale Agreement**”) by **Friday 27 March 2015** (the “**Documentation Deadline**”).

The purchase of the Aircraft by the Buyer from the Seller and the sale of the Aircraft by the Seller to the Buyer are referred to in this Offer as the “**Transaction**”.

ACCEPTANCE AND THE DEPOSIT

If you find this Offer satisfactory, please evidence your acceptance of it on behalf of the Buyer by signing and returning to the undersigned a duplicate of this letter in original, facsimile or pdf signed form by the Expiry Time.

Within two business days of the Buyer’s acceptance of this Offer, the Buyer agrees to deposit with Insured Aircraft Title Service, Inc. of 4848 S.W. 36th Street, Oklahoma City, Oklahoma 73179, the United States of America (the “**Escrow Agent**”) the sum of **TWO MILLION FIVE HUNDRED THOUSAND DOLLARS (US\$ 2,500,000.00)** (the “**Initial Deposit**”) as a good faith indication of its intent to proceed with its purchase of the Aircraft, such Initial Deposit to be held by the Escrow Agent to the order of the Buyer. The Initial Deposit shall be paid to the Escrow Agent’s Escrow Account details of which are set out in attachment 2 to this Offer (the “**Escrow Account**”).

FURTHER ACTION

If this Offer is accepted by the Buyer by the Expiry Time and the Initial Deposit is received by the Escrow Agent within the time specified above:

- 1 the Seller shall withdraw the Aircraft from the market as being for sale and shall deal exclusively with the Buyer and its representatives in relation to the sale of the Aircraft;
- 2 neither the Buyer nor its representatives shall commence or continue discussions for the purchase of another aircraft, whether new or pre-owned, similar to the Aircraft otherwise than as an additional aircraft to and not in place of the Aircraft; and
- 3 the Seller and the Buyer shall proceed to the Visual Inspection of the Aircraft and to negotiate in good faith with a view to concluding a Sale Agreement on or before the Documentation Deadline, it being agreed that the Sale Agreement will include the terms and conditions indicated in this Offer.

If, following the Buyer's acceptance of this Offer, the Initial Deposit is not made by the Buyer as required above, such acceptance shall be deemed not to have been made by the Expiry Time and this Offer shall accordingly be deemed to have expired without having been accepted by the Buyer and neither party shall have any further obligation to or right against the other in respect of or arising out of this Offer or the Aircraft.

VISUAL INSPECTION AND DETAILS AS TO THE FURTHER DEPOSIT AND TRANSACTION DEPOSIT

As a condition precedent to the Offer, the Seller has agreed that the Buyer may conduct a visual ground inspection of the Aircraft ("**Visual Inspection**") and that the Aircraft is found by the Buyer to be satisfactory to the Buyer, in the Buyer's absolute discretion.

Accordingly, the Seller shall position the Aircraft at a Los Angeles Metro Airport, Los Angeles, California (the "**Visual Inspection Location**") where the Aircraft may be inspected by the Buyer during the week of **17 March 2015** (or as otherwise agreed between the Seller and the Buyer) at a time to be arranged between the Seller and the Buyer.

The Visual Inspection shall be completed by the Buyer within one day and the Buyer shall indicate formally to the Seller in writing (by fax or email) within 48 hours of its completion of the Visual Inspection whether it wishes to proceed (an "**Affirmation**") or does not wish to proceed (a "**Rejection**") with its purchase of the Aircraft pursuant to this Offer. If the Buyer issues, or is deemed below to have issued, a Rejection, the Initial Deposit will be promptly refunded in full to the Buyer, without interest.

If the Seller does not receive a Rejection or an Affirmation from the Buyer within this 48 hour period, the Buyer shall be deemed to have indicated that it does not wish to proceed with its purchase of the Aircraft and to have issued a Rejection.

Upon the issue by the Buyer of an Affirmation, (1) the Buyer shall place a **further deposit** in the amount of **ONE MILLION DOLLARS (US\$ 1,000,000.00)** with the Escrow Agent at the Escrow Account (the "**Further Deposit**" and, together with the Initial Deposit, the "**Transaction Deposit**") and (2) save as mentioned in this Offer, the Transaction Deposit will become non-refundable to the Buyer and will be held to the credit of the Purchase Price should the sale of the Aircraft to the Buyer proceed to Delivery pursuant to the Sale Agreement.

If the Sale Agreement is not entered into by the Seller and the Buyer by the Documentation Deadline for any reason, the Initial Deposit or Transaction Deposit, as the case may be, will be repaid in full by the Escrow Agent to the Buyer absolutely and neither the Seller nor the Buyer shall have any further obligation to or right against the other in respect of or arising out of this Offer or the Aircraft.

Upon the entering into by the Seller and the Buyer of the Sale Agreement, the Transaction Deposit will be held upon the terms of the Sale Agreement and will be non-refundable thereunder save in

the case of (1) the Aircraft proving not to be in the Delivery Condition, (2) the Aircraft suffers a total loss or damage prior to its delivery to the Buyer or (3) the Seller fails to deliver the Aircraft to the Buyer in accordance with the terms of the Sale Agreement. In any of such cases, the Transaction Deposit shall be refunded to the Buyer without interest.

TERMS

The further terms of this Offer are:

The Aircraft One pre-owned Boeing Business Jet aircraft manufacturer's serial number 30751 and current registration and nationality mark N, with the specification detailed in attachment 1 to this Offer (the "**Specification**"), together with its systems, appliances, accessories, components, parts, furnishings and equipment (including all loose, ground and safety equipment other than personalised items) belonging to, installed in or attached or relating to such aircraft and all records and technical data relating to the same ("**Records**"). The "**Aircraft**" shall include and be delivered with all Records.

Title The Seller shall transfer or procure the transfer, by way of the issue to the Buyer of a full warranty bill of sale, the full legal, equitable and beneficial, good and marketable, title to the Aircraft to the Buyer at delivery free of all liens and encumbrances.

Purchase Price **Twenty eight million five hundred thousand dollars (US\$ 28,500,000.00).**

Payment terms The Buyer shall place a deposit, in the amount of the Transaction Deposit of **three million five hundred thousand dollars (US\$ 3,500,000.00)** with the Escrow Agent by transfer to the Escrow Account at the following times and in the following amounts:

1. within two business days of the Buyer's acceptance of the Offer, two million five hundred thousand dollars (US\$ 1,500,000.00) (the "**Initial Deposit**"); and
2. on the issue of an Affirmation, a further one million dollars (US\$ 1,000,000.00) (the "**Further Deposit**");

together, the "**Transaction Deposit**".

The Transaction Deposit shall be non-refundable save in the case of (A) the Aircraft proving not to be in accordance with the Delivery Condition, (B) the Aircraft suffers a total loss or damage prior to Delivery or (C) the Seller fails to deliver the Aircraft to the Buyer in accordance with the terms of the Sale Agreement. In any of such cases, the Transaction Deposit will be promptly refunded in full to the Buyer.

The full Purchase Price will be payable to the Seller at Delivery in freely available, same day funds. No withholdings or deductions shall be made by the Buyer from the Purchase Price.

All sales taxes arising in relation to the sale of the Aircraft, other than on the income or gains of the Seller, shall be for the account of the Buyer. The Seller shall cooperate with the Buyer and locate the Aircraft for its delivery to the Buyer in such place as shall be required by the Buyer so as to avoid any sales taxes being applicable to the sale of the Aircraft to the Buyer pursuant to the Sale Agreement.

The Aircraft and its Delivery Condition

The Aircraft shall be delivered by the Seller to the Buyer in the following condition (the “**Delivery Condition**”):

- 1 the Aircraft shall be current on the manufacturers' recommended maintenance program with all items on the Maintenance Due List complied with and completed and all systems, flight, airworthiness, operating or otherwise, shall be operating fully within the manufacturers' published specifications;
- 2 all applicable mandatory Airworthiness Directives (ADs) issued by the FAA and all mandatory Boeing Service Bulletins (SB's) requiring termination at Delivery shall have been terminated at the cost of the Seller prior to Delivery;
- 3 the Aircraft shall have no material damage;
- 4 the Aircraft shall be free of material corrosion;
- 5 the Records shall be up-to-date, continuous and complete up to and including Delivery. The Records shall be in a format that complies with the requirements of the FAA;
- 6 the Aircraft shall have a current Certificates of Airworthiness and Release to Service; and
- 7 the Aircraft shall otherwise conform in all material respects with the Specification.

Manufacturer's Warranties

All Boeing and engine manufacturer warranties shall be transferred or made available to the Buyer at Delivery.

Export Certificate of Airworthiness

The Aircraft should be delivered with a valid Export Certificate of Airworthiness issued by the FAA to such jurisdiction as shall be specified by the Buyer and agreed by the Seller (the “**State of Intended Registry**”). The Seller shall be responsible for the cost of obtaining such Export Certificate of Airworthiness from the FAA save that the cost of any modifications, alterations or inspections that are required to be made to the Aircraft to obtain the same which modifications, alterations or inspections are the requirements of the Aviation Authorities of the State of Intended Registry shall be paid by the Buyer to the Seller prior to the effecting of the same. The Buyer shall further reimburse and indemnify the Seller for the cost of reinstating the Aircraft to its condition prior to the making of any such modifications or alterations should the Transaction not be concluded by the delivery of the Aircraft to the Buyer in accordance with the terms of the Sale Agreement, otherwise than by reason of any default by the Seller.

Pre-purchase Inspection

The Buyer's obligation to purchase the Aircraft shall be contingent upon a visual and technical pre-purchase inspections of the Aircraft being undertaken on the Buyer's behalf at a Boeing approved maintenance facility agreed between the Seller and the Buyer (the “**Inspection Facility**”) in accordance with the standard Boeing approved pre-purchase inspection procedures for pre-owned aircraft (the “**Pre-purchase Inspection**”) to determine whether the Aircraft is in the Delivery Condition. The Pre-purchase Inspection shall include, if required by the Buyer, engine ground power runs, engine and APU boroscope inspections and a test flight of the Aircraft.

The test flight shall be conducted in accordance with Boeing's or the Inspection Facility's written standards for pre-owned aircraft and the Aircraft shall be under the command and control of an Inspection Facility pilot at all times during the test flight evaluation. The Buyer may have up to three (3) representatives onboard the Aircraft during the test flight. All costs of the technical pre-purchase inspection and test flight shall be for the account of the Buyer.

The Seller shall be responsible for positioning the Aircraft to the Inspection Location at the Seller's cost.

Following the completion of the Pre-purchase Inspection, the Buyer may either technically accept the Aircraft, subject to the rectification of any differences or divergences from the Delivery Condition ("**Discrepancies**") by the Seller, or reject the Aircraft if Discrepancies are found in the Aircraft as a result of such inspection and (1) the same cannot be rectified by the Seller within sixty (60) days of the completion of the Pre-purchase Inspection or (2) the cost to the Seller of such rectification is more than US\$ 500,000.00. If the Buyer so rejects the Aircraft, due to the foregoing, the Deposit shall be returned promptly to the Buyer by the Escrow Agent in full and neither the Seller nor the Buyer shall have any further obligation to or right against the other in relation to the Aircraft and/or its sale and/or purchase pursuant to or arising out of the Sale Agreement and/or this Offer. If the Buyer accepts the Aircraft subject to the rectification of any Discrepancies found during the Pre-purchase Inspection, such Discrepancies shall be promptly rectified by the Seller at its sole cost. The Buyer shall advise the Seller in writing within 48 hours following the completion of the Pre-purchase Inspection if Buyer accepts or rejects the Aircraft in accordance with the terms of this paragraph.

Delivery time and location

The Aircraft shall be delivered by the Seller to the Buyer promptly following the completion of the Pre-purchase Inspection and the rectification of all Discrepancies by the Seller and, in any event, within five business days after the Seller's rectification of all Discrepancies found as a result of the Pre-purchase Inspection, unless otherwise agreed between the Seller and the Buyer.

The Aircraft shall be delivered to the Buyer at a location within Europe to be named by the Buyer, acting reasonably, so as to avoid or mitigate the imposition of sales taxes in relation to the Transaction for which the Buyer is responsible hereunder (the "**Delivery Location**"). The Buyer shall reimburse the Seller for the cost of positioning the Aircraft at the Delivery Location. Up to three (3) representatives of the Buyer shall accompany the Aircraft from the location of the Pre-purchase Inspection to the Delivery Location.

Post-Delivery operating costs

The Buyer shall indemnify the Seller in relation to all operating costs and liabilities incurred by or in relation to the Aircraft at any time after Delivery and shall add the Seller and such past owners and financiers of the Aircraft as shall be named by the Seller to the Buyer as Additional Insureds under the Third Party Legal Liability insurances in respect of the Aircraft for a period of three years following Delivery or until the first major check on the Aircraft after Delivery.

Assignment

This Offer is not, and the Sale Agreement between the Seller and the Buyer would not be, assignable by either party without the consent of the other.

Expenses

The Seller and the Buyer shall be responsible for their own costs and expenses in this transaction unless such costs or expenses are expressly stated to be paid for by the Buyer in this Offer.

The Seller and the Buyer shall confirm that to the extent that they have used or retained the services of a broker or agent in connection with the Transaction, it shall be severally responsible for the fees of the brokers or agents so used or retained by it and shall indemnify and keep indemnified the other against the same and any claims that might be brought by any person for the same claiming through it.

- Standard terms** The Sale Agreement would contain such other normal terms as are customary in transactions of this nature as required by either party including as to the right of a party to terminate the Transaction upon Delivery not having occurred due to the failure of the other to perform its obligations under the Sale Agreement.
- The Sale Agreement shall be prepared by counsel to the Seller.
- Governing law** This Offer and the definitive Sale Agreement shall be subject to English law.
- Confidentiality** Both the Seller and the Buyer shall keep the terms of this Offer and the definitive Sale Agreement confidential and shall not disclose their existence or terms other than to their professional advisers or as may be required by law.
- Counterparts** This Offer may be signed in counterparts by the Seller and Buyer, such counterparts together constituting but one and the same instrument. Such counterparts may be exchanged via facsimile or other electronic transmission.

We look forward to receiving your confirmation of your acceptance of this Offer by way of the return to us of the copy of this Offer by the above Expiry Time duly signed on behalf of the Buyer.

Yours truly

For and on behalf of **Avioneta Holdings**

By: _____, Director

[ON COPY]

To: **Avioneta Holdings**
445 Park Ave, Ste. 1401,
New York, NY 10022

Attention: Richard Joslin
Email: [REDACTED]
Facsimile: +1 (646) 589-0330

Dear Sirs,

Boeing Business Jet aircraft msn 30751 registration N737L
Letter of Offer – Sale

Chulavista Limited, the "Seller", hereby confirms the Seller's acceptance, in accordance with its terms, of the Offer by Avioneta Holdings to the "Seller" for the sale of the Aircraft by the Seller to the Buyer, of which Offer, the above is a true copy.

Signed, for and on behalf of

Signature: _____
Name: Chulavista Limited

Title: _____

Date _____

The Specification

1999 BBJ
S/N 30751- N737L

AIRFRAME: 5,585 TOTAL HOURS LANDINGS: 1,577 (as of 05/17/2014) * To be updated

AIRFRAME MAINTENANCE STATUS:

Aircraft enrolled on Flight Docs.
Fresh 12 Year and Landing Gear completed at Comlux in Nov 2013

ENGINES: CFM56-7B27

	#1:	#2
SERIAL NUMBERS:	874966	876101
TOTAL HOURS SINCE NEW:	5,585	5,585
CYCLES SINCE NEW:	1,577	1,577

APU: Honeywell 131-9(B)
TTSN: 6,986.59 Hours **CYCLES:** 3,834

AVIONICS:

Communication: Triple Gables Radio Tuning Units
Dual Collins HF Transceivers
Triple Collins Transceivers

Navigation: Five Tube Multi Function EFIS
Flight Dynamics Heads-Up Display
Sextant Attitude/Airspeed/Altimeter Standby Inst.
Enhanced Ground Prox Warning System EGPWS
Dual Collins Radio Altimeters
Single Collins Weather Radar with Windshear and Multi Scan Capability

Capabilities: Single Collins TCAS II Computer
Dual Collins Transponders/VOR/DME/ADF Receivers
Dual Collins VOR/Marker Beacon Receivers
Dual Smith Flight Management Systems
Dual Multi Mode Receiver with GPS/ILS
Teledyne Airborne Data Loader
Smith Auto Throttle System
ADS-B and FANS 1A Enabled

OPTIONS:

Seven (7) Auxiliary Fuel Tanks, Five (5) AFT and Two (2) FWD
120 Gallons of Potable Water
ETOPS Configured
Airshow Rockwell Collins 4000
Honeywell MCS 7000 Satcom

Entertainment:

3 Kaleidescape Blu-Ray and DVD media players, media server and cabin management system by Custom Control Concepts upgraded and installed in 2011

WEIGHT & CAPACITY:

Maximum Take-off Weight:	171,000 LBS
Maximum Landing Weight:	134,000 LBS
Maximum Zero Fuel Weight:	104,000 LBS
Operating Empty Weight:	99,000 LBS

INTERIOR:

This BBJ has certified seating for fifteen (15) passengers. There are four separate cabin areas consisting of a passenger lounge with dining and conference area, private office, private stateroom and a full galley. Forward, just behind the cockpit is a crew rest, crew lavatory, full service galley and passenger lavatory. Proceeding aft is a passenger lounge with seating for eight (8) featuring a three place divan and five executive seats followed by a four (4) place dining and conference area. Further aft is a private office featuring an executive desk opposite a three (3) place divan. The final aft cabin is a private stateroom featuring a queen-sized bed complimented by a lavatory with large vanity and shower.

EXTERIOR:

White top over beige bottom separated by copper and gold stripes.

Attachment 2

to the Letter of Offer between Chulavista Limited and Avioneta Holdings
regarding one pre-owned Boeing Business Jet aircraft msn 30751

The Escrow Account details

Escrow Account Details –

Bank:	International Bank of Commerce
Branch:	1200 San Bernardo, Laredo, TX 78040
ABA:	114902528
Swift Code:	IBCLUS44
Credit:	Insured Aircraft Title Service
Account Number:	0717213717
Phone advice:	Kirk Woford
Reference:	BBJ/30751