



S-76D NEW HELICOPTER SALES AGREEMENT

THIS S-76D NEW HELICOPTER SALES AGREEMENT (the "Agreement"), dated as of the Effective Date stated below, is made by and between Sikorsky Aircraft Corporation ("Sikorsky") and the Customer named below.

I. DEFINITIONS / INFORMATION FOR THIS AGREEMENT

1. <i>Customer:</i>	<u>Shmitka Air Inc.</u>
2. <i>Sikorsky Contract No:</i>	<u>76DD7702</u>
3. <i>Helicopter Quantity:</i>	<u>One (1)</u>
4. <i>Scheduled Presentation Date Helicopter:</i>	<u>October, 2011 (or sooner at Sikorsky's option) Subject to Confirmation Immediately Prior to Execution</u>
5. <i>Scheduled Presentation Date Completion Services:</i>	<u>April, 2012 (or sooner at Sikorsky's option) Subject to Confirmation Immediately Prior to Execution</u>
6. <i>Helicopter Unit Price:</i>	<u>US\$8,900,000</u>
7. <i>Completion Services Unit Price:</i>	<u>US\$3,500,000</u>
8. <i>Custom Helicopter Unit Price:</i>	<u>US\$12,400,000</u>
9. <i>Total Contract Price:</i>	<u>US\$12,400,000</u>
10. <i>Payment Schedule:</i>	<u></u>
a. <i>Helicopter Advance Payment:</i>	<u>20% of the Total Contract Price (less any previously remitted deposit amount) due on the date Customer signs this Agreement. US\$2,380,000 (US\$2,480,000 less \$100,000 deposit paid by Customer prior to the Effective Date)</u>



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| <i>b. Helicopter Final Payment:</i> | 65% of the Total Contract Price due upon acceptance of the Helicopter pursuant to Article III.2, subject to Article III.1.
US\$8,060,000 |
| <i>d. Completion Services Final Payment:</i> | 15% of the Completion Services Unit Price due upon acceptance of the Completion Services pursuant to Article III.6, subject to Article III.5.
US\$1,860,000 |
| 11. Customer's Contact for Technical Issues: | Larry Visoski
Chief Pilot
Shmitka Air Inc.
1131 Pine Point Road
Singer Island, FL 33404
[REDACTED]
[REDACTED] |
| 12. Customer's Contact Details for Legal Notices and Invoices
<i>(including, (a) name and title, (b) mailing address for notices and invoices, (c) department/organization for notices, (d) phone number, and (e) e-mail address):</i> | Darren K. Indyke
Vice-President
Shmitka Air Inc.
c/o Darren K. Indyke PLLC
301 East 66 th Street 10B
New York, NY 10065
[REDACTED]
[REDACTED] |



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II. SIKORSKY'S COMMITMENTS TO THE CUSTOMER

1. ***Sale and Delivery*** – Sikorsky shall sell and deliver to the Customer, and the Customer shall purchase from Sikorsky, the Quantity of Sikorsky Model S-76D Helicopters equipped with the items of additional equipment specified in Exhibit A, Part 1 (the “Helicopter”). The Helicopter shall be delivered and, subject to the conditions, requirements and other provisions contained in this Agreement, acceptance of the Helicopter shall take place at Sikorsky’s designated facility, in Pennsylvania (the “Designated Facility”) and title to the Helicopter shall be transferred to the Customer or Customer’s designee in accordance with the provisions of this Agreement.
2. ***Performance of Completion Services*** – Sikorsky shall sell and perform the Completion Services for Customer and Customer shall purchase the Completion Services on the Helicopter, which, as a result of such Completion Services, will then be equipped with the items of additional equipment specified in Exhibit A, Part 2 (the “Custom Helicopter”). The Completion Services shall be performed subsequent to title transfer with Sikorsky retaining custody of the Helicopter subsequent to title transfer to perform the Completion Services at a Sikorsky designated completion center (the “Designated Completion Center”).

Following the arrival of the Helicopter at the Designated Completion Center, the configuration items specified in Exhibit A, Annex 1, shall be removed from the Helicopter and retained by Sikorsky. These configuration items shall be either deleted or replaced by the Customer’s items of additional equipment specified in Exhibit A, Part 2 as part of the Completion Services.

3. ***Publications and Training*** – Sikorsky shall make available to Customer: (i) the technical publications described in Exhibit B, and (ii) the training described in Exhibit C.
4. ***Helicopter Warranty*** – the terms of Sikorsky’s limited warranty are set forth in Exhibit D.
5. ***Spare Parts Provisioning and Technical Support*** – Sikorsky recommends that a provisioning conference should be held between the Customer and representatives of Sikorsky Aerospace Services (“SAS”), Sikorsky’s aftermarket business, no later than 180 days before the Scheduled Presentation Date Helicopter, for the purpose of defining the Customer’s detailed logistics planning considerations and support objectives. Sikorsky will invite the Customer to participate in the provisioning conference at Sikorsky’s designated facility. At the provisioning conference, a list of parts and equipment recommended to support the Custom Helicopter would be identified and discussed. Any spare parts procured by the Customer would be sold pursuant to a separate agreement between the Customer and SAS. The Customer shall be responsible for all travel and related expenses associated with Customer’s personnel attending the provisioning conference.



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III. **INSPECTION, ACCEPTANCE, DELIVERY AND TITLE TRANSFER**

1. ***Presentation for Acceptance*** – The Helicopter shall be presented for acceptance at the Designated Facility on the Scheduled Presentation Date Helicopter. During such presentation, the Customer shall be entitled to a standard acceptance test flight by Sikorsky for the Helicopter, which test flight shall be no longer than one (1) hour in duration, or longer as may be reasonably necessary. Customer's obligation to purchase the Helicopter is conditioned upon and subject to Customer being satisfied that (i) the Helicopter is in airworthy condition with all flight critical systems functional and in proper working order, (ii) the Helicopter has been manufactured in accordance with the specifications of this Agreement and that (iii) the Helicopter has no damage, corrosion or other defects. If Customer does not make itself available for presentation and acceptance of the Helicopter, the Helicopter Final Payment shall be due within ten (10) days following receipt by Customer of written notice that the Helicopter is ready for presentation and acceptance; provided, that if Customer's failure to make itself available is attributable to causes that would be an Excusable Delay as defined in Article VIII.1, then, without impairing any of Sikorsky's rights under Article VIII.2, Customer shall be afforded such time as may be reasonably required to remove such causes; and, provided, further, that if Customer's failure to make itself available is attributable to a material breach on the part of Sikorsky, Sikorsky shall be afforded such time as may be reasonably required to cure such breach.
2. ***Acceptance, Delivery and Title Transfer*** – Subject to the provisions of Section III.1 of this Agreement, after presentation, Customer shall accept the Helicopter by executing a Certificate of Helicopter Acceptance in the form of Exhibit E Part 1. Thereafter, upon receipt of the Helicopter Final Payment in accordance with Article I.10.b., above, Sikorsky shall deliver, at the Designated Facility, to Customer, or Customer's designee, a Bill of Sale and a Certificate of Airworthiness to evidence delivery and title transfer. The Helicopter shall be delivered Ex Works (Incoterms 2000) from the Designated Facility. Subsequent to title transfer to Customer, Sikorsky shall retain custody of the Helicopter in order to perform the Completion Services.
3. ***No Prospective Registration of Interest*** – Prior to the transfer of title as provided in this Agreement, Customer, without the prior written consent of Sikorsky, shall neither register nor consent to the ability of any person to register any interest in the Helicopter or its engines on the International Registry, including without limitation, any prospective international interest, pursuant to that body of law known as the *Cape Town Treaty Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment* (hereinafter the "Cape Town Treaty"). Any consent by Sikorsky to registration of any interest in the Helicopter or its engines shall be subject to, among other things at Sikorsky's sole discretion, receipt by Sikorsky of all payments due under this Agreement at the time of title transfer of the Helicopter to Customer. Registration of any interest under the Cape Town Treaty in violation of this paragraph shall be deemed



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ineffective as against Sikorsky and, upon request of Sikorsky, Customer, at its own expense, immediately shall take all required action to remove any such interest or other encumbrance on the Helicopter or its engines.

4. ***Risk of Loss*** – Sikorsky shall have risk of loss of the Helicopter, subsequent to the transfer of title until the Customer's acceptance of the Completion Services as evidenced by the Customer's execution of a Certificate of Completion Services Acceptance in the form of Exhibit E, Part 2. In the event that the Helicopter is damaged or the functionality is in any way compromised during the conduct of the Completion Services, Sikorsky shall be required, as a part of the Completion Services, to repair such damage or restore such functionality to as good condition as new. Customer agrees that any insurance proceeds for such repair shall be paid directly to Sikorsky. In the event the Helicopter is lost or destroyed or damaged beyond economic repair at any time prior to Customer's acceptance, Customer shall have the right to either (i) purchase the next available S-76D helicopter in Sikorsky's production sequence (the "Replacement Helicopter"), if available, on the same terms and conditions as set forth in this Agreement; provided, that Sikorsky reserves the right to make changes in the Exhibit A configuration and Helicopter Unit Price of the Replacement Helicopter required due to obsolescence, FAA requirements, or as a result of changes in the manufacture of the Helicopter; or (ii) terminate this Agreement. Customer shall notify Sikorsky of its decision within fifteen (15) days of receipt by Customer of written notice from Sikorsky of the loss or destruction of or damage beyond economic repair to the Helicopter, which notice shall include the projected delivery date of the Replacement Helicopter, or a statement indicating that such Replacement Helicopter is not available.
5. ***Presentation of Completion Services for Acceptance*** – The Custom Helicopter shall be presented for technical acceptance of the Completion Services performed at the Sikorsky Designated Completion Center on the Scheduled Presentation Date Completion Services. During such presentation, the Customer shall be entitled to a standard acceptance test flight by Sikorsky for the Custom Helicopter, which test flight shall be no longer than one (1) hour in duration or longer as may be reasonably necessary. Customer's obligation to accept the Completion Services is subject to Customer being satisfied that the Completion Services have been satisfactorily completed and that the Custom Helicopter, as previously accepted by Customer, is in airworthy condition with all flight critical systems functional and in proper working order, the Custom Helicopter has been manufactured in accordance with the specifications of this Agreement, and that the Custom Helicopter has no damage, corrosion or other defects. If Customer does not make itself available for presentation and acceptance of the Completion Services, the Completion Services Final Payment shall be due within ten (10) days following receipt by Customer of written notice that the Completion Services are ready for presentation and acceptance; provided, that if Customer's failure to make itself available is attributable to causes that would be an Excusable Delay as defined in Article VIII.1, then, without impairing any of Sikorsky's rights under Article VIII.2, Customer shall be afforded such time as may be reasonably required to remove such causes; and, provided, further, that if Customer's failure to make itself available is attributable to a material



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breach on the part of Sikorsky, Sikorsky shall be afforded such time as may be reasonably required to cure such breach.

6. ***Acceptance of Completion Services*** – Subject to the provisions of Section III.5 of this Agreement, after inspection, Customer shall accept the Completion Services by executing a Certificate of Acceptance of the Completion Services in the form of Exhibit E, Part 2. Thereafter, upon receipt of the Completion Services Final Payment pursuant to Article I. 10.d. above, Sikorsky shall provide to Customer a FAA return to service certification and, if applicable, an Export Certificate of Airworthiness, and the Custom Helicopter shall then be at Customer's risk. If applicable under the terms of this Agreement, Sikorsky retains the right to utilize its own freight forwarder for the preparation and booking of any export shipment.

IV. **PRICE/PAYMENT SCHEDULE**

1. ***Price/Payment Schedule*** – The Customer shall pay to Sikorsky the payments set forth in the Payment Schedule contained in Article I hereof by wire transfer to:

[REDACTED]
SWIFT:CHASUS33
JP MORGAN CHASE
New York, NY

(or such other account that Sikorsky may designate in writing). Sikorsky shall provide an invoice to Customer for all payments due hereunder in accordance with the Payment Schedule contained in Article I hereof.

V. **CONFIGURATION**

1. ***Sikorsky Specification Changes*** - Before the Scheduled Presentation Date Completion Services, Sikorsky reserves the right to make any substitution or amendment to Exhibit A (Helicopter Configuration) hereto that it deems necessary in order to ensure that the Helicopter and/or Custom Helicopter complies with any airworthiness requirement or any mandatory airworthiness directive or service bulletins affecting the Helicopter and/or Custom Helicopter issued by Sikorsky, any vendor or the FAA.
2. ***Configuration Finalization*** – To facilitate finalization of the configuration for the Helicopter, Sikorsky and Customer agree as follows:
 - 2.1 ***Customer Guidance*** – Not later than two hundred ten (210) days prior to the Scheduled Presentation Date Helicopter, Customer must provide guidance to Sikorsky with respect to exterior paint colors and interior colors and materials (as applicable). Sikorsky will create exterior renderings and interior material boards based on this guidance, and will present this material at the configuration review



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meeting described in clause 2.2 below.

- 2.2 Configuration Finalization Meeting – Not later than one hundred eighty (180) days prior to the Scheduled Presentation Date Helicopter, Sikorsky and Customer shall conduct a configuration review meeting at the Designated Facility to review and discuss the aircraft systems and interior specifications. The intent of this meeting is to provide Customer with a thorough understanding of the aircraft systems and interior specifications. Sikorsky will also present to the Customer exterior paint schemes and interior configuration and materials that are based on colors and guidance provided to Sikorsky prior to the meeting by Customer (reference paragraph 2.1 above). All travel, living and communication expenses incurred by Customer's representatives shall be borne by Customer. Customer approval of the specifications is sought at the time of the Configuration Finalization Meeting, but not later than thirty (30) days following the meeting. The document conveying Customer approval of the specifications is the executed specification approval log, detailed in 2.3.1 below.
- 2.3 Customer Furnished Information – Not later than one hundred fifty (150) days prior to the Scheduled Presentation Date Helicopter, Customer will furnish Sikorsky with the following information:
- 2.3.1 Executed specification approval log. Items requiring approval in this log include, but are not limited to:
- System Specification
 - Audio Specification (if applicable)
 - Interior Configuration Document
 - Interior Material Board
 - Seat Upholstery Style (if applicable)
 - External Paint Rendering
 - Exterior Paint Colors
 - Exterior Paint Production Drawing
 - Any required Customer furnished camera-ready artwork for logos (if applicable)
 - Registration numbers and ICAO addresses for the Helicopter
- 2.4 Failure to Provide Configuration Information/Customer Initiated Changes - Failure to provide Sikorsky with any of the information by the respective dates described in subsections 2.1, 2.2 and 2.3 above, or any change to such information, including changes to the configuration, not caused by or proposed by Sikorsky after such respective dates (i) may result in a delivery delay and such delay shall constitute an Excusable Delay with respect to Sikorsky's performance under this Agreement, and (ii) may result in the imposition of one of the two configuration change fee scenarios identified in subsections 1) and 2) below.



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The scenarios identified below exclude the recurring price (materials and labor) that may be applicable to the equipment items changed by Customer. The recurring price for the equipment items will be included in the Custom Helicopter Unit Price.

Configuration change fee and schedule impact for change(s) contracted in a single contract amendment/transaction:

- 1) If a signed amendment to this Agreement and Customer approvals in accordance with paragraph 2.3.1 above are finalized more than ninety (90) days prior to the Scheduled Presentation Date Helicopter, then the following shall apply:
 - Acceptable changes: Any Change.
 - Configuration change fee: None.
 - Schedule Delay: Depending on time for new part(s) design, time for certification, and lead time for new part(s).
- 2) If a signed amendment to this Agreement and Customer approvals in accordance with paragraph 2.3.1 above are finalized ninety (90) days or less than ninety (90) days prior to the Scheduled Presentation Date Helicopter, then the following shall apply:

For existing certified options or development options:

 - a. \$50,000 or 20% of value of contract change (whichever is greater); plus
 - b. Any costs or termination liability incurred by Sikorsky as a result of the change; plus
 - c. Any cost of rework (including, without limitation, Sikorsky's labor and material costs incurred to rework items to accommodate the Customer requested changes); and
 - d. Any schedule delay caused by lead time for obtaining parts, added design time, design certification and/or installation time for new part(s).
- 3) At any time during performance of Completion Services no configuration changes will be accepted. The Helicopter will be completed in accordance with the configuration identified in this Agreement and any changes will be contracted separately in a stand alone Modification Agreement. Services provided under any such Modification Agreement will be accomplished at a Sikorsky Designated Facility.

3. *Customer's Changes to Configuration and Additional Equipment* – In the event that the



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Customer desires to change the Helicopter configuration and/or obtain additional equipment for the Helicopter, the parties must mutually agree on a written amendment to this Agreement reflecting such changes and setting forth any changes in the price and/or delivery schedule. For this purpose, the Customer hereby appoints the Customer's Contact for Technical Issues as set forth in Article I, which person has authority to negotiate any such changes with Sikorsky and execute a legally binding amendment reflecting such technical, price and/or delivery changes.

4. ***Suitability of Configuration*** – The Customer is responsible for having ensured that the helicopter configuration, defined herein, meets all the operational requirements of the country of destination/registration as they relate to the specific intended usage of the Custom Helicopter. If requested, Sikorsky shall make a good faith attempt to assist in the determination of this configuration. If required for import/registration requirements in the foreign country, Sikorsky shall endeavor to obtain that country's design approval of the configuration items not already approved.

VI. HELICOPTER RELATED PROVISIONS, INCLUDING S-76D DEVELOPMENT STATUS

1. ***S-76D Development*** – The S-76D helicopter is currently in development at Sikorsky. If at any time prior to Federal Aviation Administration (FAA) certification of the S-76D, Sikorsky is not satisfied with the development of the S-76D, or in the event that the S-76D helicopter is not certified by the FAA, Sikorsky may terminate this Agreement with the Customer upon written notice. In case of such a termination by Sikorsky, the Customer shall have the option of (a) receiving reimbursement from Sikorsky of all amounts paid to Sikorsky in respect of the Helicopter, or (b) applying the amounts paid to Sikorsky in respect of the Helicopter to the purchase of a new S-76C++ helicopter from Sikorsky, if available. During the development of the S-76D helicopter, Sikorsky may deem it necessary or desirable to change the configuration of the Helicopter/Custom Helicopter referenced in this Agreement. In such case, Sikorsky agrees to consult with the Customer with regard to any such configuration change and Sikorsky will attempt to present a configuration change that does not (i) adversely affect the capabilities or function of the Helicopter/Custom Helicopter; and/or (ii) materially and adversely affect the aesthetics of the Helicopter/Custom Helicopter. In the event that the parties mutually and reasonably conclude that the configuration cannot be changed without adversely affecting the capabilities or function of the Helicopter/Custom Helicopter and/or materially and adversely affecting the aesthetics of the Helicopter/Custom Helicopter, then either party may terminate this Agreement upon written notice to the other. In case of such termination, the Customer shall have the option of (a) receiving reimbursement from Sikorsky of all amounts paid to Sikorsky in respect of the Helicopter, or (b) applying the amounts paid to Sikorsky in respect of the Helicopter to the purchase of a new S-76C++ helicopter from Sikorsky, if available.
2. ***S-76D FAA Certification*** – In addition, the obligations of Sikorsky under this Agreement are subject to the certification of the S-76D helicopter by the FAA. In the event that such



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FAA certification is not obtained by the Scheduled Presentation Date Helicopter, either party may terminate this Agreement upon written notice to the other. In case of such termination, the Customer shall have the option of (a) receiving reimbursement from Sikorsky of all amounts paid to Sikorsky in respect of the Helicopter, or (b) applying the amounts paid to Sikorsky in respect of the Helicopter to the purchase of a new S-76C++ helicopter from Sikorsky, if available.

3. ***Special Flight Tests*** – Flight test work required for prototyping, functional checkout, or qualification of any additional equipment contracted may be performed by Sikorsky on the Helicopter and the Custom Helicopter prior to title transfer thereto or final delivery thereof, respectively, to the Customer. The delivery of the Helicopter or the Custom Helicopter may be delayed to the extent necessary to accomplish the flight test work objectives without any liability on the part of Sikorsky for any such delay. In the event the Helicopter is lost or destroyed or damaged beyond economic repair at any time prior to Customer's acceptance, Customer shall have the right to either (i) purchase the next available S-76D helicopter in Sikorsky's production sequence (the "Replacement Helicopter"), if available, on the same terms and conditions as set forth in this Agreement; provided, that Sikorsky reserves the right to make changes in the Exhibit A configuration and Helicopter Unit Price of the Replacement Helicopter required due to obsolescence, FAA requirements, or as a result of changes in the manufacture of the Helicopter; or (ii) terminate this Agreement. Customer shall notify Sikorsky of its decision within fifteen (15) days of receipt by Customer of written notice from Sikorsky of the loss or destruction of or damage beyond economic repair to the Helicopter, which notice shall include the projected delivery date of the Replacement Helicopter, or a statement indicating that such Replacement Helicopter is not available. In case of any purchase by Customer of the Replacement Helicopter, Sikorsky shall apply to such purchase the amounts paid to Sikorsky in respect of the Helicopter. In the event of any termination of this Agreement pursuant to this Section VI.3, Sikorsky or the insurer, as the case may be, shall promptly refund to the Customer all amounts previously paid by Customer to Sikorsky in respect of the Helicopter or Custom Helicopter so destroyed.
4. ***Compliance Statement Regarding Airworthiness Directives (ADs), and Alert Service Bulletins (ASBs)*** - Sikorsky will deliver the Custom Helicopter with all applicable ADs and ASBs existing prior to the Scheduled Presentation Date Completion Services complied with. The delivery of the Custom Helicopter may be delayed to the extent necessary to comply with any ADs or ASBs without any liability on the part of Sikorsky for such delay.
5. ***Helotrac™*** - With each Helicopter sold and delivered hereunder, Sikorsky shall make available to Customer, at no cost to Customer, a one-year subscription to this service.

VII. INTERNATIONAL SALES PROVISIONS [if applicable]



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1. **Export License** – Customer and Sikorsky agree that this Agreement is intended to provide for the purchase and sale only of items that are not classified as US Munitions List (USML) items and can be exported under United States Department of Commerce License Exception NLR (no license required). Sikorsky represents that the Helicopter configuration provided under this Agreement at the time of delivery consists only of items that can be exported under the United States Department of Commerce License Exception NLR. Notwithstanding the foregoing, in the event that this Agreement or the performance of the parties hereunder is or becomes subject to United States export or import laws, the full performance by Sikorsky under this Agreement will be subject to the receipt of all applicable United States government export licenses and approvals. In such event, any cause that may delay the receipt of a required United States export license or approval may result in a delay of the delivery of the Helicopter to Customer. Any delivery delay caused thereby shall be deemed an excusable delay in accordance with Article VIII.1. to this Agreement. Should any individual item on the Helicopter or Custom Helicopter later become subject to US export restrictions Sikorsky will attempt to replace the item with an exportable item and notify the Customer of such change at Sikorsky's earliest convenience. Should no exportable item be mutually agreed to between Sikorsky and Customer, both parties shall be released from any further obligations for inclusion of the subject item and any required price adjustment related to such un-exportable item shall also be made.
2. **Import License** – Customer shall be responsible for obtaining and complying with any and all import licenses or other authorizations and import taxes or fees which may be required by the country of destination for importing the Custom Helicopter.
3. **FAA Registration** – Customer shall be responsible for obtaining FAA aircraft registration in the United States upon transfer of title of the Helicopter in accordance with this Agreement; provided however that upon Customer's request, Sikorsky shall provide Customer with all reasonable assistance required. In the event Customer cannot comply with FAA regulations for aircraft registration in the United States upon transfer of title of the Helicopter in accordance with this Agreement, Sikorsky shall refer Customer to a third party trustee (the "Trustee") who shall take title to the Helicopter upon acceptance of the Helicopter through the acceptance of the Completion Services. All fees assessed by the Trustee in connection with its services shall be borne by Sikorsky. Sikorsky shall consent to the assignment of the Agreement to the Trustee for this purpose and Customer shall execute any necessary documentation in connection therewith.
4. **Operations Within United States** – If, after transfer of title, acceptance of Completion Services, and removal from the United States N-number registry, the Helicopter/Custom Helicopter is to be flown within the jurisdiction of the United States for any reason, Customer, shall, prior to such operation, obtain and carry currently effective certificates of registration and airworthiness issued or rendered valid by the country of registry and shall display the nationality and registration markings of that country, as required by Title 14 Part 375 of the U.S. Code of Federal Regulations. The Customer shall comply with all other United States federal, state, and local laws and regulations that may be



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applicable to the operation of the Helicopter/Custom Helicopter in the United States.

5. ***Special Airworthiness Requirements*** – The Customer is responsible for ensuring that the Helicopter/Custom Helicopter configuration meets all the operational requirements of the country of destination/registration/operation for the Customer's intended usage. In the event Customer wishes to have changes made to the Helicopter/Custom Helicopter to meet specific airworthiness requirements of the country of destination, Customer shall supply to Sikorsky, in the English language, copies of the applicable standards and a complete description of the changes desired. Sikorsky will review all requested changes and promptly submit a quotation to Customer of the effect on prices and delivery of incorporating such changes. In accordance with paragraph 2.3.1 of Article V (Configuration) hereof, failure to provide Sikorsky with any of the referenced information by the respective dates described therein, or any change to such information, including changes to the configuration, not caused by or proposed by Sikorsky after such dates (i) may result in a delivery delay and such delay shall constitute an Excusable Delay with respect to Sikorsky's performance under this Agreement, and (ii) may result in the imposition of a configuration change fee as described in paragraph 2.4 of Article V (Configuration) hereof. Although Sikorsky may provide Customer with assistance in evaluating the specific airworthiness requirements of the country of destination and suggest changes to meet such requirements, Sikorsky assumes no responsibility for the acceptability of such changes to government authorities and assumes no obligation to meet the airworthiness requirements of any country.
6. ***Compliance with Laws*** – The terms, conditions and performance by the parties under this Agreement will comply with all applicable laws, rules, regulations and controls, including, but not limited to the following:
 - a. If the Scheduled Presentation Date Helicopter shall occur prior to receipt of all U.S. Government export approvals required for delivery of the Helicopter or Custom Helicopter, Sikorsky shall transfer title to the Helicopter or Custom Helicopter only to a U.S. entity, and if to a U.S. financing institution, only to such U.S. financing institution that is a "broker" within the meaning of the ITAR (22 CFR Part 129); and
 - b. Prior to receipt of all U.S. government export approvals required for delivery of the Helicopter or Custom Helicopter, no "foreign person", as that term is defined within the ITAR (22 CFR Part 120), shall have any access to the Helicopter, Custom Helicopter or any related technical data or assistance.

VIII. **TERMS AND CONDITIONS**

1. ***Excusable Delays*** – Customer acknowledges that the goods called for hereunder are to be manufactured for Customer to fulfill this Agreement and that the delivery dates are based on the assumption that there will be no delay due to causes beyond Sikorsky's reasonable control. Sikorsky shall not be charged with any liability for delay or non-delivery when



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due to delays of suppliers (to the extent such delays are not caused by the acts or omissions of Sikorsky), acts of God, terrorism or the public enemy, compliance in good faith with any applicable foreign or domestic governmental regulation or order whether or not it proves to be invalid, fires, riots, labor disputes, unusually severe weather, or any other cause beyond the reasonable control of Sikorsky. To the extent that such causes actually delay deliveries on the part of Sikorsky, the time for Sikorsky's performance shall be extended for as many days beyond the delivery date as are required to remove such causes. This provision shall not, however, relieve Sikorsky from using reasonable efforts to avoid or remove such causes and continue performance with reasonable dispatch whenever such causes are removed.

- 1.1 ***Unqualified Equipment*** – [IF APPLICABLE] Sikorsky shall not be charged with any liability for delay or non-delivery when due to delays in approval of equipment defined within this Article VIII.1.1, by the appropriate regulatory authority. The following Customer-specific equipment has not yet been approved for installation on the Helicopter/Custom Helicopter by the appropriate regulatory authority:

<u>Nomenclature</u>	<u>System</u>	<u>Supplier</u>
Option code 11112	Thales TopDeck Upgrade for WAAS/LPV*	Thales
Option code 90001	XM Weather with Integrated Functionality on Thales TopDeck Displays*	XM Satellite Radio Inc.

(*These items need to be finally confirmed as to Sikorsky's capability to include in the Helicopter configuration within the delivery schedule quoted herein.)

In order to support the Scheduled Presentation Date Completion Services, the equipment supplier must provide substantiating data and/or analysis to Sikorsky in a timely manner to accomplish the qualification approval. If the supplier is not capable or willing to provide this substantiation in a timely manner to support delivery of the Helicopter/Custom Helicopter, the Helicopter/Custom Helicopter will be delivered with space and power provisions, as applicable, with the equipment furnished on delivery as loose equipment. The Customer will be offered the alternative of having Sikorsky perform necessary tests, without guaranty of results, for an additional price.

2. ***Inability Or Refusal To Pay*** – If the Customer is unable or refuses to make payment to Sikorsky in accordance with any of its obligations to Sikorsky, or if the Customer's acts or omissions preclude Sikorsky's performance under this Agreement, in each case, through no fault of Sikorsky, then Sikorsky shall provide written notice thereof to



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Customer (the "Late Payment Notice"). Customer shall be deemed to be in default hereunder if Customer fails to make any payments referenced in the Late Payment Notice to Sikorsky within ten (10) days of Customer's receipt of the Late Payment Notice. Upon the occurrence of any such default, Sikorsky may, at its option, terminate this Agreement by giving to the Customer thirty (30) days prior written notice of its intention to terminate. If such default has not been cured on or before the expiration of such thirty (30) day period, this Agreement shall terminate effective upon written notice from Sikorsky to Customer. To the extent Customer cures such default within the time periods set forth herein, the obligations of the parties under this Agreement shall continue in full force and effect. Upon any such termination, Sikorsky shall be relieved of any further obligations to the Customer and (i) the Customer shall reimburse Sikorsky for its termination costs and expenses and a reasonable allowance for profit and (ii) to the extent that the Customer holds title to the Helicopter/Custom Helicopter for which Customer is unable or refuses to make payment to Sikorsky, or in respect of which Customer's acts or omissions preclude Sikorsky's performance, immediately upon Sikorsky's request, and at Customer's expense, the Customer shall execute such documents as are necessary to transfer title to such Helicopter/Custom Helicopter to Sikorsky free and clear of any and all encumbrances. All sums paid to Sikorsky under this Agreement, from whatever sources, will be considered the liquidated value of sub-paragraph (i) above and may be retained by Sikorsky in fulfillment of the defined costs, expenses, and allowances.

3. **Liquidated Damages for Delayed Delivery** - In the event the actual presentation date of the Custom Helicopter is delayed beyond the Scheduled Presentation Date Completion Services listed in Article I hereof for any reason other than an excusable delay described in Article VIII.1, then commencing on the 60th day after the Scheduled Presentation Date Completion Services, unless otherwise agreed, the Completion Services Final Payment shall be adjusted downward in the amount of \$1,000 per day until the 120th day after the Scheduled Presentation Date Completion Services, until the Custom Helicopter is delivered, or the maximum adjustment of \$60,000 is reached (whichever occurs first). This shall be the Customer's sole remedy for delayed delivery of the Custom Helicopter.
4. **Taxes** - In addition to the Total Contract Price, the Customer shall be responsible for payment of any and all taxes (including any sales and use tax, but not including Sikorsky's income taxes), which may be imposed by any taxing authority arising from the sale, delivery or use of the Helicopter/Custom Helicopter.
5. **Limitation Of Liability** - With respect to any Helicopter/Custom Helicopter, part or service purchased under this Agreement and alleged to be the direct or indirect cause of any loss or damage to the Customer, the sum equal to the invoiced price of such Helicopter/Custom Helicopter, part or service shall be the ceiling limit on Sikorsky's or any of its affiliate's liability whether founded in contract or tort (including negligence, strict tort liability or breach of warranty), arising out of or resulting from (i) this Agreement or the performance or breach thereof, or (ii) the design, manufacture, delivery, sale, repair, replacement, or any use of such Custom Helicopter, or (iii) the furnishing of any such service. In no event shall Sikorsky or any of its affiliates have any



S-76D NEW HELICOPTER SALES AGREEMENT

liability for any incidental or consequential damages.

6. **Assignment** – This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto, but it may not be voluntarily assigned, wholly or in part, by either party hereto without the prior written consent of the other party; provided however, that Sikorsky shall have the right to assign this Agreement to a wholly-owned subsidiary or affiliate of Sikorsky Aircraft Corporation. In the event that Sikorsky, in its sole discretion, consents to an assignment request made by Customer, Sikorsky shall have the right to impose a transaction fee under this Agreement in an amount equal to one-percent (1%) of the Total Contract Price in consideration of providing consent to such assignment. For the avoidance of doubt, an assignment by Customer to a wholly owned subsidiary or to a financial institution relating to the financing of the purchase of the aircraft by Customer would not be subject to the transaction fee.
7. **Construction** – This Agreement shall be interpreted in accordance with the plain English meaning of its terms, and the construction thereof shall be governed by the laws of the State of Connecticut, United States of America. The parties further agree to submit to the jurisdiction of both the state and federal courts of Connecticut.
8. **Notices** – All notices or communications of any kind under and with respect to this Agreement shall be in the English language. All legal notices shall be given by hand delivery or registered mail and, if to the Customer, shall be addressed as indicated in Article I; and if to Sikorsky, shall be addressed to Sikorsky Aircraft Corporation, 6900 Main Street, P. O. Box 9729, Stratford, Connecticut 06615-9129, U.S.A., Attention: Vice President - General Counsel. The effective date of each such notice shall be the date it is received.
9. **Non Disclosure** – With exception for the existence of this Agreement, the parties hereby agree that neither party shall disclose to any third party the contents of this Agreement without the prior written approval of the other party other than each party's officers, directors, employees, agents or professional advisors with a need to know the same, except as may be required in the performance of this Agreement.
10. **Entire Agreement** – The terms and conditions contained in this Agreement constitute the entire agreement between the parties hereto and shall supersede all previous communications, representations or agreements, either oral or written, between the parties hereto with respect to the subject matter hereof, and no agreement or understanding varying or extending the same will be binding upon either party hereto unless in writing, signed by a duly authorized officer or representative thereof.



S-76D NEW HELICOPTER SALES AGREEMENT

IN WITNESS WHEREOF, this Agreement has been executed by each party's authorized representative.

SHMITKA AIR INC.:

**SIKORSKY AIRCRAFT
CORPORATION:**

By: _____ By: _____

Name: _____ Name: _____

Title: _____ Title: _____

Date: _____ Effective Date: _____

ATTACHMENTS:

Exhibit A	Helicopter Configuration
Exhibit B	Publications
Exhibit C	Training
Exhibit D	Warranty
Exhibit E	Certificates
Part 1	Form of Certificate of Helicopter Acceptance
Part 2	Form of Certificate of Completion Services Acceptance



S-76D NEW HELICOPTER SALES AGREEMENT EXHIBIT A

HELICOPTER CONFIGURATION

The following items of standard and optional equipment as described below, which have been selected by the Customer, shall be installed on the Helicopter to be delivered under this Agreement.

DELUXE EXECUTIVE CONFIGURATION

PART 1

BASELINE AIRCRAFT

Features of the S-76D Aircraft:

Dynamic System: Two Pratt & Whitney 210S engines and a four blade articulated main rotor system with dual controls.

Cockpit: An integrated Thales avionics suite, with an upgradable avionics package. There is a Bleed Air Heating Defogging system and dual windshield wipers. The Pilot and Copilot seats are equipped with a five point Restraint system.

Cabin: A large cabin that can be configured for various different missions and a 38 cubic foot baggage compartment

Other: Goodrich Health and Usage Monitoring System (HUMS), Active Vibration Control (AVC) system with single nose vertical force generator, retractable landing gear, and 295 gallons of usable fuel

Baseline Avionics Package Includes:

Thales TopDeck Avionics Suite

Four Thales IAD 68 (Integrated Avionics Displays) including a dual embedded FMS functionality, dual MCDU (Multipurpose Control and Display Units), dual Vehicle Monitoring Modules (VMMs) providing data concentration functions, dual Litef LCR-100 AHRS, dual Thales ADU 3200 Air Data Computers, and dual Flight Control Modules (FCM) and actuators provide the four axis autopilot with Stability Augmentation System (SAS), Autopilot (ATT), and Coupled Flight Director (CFD) functions and attitude rate damping.

Radio Nav/Comm

Dual Collins VHF-4000 radios, Collins TDR-94D mode S transponder with diversity to meet Elementary & Enhanced Surveillance requirements, single Collins NAV-4000 providing VOR/ILS/MB and embedded ADF, single NAV-4500 for VOR/ILS/MB, single Collins DME-4000, single Thales AHV-1600 radio altimeter, single Thales Topstar 200NG GPS sensor, and Artex C406-N HM ELT including programming adapter.

Audio: Dual dB Systems 380 Audio control panels with ICS and VOX plus three maintenance jacks, one in the cabin and two in the baggage compartment. Also includes pilot overhead standby jack for direct



S-76D NEW HELICOPTER SALES AGREEMENT

EXHIBIT A

BASELINE AIRCRAFT - continued

connection to #2 com, dual 45° pedestal mounted ICS foot switches, three David Clark Headsets, one six-foot walk-around cord and two 30-foot walk-around cords, Cabin PA/Chime System – dB Systems 251, and a Passenger Briefing System - PBS 250.

Backup/Safety Systems: Honeywell MKXXII Enhanced Ground Proximity Warning System, Penny & Giles MPFR FDR/CVR, 3" Thales Integrated Electronic Standby Indicator (IESI) provides backup attitude, airspeed, altitude, nav cues from NAV 1 or NAV 2, and VHF 2, ELT C406-N HM w/ Satellite Frequency, Electric Door Locks – Cabin, Flight Director Decouple Warning System with visual and aural warnings.

Weather Related Systems: Weather Avoidance Radar - Primus 660, Windshield Washer System, Heated Glass Windshields, and Engine Inlet Inertial Particle Separator (IPS) .

Electrical: 28 Volt Electrical System with two 250 Amp Generators, one 10 KVA, 115VAC AC Generator, Pilot and Copilot Avionics Master Switches.

PART 2

ADDITIONAL AVIONICS ITEMS

- 07125 Delete PBS 250 Passenger Briefing System, From Baseline
- 11110 Second GPS Receiver - Thales Topstar 200
- 11120 Second Mode S Transponders w/Diversity- TDR 94D
- 11130 DME, 2ND - Collins DME Proline 21 DME- 4000
- 11150 Digital Moving Map on Thales' Multifunction Displays
- 11155 Jeppesen Electronic Terminal and Approach Charting
- 30112 Audio Jacks - Emergency (Std/Bose)
- 31128 Premium Interior Speakers, Two
- 32101 12 VDC Accessory Outlet (Automotive Style)
- 34181 Vertical Card Standby Compass
- 36143 Lightning Strike Sensor - LSZ 860
- 36165 Wx Avoidance Radar - Primus 880
- 37130 Traffic Alert and Collision Avoidance System, KTA 970 – TCAS I

PAINTS & FINISHES

- 50102 VIP Interior Paint Preparation & Finish
- 50112 VIP Exterior Paint Preparation & Finish

INTERIORS

- 63100 **Deluxe VIP Interior Group**, featuring: Silencer™ airframe isolated interior wall panel system, high performance airframe mounted secondary acoustic package, Ultraleather or Ultrasuede interior panel upholstery, ECS ducting, cockpit/cabin divider bulkhead with left hand and right hand sliding windows, leather seat upholstery, general cabin lighting, emergency cabin lighting, reading lights (8) and air outlets (8), cabin door threshold lighting, switch panels to control cabin systems, tinted interior cabin windows, decorative plating in cabin, illuminated ordinance signs, emergency/informational signage, emergency exit signs, cabin and cockpit carpet with spare,



S-76D NEW HELICOPTER SALES AGREEMENT

EXHIBIT A

wood veneer/leather/decorative metal details, integral magazine racks on cabin doors, storage cabinet forward of raised fuel deck, seat maintenance covers, cabin floor runners, molded baggage compartment floor liner, Stain Guard Protection, Nut Plates fittings for all Opera Windows and Removal of unused tie down fittings.

- 70116 Sheepskin Seating - Crew Seats**
- 70152 Seat Belt Extender**
- 72163 Flight Manual Storage, LH Controls Closet**
- 77134 Single Action Door Release, Cabin/Cockpit**

AIRCRAFT ITEMS

- 80101 Boarding Step, Retractable - LH**
- 80102 Boarding Step, Retractable -RH**
- 80182 Engine Inlet Covers Storage**
- 80186 Maintenance Covers - Exterior**
- 80192 Enhanced Door Pins, Cockpit**
- 83151 Hydraulic Quick Disconnect Relocation**
- 84151 C⁴ Environmental System**
- 85139 Anti-Collision LED Light, Red, Bottom**
- 85152 Dual Landing Lights – Main Gear**
- 85162 Recognition Lights - Forward Facing**
- 85163 Logo Lights**
- 85170 Pulse Switch for Dual Landing Lights**
- 85171 Pulse Switch for Recognition Lights**
- 86116 Pencil Holder**
- 86117 Console Storage Bin - Small**
- 86126 Sun Tint - Windshield**
- 86140 Nose Lateral Force Generator**
- 86141 Cabin Vertical Force Generator**
- 86195 Fluid Deflector**
- 88151 Emergency Flotation System Completion**
- 88161 Single Pilot Ballast Provisions**

CUSTOMER UNIQUE ITEMS

- 90009 Custom upholstery/cushion fabrication**
- 90010 Customized cabin reading light location. Reallocate one reading light from each group to the outboard area of the ceiling, to be centered on outboard passenger seats**
- 90011 Relocate the cabin reading light switches to the overhead area, adjacent to the reading lights. Relocate the dome light switches on the same panel as the relocated outboard lights in the outboard position**
- 90018 Redesign Forward cabin bulkhead to extend lower than the bottom of the standard narrow windows**
- 90019 Custom Cabin Interior Materials**
- 90020 Custom Cabin Headset Hooks (Quantity 4)**
- 90024 Custom Aft-Facing Bench Seat, Three to Four Place, with Shortened Single Center Fold-**



S-76D NEW HELICOPTER SALES AGREEMENT EXHIBIT A

Down Padded Arm Rest
90025 Custom Forward-Facing Bench Seat, Three to Four Place with shortened Single Center
Fold-Down Padded Arm Rest

UNQUALIFIED EQUIPMENT

11112 Thales TopDeck Upgrade for WAAS/LPV*
90002 XM Weather with Integrated Functionality on Thales TopDeck Displays*

*These items need to be finally confirmed as to Sikorsky's capability to include in the Helicopter configuration within the delivery schedule quoted herein.



S-76D NEW HELICOPTER SALES AGREEMENT EXHIBIT A

Annex 1 TBD



S-76D NEW HELICOPTER SALES AGREEMENT

EXHIBIT B

PUBLICATIONS

1. ***Publications*** - With each Helicopter/Custom Helicopter sold and delivered hereunder, Sikorsky shall furnish the Customer with certain publications under this paragraph for use by the Customer and its contractors in operating and supporting the Helicopter. Sikorsky shall provide the Customer with:

Listing of Technical Publications Provided with each Helicopter	FORMAT	PUBLICATION NO.	MANUAL with 3 - YEAR REVISION SERVICE	Standard Quantity With New Aircraft
			Standard With New Aircraft	Standard S-76D Configuration (No Options)
FAA-Approved Rotorcraft Flight Manual	Paper	SA S76D-RFM-000	Standard	2 Copies Each Aircraft
FAA-Approved Rotorcraft Flight Manual	CD ROM ETM (PDF)	SA S76D-ETM- RFM-000	Standard	1 Copy Each Aircraft
Wiring Data Manual	CD ROM ETM (PDF)	SA S76D-ETM- WDM-000	Standard	1 Copy Each Aircraft
Flight Check Procedures Manual	Paper	SA S76D-FCP-000	Standard	1 Copy Each Aircraft
Portable Document Format (PDF) on CD ROM. This CD ROM contains the following publications: · S-76D Maintenance Manual · S-76D Illustrated Parts Catalog · S-76D Airworthiness Limitation Inspection Requirements.	CD ROM ETM (PDF)	SAS76D-ETM- AMM-000	Standard	1 Copy Each Aircraft
S-76D Alert Service Bulletin (ASB) and Customer Service Notices (CSN)	Electronic Media (Transmitted via Email, Winfax, and posted to Sikorsky 360 Website)		Standard	Standard For Life of Aircraft
Mechanics Pocket Guide	CD ROM ETM (PDF)	SAS76-ETM-MPG- 000	Standard	1 Copy Each Aircraft



S-76D NEW HELICOPTER SALES AGREEMENT EXHIBIT B

Integrated Electronic Technical Manuals (IETM) via Sikorsky360 Website. This WEB IETM contains the following publications: · S-76D Maintenance Manual · S-76D IPC · S-76D Airworthiness Limitation Inspection Requirements.	Sikorsky 360 Website	Web IETM	Standard	Web Access
Structural Repair Manual	CD ROM (PDF)		Standard	1 Copy Each Aircraft
HUMS Users Guide	CD ROM (PDF)		Standard	1 Copy Each Aircraft
Component Maintenance Manuals(CMMS)	CD ROM (PDF)	ATP	As Noted	2 Year Revision Service Standard

2. **Completion Services Manuals** - Publications for options provided by Keystone Helicopter Corporation (KHC) and other Type Certified subcontractors will be available from KHC and other subcontractors.
3. **Alert Service Bulletins** - Alert Service Bulletins shall be issued on matters requiring the immediate attention of the Customer and shall be generally limited to items affecting safety.
4. **Customer Service Notices** - Customer Service Notices shall be issued to furnish the Customer with information regarding product improvement modifications and part changes.
5. **Revisions** - The Customer shall receive a revision service to the Sikorsky manuals and IETMs for a period of three (3) years after the final acceptance of the Completion Services. Sikorsky will provide two (2) years of revision service for vendor manuals (CMMs) on CD ROM.



S-76D NEW HELICOPTER SALES AGREEMENT

EXHIBIT C

TRAINING

1. **Initial Pilot Training Services** – With each Custom Helicopter sold and delivered hereunder, Sikorsky shall make available to three (3) Customer pilots an S-76 initial pilot training course approximately eleven (11) days in duration, consisting of a Visual Flight Rules (“VFR”) transition segment and, as required, an Instrument Flight Rules (“IFR”) transition segment. Each of the segments is programmed to provide emphasis on helicopter familiarization, classroom instruction on systems operation and instruction in both the S-76 Simulator and the S-76 Cockpit Trainer.

In addition, each Customer pilot will receive five (5.0) hours of flight with an instructor pilot. Each Customer pilot that is not a U.S. Citizen must have either: a valid FAA Private Pilot Certificate with a Helicopter-Rotorcraft rating and a valid medical certificate; or, register and apply for a security assessment with the TSA Alien Flight Student Program, and receive a TSA approval to train, prior to commencement of flight training. All flight training shall be conducted on the Custom Helicopter to be delivered hereunder, following acceptance by the Customer and transfer of title to the Customer, and following acceptance of Completion Services (if applicable) by the Customer.

2. **Initial Maintenance or Electrical Training Services** – With each Custom Helicopter sold and delivered hereunder, Sikorsky shall make available to three (3) Customer mechanics an initial S-76 maintenance training course approximately fifteen (15) days in duration or, at Customer's option, an S-76 electrical training course approximately ten (10) days in duration. Either course includes inspection and maintenance troubleshooting and use of a maintenance trainer. Each mechanic must have background experience in one or more of the following categories: (a) certified (by the FAA or by an equivalent airworthiness authority) airframe mechanic with one (1) year practical experience as a rated aircraft mechanic; (b) one (1) year experience as an active mechanic on a commercial or military helicopter; or (c) three (3) years general experience as a commercial or military aircraft mechanic.
3. **Engine Training Services** – With each Custom Helicopter sold and delivered hereunder, Sikorsky shall make available to three (3) Customer mechanics, an engine maintenance course at the engine manufacturer's facility. This course is approximately five (5) to seven (7) days in duration, dependent on aircraft/engine type.
4. **Health & Usage Monitoring System (HUMS)** – With each Custom Helicopter sold and delivered hereunder, Sikorsky shall make available to three (3) Customer personnel a basic HUMS training course of approximately five (5) days in duration. This course is designed in consideration for the range of personnel involved in operation of HUMS, which may include line maintenance technicians, certifying staff (including both avionics and aircraft/engine disciplines), HUMS diagnostic specialists and information technology specialists supporting ground based computer systems. The course is designed for persons without prior HUMS experience, and includes training on the use and administration of HUMS. HUMS Training is a classroom/in-person session lead by a Sikorsky instructor. Each class will consist of approximately four to eight students.



S-76D NEW HELICOPTER SALES AGREEMENT EXHIBIT C

Classes will be conducted at either Sikorsky's Stratford, CT facility or West Palm Beach, FL, or another facility designated by Sikorsky with prior notice to Customer.

5. **Scheduling** – Within thirty days of Customer's execution of the Agreement, the Customer shall provide Sikorsky written notice as to whether Customer's personnel or designees shall attend the S-76 pilot training and/or maintenance/electrical/HUMS training courses. Sikorsky will, if practical, schedule the ground school portion of the pilot training course and the maintenance/electrical/HUMS training course so that completion will be accomplished immediately prior to the delivery of the Custom Helicopter to Customer. If the Customer elects to have three (3) pilots attend the S-76 pilot training course, all pilots must, unless Sikorsky agrees otherwise, attend the course concurrently. Sikorsky shall notify the Customer as to the location of the training courses. In any event, the training services in Sections (1), (2), (3) and (4) above must be scheduled and completed within twelve (12) months of the Custom Helicopter delivery to which such services are allocable, in default of which Customer shall no longer be entitled to such services. The training services provided in accordance with Sections (1), (2) (3) and (4) above will be conducted in the English language. The Customer is responsible for all travel and expenses associated with their personnel attending such training sessions. The Customer shall provide all documentation, and personal information on the pilots to be trained, and cooperation for pilot training as requested by Sikorsky to assure compliance with U. S. A. laws and applicable policies and regulations in force at the time of training.
6. **Hold Harmless and Indemnification** – In consideration of Sikorsky making training services available to the Customer hereunder, the Customer, as the Custom Helicopter owner whose employees or designees will be the recipient of such training services, shall secure and protect itself and shall indemnify Sikorsky, FlightSafety International, Inc., their affiliates and their respective directors, officers, employees, service representatives, and agents, from any liability, claim of liability, expense, cause of action, loss or damage whatsoever, whether arising in tort or otherwise, for any injury, including death, to any person or property whatsoever (including the Customer's Custom Helicopter), arising out of or in conjunction with the performance of such training services.
7. **Insurance Requirements** – Toward effectuating the security, protection and indemnification of Section 6 above, and in addition to Customer's obligations under such Section 6, Customer agrees to carry as a minimum on each Custom Helicopter purchased under this Agreement the following insurance prior to the commencement of the flight training services provided hereunder:
 - a. Aircraft Public Liability, Bodily Injury and Property Damage and Passenger Legal Liability Insurance, including Contractual Liability Insurance to cover the liabilities herein assumed by Customer, with a limit of not less than \$50,000,000.00 for a single occurrence.
 - b. Aircraft Hull All Risk Loss or Damage Insurance covering the Custom Helicopter in the amount of the Custom Helicopter Unit Price.



S-76D NEW HELICOPTER SALES AGREEMENT EXHIBIT C

- i. All of the insurance policies shall be issued by companies satisfactory to Sikorsky, shall be in form and substance satisfactory to Sikorsky, shall name Sikorsky, FlightSafety International, Inc. and their respective affiliates as additional insureds, shall contain a provision prohibiting cancellation except upon at least ten (10) days prior written notice to Sikorsky and FlightSafety International, Inc., shall contain a complete waiver of subrogation by the insurer against Sikorsky, FlightSafety International, Inc., and their respective affiliates, and shall be primary and non-contributory with respect to any insurance carried by Sikorsky and/or FlightSafety International, Inc. Customer shall furnish to Sikorsky either certified copies of such policies or certificates evidencing such insurance and waiver. Such copies or certificates shall be presented to Sikorsky thirty (30) days prior to the scheduled commencement of the flight training.
8. ***Further Understandings*** - Sikorsky assumes no liability for any expense of the Customer, including those of Customer's personnel, directly or indirectly connected with the furnishing of training services provided for herein or for any expenses for the operation or maintenance of the Customer's Custom Helicopter. The parties expressly understand and agree that the responsibility of Sikorsky in the furnishing of the training services described above is limited to the furnishing of such and shall not extend to the results thereof. The parties further understand and agree that, in the event Customer elects not to take all or any portion of the training services provided for herein, no refund or other financial adjustment of the Total Contract Price will be made.



S-76D NEW HELICOPTER SALES AGREEMENT EXHIBIT D

WARRANTY

1. WARRANTY

Sikorsky warrants to Customer that each new helicopter sold by it, the parts and accessories installed thereon (except for the engines and engine accessories that are covered by the engine manufacturer's separate warranty, as well as Customer-supplied equipment which includes but is not limited to specialized mission equipment), shall be free from defects in material and workmanship, under normal use and service for the periods outlined below. Normal use and service shall mean the operation and maintenance of the Custom Helicopter, sub-assemblies, and parts in accordance with Supplier's Flight, Maintenance, or Overhaul Manuals and Operating Instructions. The New Spare Parts warranty shall only apply to those parts purchased and delivered pursuant to this S-76D New Helicopter Sales Agreement.

2. DURATION

CATEGORY	PERIOD OF COVERAGE	INCLUDES
Primary Structural Parts	5 years after delivery of the Custom Helicopter to Customer	Fuselage, stabilizer, tail pylon, tail cone
Non-Primary Structural Parts & Dynamic Components Installed on Aircraft	3 years or 1000 hours of operation after delivery of the Custom Helicopter to Customer, whichever occurs first	Non-primary structural components, dynamic components, rotor blades, accessories, avionics, navigation and communication equipment
New Spare Parts	1 year or 1,000 hours from date of shipment from Sikorsky	New Spare Parts & GSE (ground support equipment) if purchased under this Agreement

3. SIKORSKY OBLIGATIONS

A. REPAIR/REPLACEMENT

Sikorsky shall be obligated under this warranty to the repair or replacement of the defective item with a new, overhauled, or serviceable replacement item during the applicable term of the warranty. The decision to repair or replace the defective item is solely at the discretion of Sikorsky.

B. LABOR

Sikorsky will cover Labor associated with the direct repair of a warranted item by a Sikorsky approved and authorized service (repair, maintenance, and overhaul) and/or parts suppliers. The Customer must obtain approval from Sikorsky on a case-by-case basis, prior to any such work being performed. Labor associated with troubleshooting, gaining access to, the removing and reinstalling a warranted item, or testing of the repaired or replaced item is not covered under this warranty.



S-76D NEW HELICOPTER SALES AGREEMENT

EXHIBIT D

4. CUSTOMER'S OBLIGATIONS

- A. The Customer must notify Sikorsky in writing of any defect occurring within the warranty period, within sixty (60) days after its discovery. Such notification will be accomplished by completing a Sikorsky RSA (Return to Sikorsky Aircraft, SA Form 7859) and submitting it either via telefax or email.
- B. If Sikorsky elects to replace or exchange rather than repair and return the warranted item the Customer must return the defective item to Sikorsky or its designated repair facility within 30 days (domestic) or 60 days (international) of receipt of a replacement/ exchange item, if so requested by Sikorsky. Any defective item that is replaced or exchanged by Sikorsky shall automatically become the property of Sikorsky.
- C. If requested by Sikorsky, the Customer must furnish Sikorsky with copies of pertinent Custom Helicopter operational and maintenance records. Such records may include any and all those prepared during the entire warranty period immediately preceding the discovery as well as records of any incident, accident, or unusual event encountered by the Custom Helicopter at any time prior to the discovery of the defect.
- D. HUMS Data Reporting - Each Custom Helicopter sold and delivered hereunder includes a Goodrich Health and Usage Monitoring System (HUMS), composed of (1) on-board equipment and (2) one mobile ground station (A/C laptop). For as long as the Custom Helicopter is in operation, Customer shall provide Sikorsky with aircraft operational data using HUMS. Customer shall download HUMS data from the Custom Helicopter to the HUMS ground station and make the data for each day of operation of the Custom Helicopter available to Sikorsky. The files produced for each flight shall be electronically transferred to Sikorsky. Customer shall create a file transfer protocol (FTP) site (or another acceptable means approved by Sikorsky), established in accordance with Sikorsky procedures, from which Sikorsky can transfer HUMS data on a daily basis (or as frequently as agreed to by both parties). Sikorsky may access the files at anytime, but plans to acquire the files on a nightly basis.
- E. Maintenance Data Reporting: For as long as the Custom Helicopter is in operation, Customer shall provide Sikorsky with maintenance data on a daily basis (or as frequently as agreed to by both parties), in an electronic format, or in accordance with other acceptable means approved by Sikorsky. Such obligation shall continue to a subsequent operator if the Customer sells, transfers, leases or otherwise conveys the Custom Helicopter to a third party. Failure to provide the HUMS data in the manner described above, or in another manner mutually agreed upon by the parties, shall void the warranty of the Custom Helicopter. As part of the maintenance data, Sikorsky requires records and documentation for all premature removals, including at a minimum the following information, in respect of any such removed parts:
 - 1. Description
 - 2. Part Number
 - 3. Serial Number if applicable
 - 4. Installation Date
 - 5. Aircraft hrs at installation
 - 6. Removal Date
 - 7. Aircraft hours at removal
 - 8. Time since New
 - 9. Time since Overhauled



S-76D NEW HELICOPTER SALES AGREEMENT

EXHIBIT D

10. Reason for removal / If malfunction – description of how malfunction occurred

- F. Customer expressly acknowledges that Sikorsky's receipt of Customer's HUMS and/or Maintenance Data as provided above, does not render Sikorsky responsible for the maintenance and/or troubleshooting of the Custom Helicopter in any manner and Customer expressly releases Sikorsky from any and all liability in regard to the receipt and analysis of the HUMS data. Customer shall indemnify Sikorsky against any claim for liability based on the receipt and analysis of HUMS data brought by any subsequent purchaser of the Custom Helicopter. Customer shall not rely on and/or expect Sikorsky to analyze the data so as to provide the Customer with any advice relating to the maintenance and troubleshooting of the Custom Helicopter.

5. TRANSPORTATION

Transportation charges relating to approved warranty claims for the return of defective goods to Sikorsky, their reshipment to Customer, and the risk of loss thereof, up to and including the average cost of Federal Express P1 or equivalent, will be borne by Sikorsky if returned in accordance with written shipping instructions from Sikorsky. Transportation charges do not include taxes, duties, loans, lease charges, exchange fees, warehousing charges, handling charges, or administrative charges when charged by a party other than Sikorsky or a Sikorsky subcontractor. Any premium transportation costs shall be borne by the Customer.

6. WARRANTY ON REPLACEMENT PARTS

Parts repaired, replaced, or exchanged (newly manufactured, repaired or overhauled) on a valid warranty claim are warranted for the remainder of the original warranty period associated with the discrepant part removed.

A. NO FAULT FOUND

If Customer returns a part with a defect/failure that cannot be confirmed by either Sikorsky or Sikorsky's suppliers and the assessment of the part is evaluated as "No Fault Found", no repair, overhaul, or replacement will be provided by Sikorsky and the Customer will be responsible for all time and material charges associated with the testing and evaluation of the returned part.

B. CORE RETURN POLICY

Customer agrees to return core units within fourteen (14) calendar days for domestic transactions (twenty-one (21) calendar days for international transactions), from the date the exchanged unit is shipped from Sikorsky's facility ('date shipped'). If the core unit is not received by Sikorsky within thirty (30) days from 'date shipped', the exchanged unit shall be considered to be purchased outright by Customer and the Customer will be invoiced at list price for CPL items or at current core unit value for non-CPL items.

7. EXCLUSIONS

This warranty does not apply and Sikorsky shall be relieved of its obligations and liability with respect to any claim under the Warranty if such claim results from any of the following:



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- A. Custom Helicopters which are not maintained, operated or repaired in accordance with the governing or applicable provisions of Sikorsky's, its subcontractors, the FAA or DOT, as applicable, Approved Flight Manual, Maintenance Manual and Service Bulletins, and as each thereof may be amended from time to time by Sikorsky, and/or
- B. Custom Helicopters which undergo structural modifications, repairs, and/or engine retrofits without the express written approval and technical guidance of Sikorsky, and which are determined to be the cause or a contributing cause of the defect, and/or
- C. Custom Helicopters or parts which have been subject to abuse, misuse, negligence, combat damage, incident or accident, and/or
- D. Custom Helicopters or parts which have been subject to direct foreign object damage, ingestion of foreign material, or any corrosive or erosive agent, and/or
- E. Standard consumables and expendable items such as, but not limited to, seals, filters, gaskets, tires, hoses, bulbs, switches, batteries, bearings, brake pads and general hardware.
- F. Normal wear and tear, including normal wear and tear to exterior paint and interior items such as, but not limited to, seats, sidewall and headliner coverings, woodwork, plating and other soft trim appearance items, and/or
- G. Parts and accessories whose manufacturer's identification tag has been removed or obliterated or cannot otherwise be identified as having been installed on the Custom Helicopter at delivery, and/or
- H. Failures that result from external contamination such as contaminated fuel, oil, hydraulic fluids and the like.

8. DISCLAIMER

A. TITLE

Sikorsky warrants to Customer that it will convey good title to the Custom Helicopter and parts sold hereunder. Sikorsky's liability and Customer's remedy under this warranty are limited to the removal of any title defect or at the election of Sikorsky to the replacement of the Custom Helicopter or parts thereof which are defective in title; provided, however, that the right and remedies of the parties with respect to patent infringement shall be limited to the provisions of Paragraph 8B below.

B. PATENT INFRINGEMENT

Sikorsky shall conduct, at its own expense, the entire defense of any claim, suit or action alleging that, without further combination, the use or resale by Customer or any subsequent purchaser or user of any Custom Helicopter or part delivered hereunder directly infringes any United States patent, but only on the conditions that (A) Sikorsky receives prompt written notice of such suit, or action and full opportunity and authority to assume the sole defense thereof, including settlement and appeals, and all information available to Customer and defendant for such defense; (B) said Custom Helicopter or part is made according to a specification or design furnished by Sikorsky



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or, if a process patent is involved, the process performed by the Custom Helicopter is recommended in writing by Sikorsky; and (C) the suit, or action is brought against Customer or one expressly indemnified by Customer. Provided all of the foregoing conditions have been met, Sikorsky shall, at its own expense, either settle said suit, or action or shall pay all damages excluding consequential damages and costs awarded by the court therein, and, if the use or resale of such Custom Helicopter or part is finally enjoined, Sikorsky shall, at Sikorsky's option: (i) procure for defendant the right to use or resell the Custom Helicopter or part, (ii) replace them with an equivalent non-infringing Custom Helicopter or part, (iii) modify them so they become non-infringing but equivalent, or (iv) remove them and refund the purchase price (less a reasonable allowance for use, damage, and obsolescence).

- C. If a suit, or action is based on a design or specification furnished by Customer, or on the performance of a process not recommended in writing by Sikorsky, or on the use or sale of the Custom Helicopter or parts delivered hereunder in combination with other helicopter parts not delivered to Customer by Sikorsky, Customer shall indemnify and save Sikorsky harmless therefrom.

D. EXCLUSIVE WARRANTIES & REMEDIES

THE FOREGOING WARRANTIES ARE EXCLUSIVE AND ARE GIVEN AND ACCEPTED IN LIEU OF (i) ANY AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE; AND (ii) ANY OBLIGATION, LIABILITY, RIGHT, CLAIM, OR REMEDY IN CONTRACT OR TORT, WHETHER OR NOT ARISING FROM SIKORSKY'S OR ANY OF ITS AFFILIATES' NEGLIGENCE, ACTUAL OR IMPUTED, STRICT TORT LIABILITY OR BREACH OF WARRANTY. NEITHER SIKORSKY NOR ANY OF ITS AFFILIATES SHALL HAVE ANY RESPONSIBILITY OR LIABILITY WHATSOEVER FOR ANY DAMAGE, LOSS OR INJURY TO PERSONS OR PROPERTY, INCLUDING, WITHOUT LIMITATION, TO THE CUSTOM HELICOPTER, ARISING OUT OF OR RELATED TO ANY DEFECTIVE ITEM HEREUNDER, OR THE INSTALLATION THEREOF. UNDER NO CIRCUMSTANCES SHALL SIKORSKY OR ANY OF ITS AFFILIATES BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, OR SPECIAL DAMAGES, HOWEVER CAUSED, INCLUDING, WITHOUT LIMITATION, LOSS OF USE, LOSS OF PROFITS, LOSS OF PRODUCTION AND/OR LOSS OF REVENUES. NO AGREEMENT VARYING OR EXTENDING THE FOREGOING WARRANTIES, REMEDIES, OR THIS LIMITATION WILL BE BINDING UPON SIKORSKY OR ANY OF ITS AFFILIATES UNLESS IN WRITING, SIGNED BY A DULY AUTHORIZED OFFICER OF SIKORSKY OR SUCH AFFILIATES.

9. GENERAL

- A. This warranty may not be assigned or otherwise transferred to any other party without the advance, written consent of Sikorsky.



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- B. Warranties covering the engines and engine accessories installed on the Custom Helicopter are made separately to the Customer by the engine manufacturer. All warranty claims pertaining to those items must be made directly to the manufacturer in question, provided that Sikorsky, as a matter of accommodation, will process the claim on behalf of the Customer to the appropriate manufacturer if so requested.



S-76D NEW HELICOPTER SALES AGREEMENT EXHIBIT E PART 1

CERTIFICATE OF HELICOPTER ACCEPTANCE

Pursuant to the S-76D New Helicopter Sales Agreement Number _____, dated _____, between Sikorsky [spell out entity] ("Sikorsky") and [Customer] ("Customer")

Inspection – Customer hereby acknowledges that it has thoroughly inspected the S-76D helicopter Serial No. _____ and has found it to be acceptable and in accordance with the requirements of the above referenced Agreement; and

Acceptance – Customer hereby accepts the helicopter described below on the ____ day of _____, 201__. Flight hours at time of acceptance is _____.

IN WITNESS WHEREOF, [Customer] has caused this Certificate to be executed this ____ day of _____, _____.

[CUSTOMER]

By:

Name:

Title:



S-76D NEW HELICOPTER SALES AGREEMENT EXHIBIT E PART 2

CERTIFICATE OF COMPLETION SERVICES ACCEPTANCE

Pursuant to the S-76D New Helicopter Sales Agreement Number _____, dated _____, between Sikorsky [spell out entity] ("Sikorsky") and [Customer] ("Customer")

Inspection – Customer hereby acknowledges that it has thoroughly inspected Completion Services performed on the S-76D helicopter Serial No. _____ and has found them to be acceptable and in accordance with the requirements of the above referenced Agreement; and

Acceptance – Customer hereby accepts the Completion Services described below on the ____ day of _____, 201__. Flight hours on the Custom Helicopter at time of acceptance of the Completion Services is _____.

IN WITNESS WHEREOF, [Customer] has caused this Certificate to be executed this ____ day of _____, _____.

[CUSTOMER]

By:

Name:

Title: