



2221 SMITHTOWN AVENUE, LONG ISLAND MACARTHUR AIRPORT, RONKONKOMA, NEW YORK 11779
631.737.5900 P 631.737.1249 F [REDACTED]

May 19, 2017

Mr. Jeffrey Epstein
Plan D, LLC
6100 Red Hood Quarters B3
St Thomas USVI 00802

Proposal ER017007R6

Gulfstream 550, Serial No. 5173, Registration No. N415LM

Dear Jeffrey,

Thank you for the opportunity to present our revised proposal to refurbish your Gulfstream 550.

We pride ourselves on being a distinctive, custom refurbishment center that provides one-on-one attention as we produce couture-like craftsmanship for each project we execute.

We pro-actively communicate with our clients and deliver an extraordinary experience.

Please review this proposal to ensure that we have identified all the items you would like to have included in your work scope.

We look forward to being of service to you by providing extraordinary personal service and quality workmanship at an exceptional value.

If you have any questions regarding this proposal, please do not hesitate to call me.

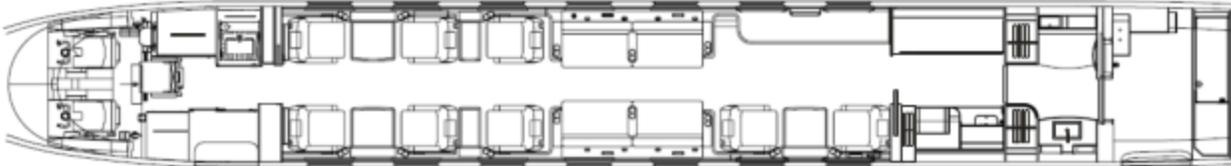
Sincerely,

A handwritten signature in black ink, appearing to read 'Eric H. Roth', with a long horizontal line extending to the right.

Eric H. Roth
President

EHR/du

Floor Plan



Financial Summary:

\$ 347,564 Proposal (includes \$9,000 hangar / ramp cost)

[PLEASE CONFIRM THAT ALL COSTS ARE INCLUDED IN THIS PROPOSAL. THERE SHOULD BE NO SURPRISES AS TO ANY COSTS OF WHICH YOU SHOULD BE AWARE AT THIS TIME]

MATERIAL ALLOWANCES:

Material Allowances

Materials included in this proposal are based on the following allowances:

\$ 18.00 per square foot	Leather (<i>cabin seats, potty's, crew trim</i>)
\$ 18.00 per square foot	Suede Leather (<i>divans</i>)
\$135.00 per linear yard	Fabric (<i>window line, lower side panels, bulkheads</i>)
\$ 88.00 per linear yard	Fabric (<i>headliner</i>)
\$ 88.00 per linear yard	Grospoint (<i>baggage and closets</i>)
\$300.00 per square yard	Carpet (<i>floor covering</i>)
\$ 45.00 per square foot	Wood Veneer
\$ 18.00 per square foot	Solid Surface (<i>Corian or equal</i>)

COCKPIT AREA

208 Crew Seats \$8,860

The crew seats will be stripped of existing materials. The seats will be function-checked for proper operation. The customer will be notified of any additional costs required to repair or replace broken parts for approval. The cushions, arm rests and related sections will be upholstered with customer-approved material on the bottom and back cushions. The existing seat and shoulder harness assemblies will receive new color-coordinating webbing using the existing hardware.

209 Control Column Boots \$1,460

Fabricate and install new control column boots in leather to color coordinate.

ENTRYWAY AREA

304 Entry Door / Airstair Treatment \$ 4,580

The steps and risers will be stripped and recovered in a similar, color coordinating rubber tread material.

314 Forward Lavatory Potty Seat & Shroud \$2,533

The forward lavatory potty seat and surround(s) will be stripped and upholstered with customer-approved leather.

320 Jump Seat \$6,740

The pull out jump seat will be stripped of existing materials. The seat will be function-checked for proper operation. The customer will be notified of any additional costs required to repair or replace broken parts for approval. The cushions, arm rests and related sections will be upholstered with customer-approved material. The existing seat and shoulder harness assemblies will receive new color-coordinated webbing using the existing hardware.

325 Floor Covering (Entryway) \$1,272

A 100% wool custom carpet will be fitted, cut and installed for the entry floor. One (1) entry area throw mat will be cut, serged and provided.

MAIN CABIN AREA

409 Lower Side Panels \$14,730

The main cabin area lower side panels will be stripped and laminated with 0.125" foam as required. The panels will be covered in customer-approved material.

415 Mid Cabin Curtain \$5,570

The mid cabin curtain will be replaced using the existing retaining system. Fabricate two (2) new curtains with customer-approved fabric.

417 Aft Cabin Curtain \$2,580

The aft cabin will be replaced. Fabricate one (1) curtain with customer-approved material. The curtain will be retained through use of rare earth magnets and an embedded metal strip in the curtain to keep the curtain tight against the bulkhead.

420 Cabin Single Seats \$122,106

The eight (8) 16g cabin single chairs will be stripped of existing materials. The chair frames will be cleaned and exposed areas will be prepped and painted to match the dress cover material. Cushions will be fabricated with multiple density DAX foam to coordinate with the upholstery.

design. The cushions, arm rests and related parts will be upholstered in customer-approved leather. The existing seat belts will receive new color-coordinated webbing using the existing hardware. Seats will be fire blocked as per Item 803 of this proposal. The two (2) aft cabin chairs will be styled differently than the forward four cabin chairs. The R/H & L/H #3 seats will not be reinstalled.

Note: Cabin seats will be removed and functionally tested for proper operation, and the customer notified of any discrepancies identified and options for repairs.

420 Cabin Single Seats \$ 27,610

The #2 R/H and #2 L/H 16g chairs will be modified to incorporate recliner footrests in accordance with manufacturer's Service Bulletin for 16g certification.

- 2- Base Assemblies
- 2- Base Shrouds
- 2- Seat Frame Shroud Assemblies
- 2- Legrest Assemblies
- 2- Swivel Stops
- 2- Spring Assemblies (Arms to be reworked)
- 2 Recline Levers
- 1- Service Bulletin

422 Divan(s) 43,190

The two (2) mid cabin 16g divan(s) will be stripped of existing materials. Cushions will be fabricated with multiple density DAX foam to coordinate with the upholstery design. The cushions, center arm rests (if any), and related parts, will be upholstered in customer-approved suede. The existing seat and shoulder harness belts will receive new color-coordinated webbing using the existing hardware. Seating will be fire blocked as per Item 803 of this proposal.

423 Divan End Arm Cabinets \$4,392

New, taller fwd and aft divan end arm rest pads will be fabricated and upholstered in the same suede as the divan.

424 Credenza \$ 2,560

Fabricate one (1) new padded leather credenza cover to replace existing.

425 Floor Covering (Main Cabin) \$27,923

A 100% wool custom carpet will be fitted, cut and installed throughout the main cabin to include seat bases and side heat ducts. All unfinished edges will be serged as required or aesthetically pleasing. One (1) set of throw mats for the main cabin seating areas will be cut, serged and provided.

GALLEY AREA

502 Aft R/H Galley \$2,870

Replace the see through plexiglass doors in the upper hutch with new composite door sliders laminated in wood veneer. Finish wood veneer in a high build finish.

503 Aft L/H Galley \$2,320

Replace the see through plexiglass doors in the upper hutch with new composite door sliders laminated in wood veneer. Finish wood veneer in a high build finish.

525 Floor Covering (Galley) \$636

A decorative vinyl flooring (TBD) will be fitted, cut and installed in the aft galley area.

AFT LAVATORY AREA

606 Aft Lavatory Potty Seat & Shroud \$2,980

The aft lavatory potty seat and surround(s) will be stripped and upholstered with customer-approved leather.

625 Floor Covering (Aft Lavatory) \$848

A 100% wool custom carpet will be fitted, cut and installed in the aft lavatory. All unfinished edges will be serged as required or aesthetically pleasing.

MISCELLANEOUS

801 Incoming Inspection / Remove Interior \$5,490

Prior to any work being performed on the aircraft after its arrival, the interior will be evaluated as it relates to the Work Scope. Cabin lighting, cabinetry, seating, and other interior furnishings will be function-checked prior to removal of the interior. All items of damage or any discrepancies **[PLEASE DEFINE THE TERM DISCREPANCIES]** - including flight squawks reported by the flight crew, will be listed and a plan of action determined. All interior furnishings and components will be removed as required to facilitate the Work Scope.

802 Install Interior / Detail Interior \$7,610

All equipment and/or furnishings included in this Work Scope that have been removed, refurbished, fabricated new, and / or procured for this aircraft will be installed.

803 Fire Blocking \$41,960

The belted aircraft cushions will be "fire blocked" to comply with F.A.R. 25.853 (c) Appendix F, Part II. FAA conformity and burn test procedures will be performed. An approved FAA Form 8110-3 certifying compliance will be provided. Price includes two (2) dress cover materials for the seats and one (1) dress cover material for the divan.

804 Composite Burn Certification \$5,044

All materials as required will be tested to comply with F.A.R. 25.853 (a) Amdt. 25-116 Appendix F Part I (a) (1) (ii). FAA conformity and burn test procedures will be performed. Provide approved FAA Form(s) 8110-3 certifying compliance.

808 Placards \$0

Affected areas of the aircraft interior will be placarded in accordance with applicable Federal Aviation Regulations. All placards unless specified otherwise will be self-adhesive type and in the English language.

829 Engineering / Certification \$1,700

Modifications to the aircraft, including newly designed and installed interior furnishings will all be engineered to meet the appropriate Federal Aviation Regulations. This work will be approved by a Designated Engineering Representative(s) of the F.A.A. and approved on FAA Form 8110-3 and FAA Form 337.

Total Cost for these Items....\$ 347,564

Authorized Acceptance: _____
for **Plan D, LLC** Date

1000 SCHEDULE

1001 Schedule

The schedule is dependent upon elected work scope and lead time to procure materials, commence burn certification and required engineering to complete the work scope. Down time and completion schedule is ten (10) weeks starting on May 19th and ending on July 30th 2017.

PROPOSAL TERMS AND CONDITIONS

101 Work Scope

These specifications are for the work to be performed in the refurbishment as outlined within. The quoted price(s) include all items to enable the specified installations to perform their intended function based on this specification.

102 Change Orders

If Customer requests changes to the work scope as outlined herein or discrepancy repair conditions **[THE PHRASE 'DISCREPANCY REPAIR CONDITIONS' IS AMBIGUOUS AND NEED FURTHER DEFINING]** are found, Customer will be provided with a Change Order or such other pricing summary as International Jet Interiors reasonably may deem appropriate. The Change Order / similar will state the change or addition to the scope of work and will inform Customer of the impact this change has to price and the estimated delivery date. The Change Order(s) will reference and amend this Proposal. **[Customer will be required to sign the Change Order(s) before the work scope change or additional work will begin. Any delay in Customer signing the Change Order / similar may result in a minimum of one (1) additional day added to the estimated delivery date for each day the Change Order remains unsigned and unreturned to International Jet Interiors. ←WE NEED TO MAKE PROVISION FOR DISAGREEMENTS AS TO WHETHER SOMETHING IS IN FACT A CHANGE ORDER, OR AS TO THE IMPACT ON THE SCOPE, PRICE AND SCHEDULE OF THE PROPOSED CHANGE. AS IT STANDS, IT APPEARS THAT IJI DICTATES A CHANGE ORDER AND IF CUSTOMER DISAGREES THE WORK STOPS UNTIL CUSTOMER AGREES. IN ADDITION, TO THE EXTENT A PRICE CHANGE IS DICTATED, THE CHANGE SHOULD BE GUIDED BY SOME VERIFIABLE PUBLISHED RATE SCHEDULE OR SOMETHING SIMILAR.]**

103 Incoming Evaluation

Prior to any work being performed on the aircraft after its arrival, the interior will be evaluated as it relates to the Work Scope. Cabin lighting, cabinetry, seating and other interior furnishings will be function checked prior to removal of the interior. All items of damage or any discrepancies **[DEFINE]**, including flight squawks reported by the flight crew, will be listed and a plan of action determined, which plan shall be set forth in reasonable detail and in writing and shall be subject to the prior written approval of Customer before it is implemented.

104 Correction of Discrepancies

This Proposal does not include repairs to the Aircraft resulting from discrepancies **[DEFINE]** in the Aircraft discovered during the performance of the agreed Work Scope. Correction of discrepancies pursuant to this provision will be preceded in writing by an International Jet Interiors Change Order, submitted for Customer approval with an estimate of cost and time delay in delivery, if any.

107 Representation / Access

At all times and from time to time during the period starting when the work contemplated herein commences and continuing until all such work has been completed in accordance with the provisions of this Agreement, Customer's representatives will have access to the premises during regular working hours in order to inspect the aircraft, check the results of the work performed, and investigate the progress of the work.

108 Documentation / Federal Aviation Administration Acceptance [WHAT ROLE DOES THE DAR PLAY IN ANY OF THE NECESSARY APPROVALS? SHOULD REFERENCE BE MADE IN THIS SECTION TO THE DAR, HIS ROLE AND PROCEDURES TO BE FOLLOWED FOR APPROVALS?]

All installations will be made in accordance with specifications stated herein and will be FAA approved by FAA Form 337 or other form of Federal Aviation Administration approval in compliance with applicable FAA regulations. It is the intent of International Jet Interiors to approve modifications utilizing FAA Form 337 unless otherwise stated and this work has been quoted predicated upon this assumption. **[DON'T YOU KNOW IF AN STC IS REQUIRED FOR THE WORK PROPOSED? THIS IS SOMETHING WE SHOULD KNOW NOW. → If a 337 approval is unacceptable to the FAA, an STC may be required. The additional cost and downtime for certification effort required to generate an STC is not included in this proposal and will be quoted separately subject to Customer approval.]**

The following documentation will be supplied by International Jet Interiors upon delivery of the aircraft where applicable to installations and modifications performed:

- a. FAA Form 337 covering work accomplished on the aircraft.
- b. A copy of the certification of all fabrics and materials that state that they meet the applicable Federal Aviation Administration requirements.
- c. [ANY OTHER DOCUMENTATION REASONABLY REQUIRED BY THE DAR]

109 Test Flight(s)

International Jet Interiors will provide all necessary personnel to perform in flight inspections if elected by the customer. The customer will be responsible for all fuel, pilots, oil, and related operating expenses to perform test flights. The test flight(s) will be limited to those which Customer reasonably determines are necessary or appropriate to evaluate the installations and modifications made by International Jet Interiors.

110 Refurbishment: General

- a. All interior finish items will be selected for durability and ease of maintenance with weight a primary consideration. The interior layout and arrangement, color schemes, and finish material selections will be in accordance with the customer approved sample(s) / presentation(s). Engineering and the choice of construction materials and fabrication techniques will be the responsibility of International Jet Interiors and will be in accordance with the accepted and current aircraft procedures and practices, manufacturer specifications and applicable FAA requirements.
- b. All fabrics and materials not inherently flame resistant will be treated with a fireproofing protection process in accordance with applicable FAA specifications. International Jet Interiors will be responsible for flammability testing and certification of materials.
- c. Any existing wiring or tubing made obsolete by the Work Scope will be capped and stowed. Wiring or tubing removal, if requested by the Customer, will be at an additional charge, unless such removal is required by manufacturer specifications or FAA requirements or the requirements of other applicable law, in which removal will be performed as part of the Work Scope and there shall be no additional charge for such removal.
- d. Removed equipment that is not to be reinstalled as part of this contract will become the property of International Jet Interiors, but only if Customer agrees in writing that IJI may retain ownership of the same.
- e. International Jet Interiors shall have the right to subcontract any portion of the work scope, subject to Customer's prior written approval of each intended subcontractor and the scope of work to be performed by such subcontractor. International Jet Interiors will be responsible for the full and prompt payment of all subcontractors engaged by it to perform work hereunder, shall obtain on a timely basis from all such subcontractors, and provide copies to Customer, of acknowledgements of payment and releases of any and all liens, claims and other rights in respect of all work performed by such subcontractors. International Jet Interiors shall hold harmless, indemnify and defend Customer from and against any and all claims, liabilities, costs, fees and expenses (including, without limitation, reasonable attorneys fees and disbursements) arising out of, connected with, relating to or resulting from any and all

- subcontractor claims of non-payment in respect of work contemplated by this Agreement, provided that Customer makes when due the payments required under this Agreement.
- f. The Customer is responsible for all specific preservation tasks related to the Aircraft, its engines or systems that are required or may become required while the Aircraft is at International Jet Interiors facility for the elected work scope. **[PLEASE CLARIFY WHAT YOU MEAN BY THE PHRASE "SPECIFIC PRESERVATION TASKS". PLEASE ALSO CLARIFY WHAT IS MEANT BY "CUSTOMER IS RESPONSIBLE". DOES THIS MEAN THAT CUSTOMER (OR ITS REPRESENTATIVE OTHER THAN IJI) HAS TO PERFORM THE TASK OR THAT CUSTOMER HAS TO PAY IJI TO PERFORM THE TASK?]**
- g. This Proposal is contingent on all work being accomplished during a single, coordinated visit.

106 Statement of Warranty

Upon delivery and acceptance of the refurbished aircraft, International Jet Interiors warrants its goods and services supplied to be free from defects in materials, workmanship and design and will be fit for use for their intended purpose under normal use for a period of 1,500 aircraft flying hours or three (3) years, whichever occurs first.

International Jet Interiors warrants that the services performed hereunder will comply with applicable FAA regulations in effect as of the date the work is performed (as interpreted by the FAA office having jurisdiction over the facility at which the work is performed), and will be free from defects in workmanship, material and design and will be fit for use for their intended purpose. The warranty on all new and used components that are acquired by International Jet Interiors from third-party manufacturers or vendors and then supplied to Customer hereunder shall be for the greater of (a) the 1,500 hours/three (3) year warranty period provided for above, or (b) the warranty provided by the supplying manufacturer or vendor, if any. This warranty does not apply to (i) normal wear and tear, (ii) the consequences of accidents, negligence, abuse or misuse other than by International Jet Interiors or its subcontractors, or of repair, removal, reinstallation or alteration other than by, under the supervision of or with the prior written approval of International Jet Interiors or its subcontractors and, (iii) to Customer furnished parts or equipment or to work which, at Customer's direction and without the prior written approval of International Jet Interiors, was not performed in accordance with International Jet Interiors' standard operating procedures. **The sole and exclusive remedy of customer, and International Jet Interiors' sole exclusive liability, with respect to this warranty is limited to repair or replacement (as reasonably agreed by International Jet Interiors and Customer) of the nonconforming or defective work or component.** Such repair or replacement shall be performed at International Jet Interiors facility and International Jet Interiors shall be responsible for all transportation costs. **THE FOREGOING WARRANTY IS IN LIEU OF, AND THE CUSTOMER HEREBY WAVES, ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY.**

In no event shall International Jet Interiors be liable for any special, incidental, consequential and/or punitive damages, including, without limitation, loss of profits, loss of goodwill, loss of use, loss of time, diminution of value, or inconvenience, even if informed of the possibility of such damages. In the event International Jet Interiors physically damages Customer's property, Customer's sole and exclusive remedy, and International Jet Interiors' sole and exclusive liability, is limited to the repair or replacement (at Customer's election exercised in its sole discretion) of the damaged portion of the property. Unless otherwise agreed to by International Jet Interiors and Customer, such repair or replacement shall be performed at International Jet Interiors facility, and International Jet Interiors shall be responsible for all transportation costs.

International Jet Interiors will use its best efforts to complete the Work Scope in a timely manner and in accordance with the Schedule provided in Section 1001. International Jet Interiors will not be liable to Customer for any failure to meet its obligations under this Proposal due to any cause beyond its reasonable control, including, without limitation, (i) government embargoes or other governmental acts that are not caused by International Jet Interiors' acts or omissions and that

interfere with International Jet Interiors' performance, (ii) any other acts or failure to act of any government not caused by International Jet Interiors' acts or omissions, including delays, failure, or refusal to grant approval(s) by the FAA or other aviation authority, (iii) blockades, (iv) seizure or freeze of assets not caused by International Jet Interiors' acts or omissions, (v) fires, earthquakes, floods, severe weather conditions, or any other acts of God, (vi) labor strikes or lockout, (vii) riots, strife, insurrection, civil disobedience, armed conflict, terrorism, or war (declared or not), or impending threat of any of the foregoing if reasonably expected to cause injury to people or property, or (viii) shortages of or inability to obtain materials or supplies not caused by International Jet Interiors' acts or omissions.

If the work performed in connection with this Proposal is to be performed at International Jet Interiors facility in New York, the Agreement and this Proposal shall be subject to and interpreted in accordance with the laws of the State of New York, irrespective of its choice of law principles. Customer agrees that any dispute regarding the Agreement or this Proposal may be resolved in either Federal or State court in County, City and State of New York and hereby consents to the jurisdiction of such courts in New York to resolve any disputes regarding this Proposal.

Upon acceptance of this Proposal, this Proposal and all of the terms and conditions set forth herein are binding on and enforceable by and against the parties, their successors, legal representatives, and assigns. No part of this Proposal shall be affected if any other part of it is held invalid or unenforceable. This Proposal shall constitute the sole agreement between the parties hereto with respect to the matters set forth in this Proposal, superseding any and all prior oral and written agreements or understandings with respect to such matters. This Proposal may only be modified by a written addendum specifically referencing the Agreement and this Proposal which is signed by the parties.

Customer's obligation to make full payment to the Company as and when required pursuant to this Proposal shall be subject to any common law or statutory repairman's or similar possessory lien, and any other liens granted or permitted by the laws of the State of New York or the jurisdiction in which the work is performed, as applicable, each of which liens and rights thereunder are expressly reserved by Company. In no event shall the aircraft or work be delivered to or be deemed in the possession of Customer (including during any ground and flight acceptance test), until such time as Company has been paid all amounts due Company under the provisions of this Proposal. All of Company's rights and remedies shall be cumulative and in addition to all other rights and remedies provided by law and equity, including all rights and remedies of a secured party under the Uniform Commercial Code.

111 Proposal Acceptance Instructions

In order to accept this Proposal, Customer shall sign this document in the space(s) provided, including any elected options as outlined within and return executed document by means of electronic mail.

Signatory attests he has full legal authority to sign this Proposal on behalf of Customer and represents, warrants and affirms that he is an AUTHORIZED AGENT OF THE AIRCRAFT OWNER(S), with full authority to enter into this Proposal.

112 Payment Terms and Conditions

- a. Fifty percent (50%) non-refundable deposit of the contract total is due upon acceptance of this proposal by Customer.
- b. Twenty-Five percent (25%) of the contract total is due on the later of (i) the completion of 50% of the work contemplated hereunder to the reasonable satisfaction of Customer, and (ii) five (5) weeks after commencement of the work.
- c. Ten percent (10%) of the contract total is due upon both the full and proper completion by International Jet Interiors of all work contemplated hereunder and the acceptance by

- Customer of such work. Said amount shall be paid by wire transferred funds prior to delivery of aircraft.
- d. Fifteen percent (15%) of the contract total is due reasonably promptly following International Jet Interiors' correction to Customer's reasonable satisfaction of any and all squawks, defects, failures, damages, or other issues in the aircraft attributable directly or indirectly to the acts or omissions of International Jet Interiors or its subcontractors in connection with the Proposal and this Agreement.. Said amount shall be paid by wire transferred funds.
 - e. Aircraft maintenance and refurbishment is **SALES TAX EXEMPT** in New York State.
 - f. All funds must be in U.S. Dollars.
 - g. The prices contained in this Proposal shall remain firm for a period of thirty (30) days.

114 Remittance Instructions

Wire Transfer Instructions: International Jet Interiors, Inc.
2221 Smithtown Avenue
Long Island MacArthur Airport
Ronkonkoma, New York 11779

Bank Identifiers: Instructions: [REDACTED] Bank
50 Jericho Triangle
Jericho, New York 11753
Account No. 9852497537
Fedwire Routing No. (ABA) 022000046

Note: **Please reference one of the following (as applicable):**

- Invoice Number
- Work Order Number
- Aircraft Registration & Serial Number

IJI has been featured in...



international jet
INTERIORS

EXPERIENCE SOMETHING EXTRAORDINARY

