

08 March 2013

Mr. Larry Visoski
Hyperion Air, Inc.
3800 Southern Blvd., Suite #204
West Palm Beach, FL 33406
Office: [REDACTED]

Dear Mr. Visoski,

In response to your request, Gulfstream is pleased to provide the following Service Center proposal for maintenance to be accomplished on Gulfstream GIV aircraft, Serial Number 1085.

After review of this proposal and its attachments (if applicable), should you have any questions, concerns, or scheduling requests, please feel free to contact me, so we can coordinate a mutually agreeable input date for your aircraft. Furthermore, if this proposal with its attachments and Terms and Conditions is acceptable to you, please sign and return the Summary page to [REDACTED] or psinternalsales@gulfstream.com.

Thank you for considering Gulfstream for the proposed workscope on your aircraft. Please do not hesitate to call me with any questions or for additional information.

Sincerely,



Tom Baliya
National Sales Manager
Office: [REDACTED]
Mobile: [REDACTED]
Fax: [REDACTED]

WPL/jtc

WORKSCOPE

1. Aircraft Records and Logbook Research Only

Labor \$13,000.00

The Aircraft/Records and Logbook Research includes the following:

- **Review of Maintenance History and Records:** A review of all available maintenance records will be accomplished. The review will include a search for recorded damage history, special inspections accomplished, missing records, compliance with required inspections, maintenance, and mandatory directives. Any problems with incomplete or improper maintenance entries, missing certificate numbers or signatures, or disorganized maintenance logs will be documented in the report. If a complete reconstruction of maintenance records or logbooks is desired, it will be considered an effort over and above the basic Survey price and schedule and will be performed at time and material upon approval.
- **Documentation of Non-Applicable Maintenance Bulletins:** Gulfstream will update the aircraft records for non-applicable or previously accomplished directives (ACB, CB & AD) that are not documented in the maintenance records. A *budgetary* estimate to research and document non-applicable or previously accomplished bulletins is \$75 per occurrence. Incomplete records may substantially increase this cost.
- **Review of Required Aircraft Documentation:** A review of weight and balance, equipment list, and electrical load analysis will be performed to determine that the known current aircraft configuration is reflected. All data will be cross-referenced against Major Repair and Alteration FAA Form 377 found and the avionics inventory. Subject matter and date of Form 377 and any related Supplemental Type Certificates (STC's) numbers will be listed. The certificate of airworthiness and current registration will be checked to ensure a match to the aircraft.
- **Review of Required Flight Manuals & Supplements:** Gulfstream approved flight manuals will be reviewed to determine revision status and presence of all required approved flight manual supplements. Flight manual supplements will be cross-checked against STC's.
- **Update of Required Flight Manuals and Supplements:** If required, Gulfstream will update any missing or outdated items in the flight manual supplements section of the flight manual or supplement binder with current data. A *budgetary* estimate to research and retrieve missing flight manual supplements is \$75 per occurrence. Incomplete records may substantially increase this cost.

Note: After completion of the records research at the Customer's facility, if requested, there will be a period of thirty (30) calendar days to complete the remainder of the Aircraft/Records and Condition Survey. Travel expenses and travel time will be the responsibility of Customer and is not included herein.

2. Option: Auxiliary Power Unit Borescope (Exhibit I)

Labor \$900.00

Task:

Perform APU Borescopes.

Notes:

- Fuel will be billed on actuals.
- Customers on outside service maintenance programs should contact their applicable program administrator prior to performing maintenance.

3. Option: Engine Runs and Borescopes (Exhibit 2)

Labor \$14,500.00

Task:

Perform Engine Runs and Borescopes.

Notes:

- Fuel will be billed on actuals.
- Customers on outside service maintenance programs should contact their applicable program administrator prior to performing maintenance.
- For ***budgetary*** planning purposes, estimated material to perform engine runs and borescopes is approximately \$500.00 and it does not include material required for clearing of any discrepancies.

4. Customer Supplied CMP Codes (Exhibit 3)

Labor – Primary Codes \$25,345.00

Labor – Mandatory Related Codes..... \$14,215.00

Total Labor..... \$39,560.00

Notes:

- For ***budgetary*** planning purposes, estimated material and outside services for the above quoted CMP package is approximately \$500.00 and it does not include material required for clearing of any discrepancies.
- Removal of galleys or lavatories is not required unless evidence indicates otherwise.
- If extensive interior access is required to accomplish the below floor inspections, estimated interior access for the below floor inspection is approximately \$35,000. This estimate applies to Gulfstream outfitted interiors only.

5. Option: Provide Two (2) Pilots for Condition Survey Flight (Must be Performed with Engine Runs and Borescopes)

Labor \$5,500.00

Task:

Engine runs and borescopes will be required prior to performing a Gulfstream Condition Survey Flight and is not included with this option.

The Engine Runs and Borescope Option must be selected / performed prior to the Condition Survey Flight.

The flight test card will be identical to the one used by our own Gulfstream Flight Department to evaluate pre-owned aircraft that are being considered for purchase by Gulfstream.

This is an extensive flight test regimen flown by Gulfstream test pilots (at an additional expense).

Test flight results are fully documented and reported in work order and Survey Report. The optional Flight Test may affect downtime.

All pilot fees and travel expenses will be the responsibility of the customer per the Gulfstream labor rate letter and is not included in this proposal.

Note: Fuel will be billed on actuals.

OPTIONAL SERVICES

Gulfstream also offers a complete in-house detailing service for your Gulfstream aircraft. Our experienced team of professionals can perform any detailing service; from a dry wash of the aircraft exterior to shampooing and stain-treating carpets and furnishings.

Exterior services include washing of the aircraft (to include landing gear), waxing the aircraft with Aeroglaze, buff and polish of leading edge "brite work", and sanding to remove surface corrosion. An application of Teflon coating is also available to enhance the life of your paint as well as to reduce aircraft exterior cleaning time and costs.

Interior services include sanitizing galley and lavatories, re-corking of drawers, shampooing of carpets, re-oiling of leather, and an application of soil and stain repellent for the carpet and upholstery.

AIRFRAME CONTINGENCIES

This proposal does not include correction/clearing of any discrepancies and/or corrosion that may be found, outside services, additional due items (i.e. customer requirements, completion/outfitter requirements, Part 135 "for hire" requirements, etc.), and/or consumables. These issues will be addressed separately from this proposal with the customer and may impact scheduled downtime.

Any revision(s) to Chapter 5/Maintenance Schedule issued prior to aircraft arrival may affect the inspection price. Should additional work be required, it will be accomplished on a time and material basis, unless otherwise noted.

For aircraft with standard paint schemes (one (1) base color and two (2) stripes), the sealing and touch-up (by brush) of panels will be considered part of the inspection hours for that task. Aircraft with non-standard paint schemes will be charged for the additional time required to complete the paint touch-up. Time required to seal and touch-up sealant for discrepancies on items not open for inspection being performed during this visit will be billed at time and material.

REMITTANCE INSTRUCTIONS

Checks:	Gulfstream Aerospace Corporation P.O. Box 730349 Dallas, TX 75373-0349	(Overnight)	Gulfstream Aerospace Corporation (Box #730349) c/o JP Morgan Chase Bank, NA Attn: Dallas National Wholesale Lockbox TX1-0029 14800 Frye Road Ft. Worth, TX 76155
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Wire Transfer Instructions: Gulfstream Aerospace Corporation
JP Morgan Chase Bank, NA
1 Bank One Plaza
Chicago, IL 60670
Account No. [REDACTED]
Reference your Five (5) Digit Customer Number (XX-XXX)

Bank Identifiers: Fedwire Routing No. [REDACTED]
S.W.I.F.T [REDACTED]
ACH Credit Routing No. [REDACTED]

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

- Invoice No.
- Sales Order No.
- Job or Work Order No.
- Aircraft Serial or Tail No.
- Contact Name
- Customer Account No. (XX-XXXX)

TERMS AND CONDITIONS

Gulfstream Aerospace Corporation requires the estimated amount be paid in full for Aircraft/Records and Condition Survey prior to aircraft induction to Service Center. All Aircraft/Records and Condition Survey related discrepancies must be paid in full prior to aircraft departure.

All prices stated herein are exclusive of freight, fuel, flight costs, and / or environmental fees. Additionally, customer is responsible for all federal, state, local and foreign taxes, levies, penalties and tariffs applicable to the work performed hereunder, the materials used or transportation (other than taxes on income of Gulfstream) and customer shall indemnify and hold Gulfstream harmless with respect thereto.

This proposal is not valid at Gulfstream's Luton United Kingdom, Beijing China, nor Sorocaba Brazil facilities.

Work items not quoted in this proposal will be billed on a time and material basis per our published labor rates at the time of aircraft induction for Maintenance, Electrical, Avionics, Refurbishment, and Engine/APU Maintenance. For time and materials work: (a) labor (including engineering services) is billed according to the rates set forth in the Gulfstream Labor Rate Letter in effect as of the date the work is performed; and (b) materials are billed according to Gulfstream's standard prices in effect on the date the material is used. Any incremental charge under Gulfstream's Component Exchanged Program will be billed by supplementary invoice.

This proposal is contingent on all work being accomplished during the same timeframe, unless otherwise noted.

The quoted prices are valid for a period of thirty (30) days of receipt of proposal, unless otherwise noted.

Gulfstream recommends a firm schedule be established and work be completed within the next three (3) to six (6) months from the date of this proposal. Any change in workscope and/or schedule may require review by Gulfstream and requires revision of this proposal. Gulfstream reserves the right to pass on price increases to the customer.

The Customer is responsible for making certain that all specific preservation tasks related to the Aircraft, its engines or systems, that are required or may become required while the Aircraft is at Gulfstream's facility for the Workscope be indentified on the Work Authorization squawk list.

Gulfstream warrants that the work conforms to the pertinent specifications prescribed by the applicable aircraft / component manufacturer, and that any components or other items supplied hereunder (but excluding customer-furnished items) are free from defects in material and workmanship. This warranty extends to defects discovered within twelve (12) months, or one thousand (1,000) flight hours, whichever comes first, after completion of the work; except that the warranty period for any work performed as warranty work is equal to the pre-existing unexpired warranty period. Parts qualifying for the "Exclusive Gulfstream Parts Warranty Extension" Program, or other extended published Gulfstream warranty programs, if any, are entitled to an extended warranty period pursuant to the terms of such Programs as they exists on the date this agreement is executed.

Proposal pricing and schedules are contingent upon the customer supplying the existing avionics, electrical, and aircraft system prints, drawings and diagrams, which accurately represent the current condition of the aircraft. Any changes from the existing drawings will be performed on a time and material basis with customer approval. Any relocations of existing equipment required due to space limitations will be performed at time and materials until a firm proposal can be prepared. Detailed parameters of this proposal may require modifications following an in-depth physical inspection.

Materials used during the clearing/correction of discrepancies and/or items based on time and material will be quoted and/or invoiced on an "As Required" basis.

There will be a 3.5% charge for consumables, to a maximum of \$4,000.00, on all work orders containing labor revenue charges. This charge will be calculated based on the total labor revenue man-hours invoiced on the work order. Only invoices defined as a "Road Trip Invoice" will be exempt from this charge.

Customer furnished parts and drop shipments will be subject to a handling fee of 15% based on current manufacturer list price. The handling fee will not apply to parts originally purchased from Gulfstream. Proof of purchase from Gulfstream must be shown to waive the handling fee.

If enrolled in Gulfstream's PlaneParts™ program, certain components supplied in regard to this proposal will be at no charge to the Customer. To enroll or learn more about the program, please visit http://www.gulfstream.com/product_support/planeparts/.

TERMS AND CONDITIONS *(continued)*

Any estimates given for outside services are not intended to be exact figures. Repair, calibration, overhaul, and/or exchange pricing will be billed as accrued, be it either less than or more than quoted.

Changes to the Completion Center Maintenance Handbook (CCMH) or Cabin Operating Manual (COM) are not included as part of this proposal. Should a modified CCMH or COM be requested, it will be quoted separately or performed on a time and materials basis.

Any changes to the Minimum Equipment List (MEL) are the Customer's responsibility and are not included herein.

All exchange parts prices are subject to our vendor acceptance of exchange core. Should exchange core be rejected or subjected to an extra charge by Vendor at any time for reasons of abnormal wear and tear, damage, unauthorized modifications, or other discrepancies, the customer agrees to reimburse Gulfstream for resultant extra costs.

Any existing unused wiring will be capped and stowed. Wiring removal (if requested/required) will be handled on a time and material basis and billed additional to the proposed amount.

All removed equipment will be retained by Gulfstream, unless otherwise noted.

Interior access will be performed on a time and material basis, unless otherwise noted within this proposal.

When aircraft is firmly scheduled into a Gulfstream facility, preliminary engineering and planning commences, and materials / components are ordered for the workscope. If the workscope is canceled, the customer will be charged for any labor expended and/or any restock charges incurred on materials / components ordered. If materials / components cannot be returned to vendor(s), customer will be billed in full for these items. In such case, the materials / components would become the property of the customer. If the workscope is rescheduled for a later arrival, these charges will be applied to the rescheduled visit.

Working days are defined as Monday through Friday. Should additional work be required, other than that quoted herein, the estimated downtime may require extension. This proposal does not include overtime. Any overtime required will be approved by the customer prior to work commencing. All non-scheduled NDT will be on an overtime basis due to NDT planned scheduling. Customer's oral changes increasing the scope of the Work or approving overtime are binding (unless otherwise provided by law).

International Contingencies (If Applicable; Foreign Registered Aircraft Only with Domestic Input): Foreign Operators Civil Air Authority (FOCAA), FAA, or concurrence of both agencies must first approve this STC Project prior to start of aircraft modification. Any cost involved in this approval process will be charged as time and materials. Upon customer's acceptance of this proposal, Gulfstream will submit an "Undue Burden" Project Request or FOCA certification fees to the FAA ACO or FOCAA as applicable. Once the FAA and/or FOCA approves the "Undue Burden" Project Request or FOCA certification fees, the ACO will notify the Foreign Civil Air Authority (FCAA). Once the FAA ACO receives concurrence from the FCAA, the ACO will notify Gulfstream. Gulfstream will submit Application (8110-12), Cert. Plan and an LOI to the FAA ACO and/or FOCA. **Please note (if applicable)**, the time estimated to accomplish these steps is approximately three (3) to six (6) months depending on resource availability of the FAA and/or FOCA.

If there is any conflict between these Terms and Conditions hereof and any document incorporated herein by reference, then these terms and conditions shall control unless such document expressly states the contrary.

PROPOSAL SUMMARY

- Please initial items in Accept/Decline columns. (Please note that quoted dollars and downtime may vary based on concurrent work with accepted/declined items.)

Item	Workscope	Amount	Accept	Decline
1.	Aircraft Records and Logbook Research Only	\$13,000.00	_____	_____
2.	<i>Option:</i> Auxiliary Power Unit Borescope (Exhibit 1)	<i>\$900.00</i>	_____	_____
3.	<i>Option:</i> Engine Runs and Borescopes (Exhibit 2)	<i>\$14,500.00</i>	_____	_____
4.	Customer Supplied CMP Codes (Exhibit 3)	\$39,560.00	_____	_____
5.	<i>Option:</i> Provide Two (2) Pilots for Condition Survey Flight (Must be Performed with Engine Runs and Borescopes)	<i>\$5,500.00</i>	_____	_____

- ◆ The Aircraft/Records and Condition Survey is limited in scope, and Gulfstream cannot guarantee that this Survey will uncover all problems that exist with the inspected aircraft. Ultimately, the buyer must rely on their own judgment as to the aircraft value and the seller's warranty, if any, as to the aircraft's condition.
- ◆ Downtime required for this workscope will be **eighteen (18) working days**. This downtime estimate is subject to any discrepancies that may be found.
- ◆ Leadtime required for this workscope will be **five (5) calendar days** after proposal acceptance and is subject to equipment availability.
- ◆ This proposal (or estimate) expressly incorporates and is subject to Gulfstream Aerospace Corporation's standard work authorization Terms and Conditions. Your acceptance of all or any portion of this proposal (or estimate) confirms your agreement to accept those standard Terms and Conditions. (Please sign and return this page to 912-963-0248 or psinternalsales@gulfstream.com.)

Proposal Acceptance Signature _____ **Date** _____

This proposal summary does not include items based on time and material, discrepancies or corrosion found or other materials required, handling fees, or other additional expenses outside the specified workscope of the enclosed proposal.

Auxiliary Power Unit Borescope (Exhibit 1)

RFQ# GAC0313-059-GIV.1085-R00

CMP Primary Code Description

490000* APU GTCP 36-100 - Borescope

490000* APU GTCP 36-150 - Borescope

Option: Engine Runs and Borescopes (Exhibit 2)

RFQ# GAC0313-059-GIV.1085-R00

CMP Primary Code Description

710019 Powerplant Internal - Inspection
711009 Cowl Latch, Engine (Left) - Rigging (Related Code)

710025 Engine Borescope - Inspection

710031 Engine - Ops Test
732001 Engine Acceleration - Test / Adjustment (Related Code)
732005 Engine Deceleration - Test / Adjustment (Related Code)
732049 Engine Handling (ACU) Solenoid - Ops Check (Related Code)
732057 Engine Approach Idle Solenoid - Ops Check (Related Code)
732011 Ground Idle, Engine - Test / Adjustment (Related Code)
732013 Approach Idle - Adjustment / Test (Related Code)
783013 T/Rev Interlock Feedback Sys (LH) - Ops Test (Related Code)
783014 T/Rev Interlock Feedback Sys (RH) - Ops Test (Related Code)
783017 Maximum Rev Thrust (LH) - Ops Test / Adjust (Related Code)
783018 Maximum Rev Thrust (RH) - Ops Test / Adjustment

730001 Fuel Contamination Check, Engine - Inspection

742001 Engine Ignition System - Ops Check

742006 No. 2 Igniter Plug - Removal / Installation

742016 No. 2 Igniter Plug - Inspection

774955 Engine Chip Detector - Visual Check

792007 Filter, Engine Pressure Oil - Cleaning / Inspection
791033 Eng Oil Level - Check / Service, Using Onbd Sys (Related Code)

792013 Engine Scavenge Strainers - Inspection

710020 Powerplant Internal - Inspection
711010 Cowl Latch, Engine (Right) - Rigging (Related Code)

710026 Engine Borescope - Inspection

710032 Engine - Ops Test
732002 Engine Acceleration - Test / Adjustment (Related Code)
732006 Engine Deceleration - Test / Adjustment (Related Code)
732050 Engine Handling (ACU) Solenoid - Ops Check (Related Code)
732058 Engine Approach Idle Solenoid - Ops Check (Related Code)
750006 Airflow Control System - Test (Related Code)
732012 Ground Idle, Engine - Test / Adjustment
732014 Approach Idle - Adjustment / Test

730002 Fuel Contamination Check, Engine - Inspection

742002 Engine Ignition System - Ops Check

742008 No. 2 Igniter Plug - Removal / Installation

742018 No. 2 Igniter Plug - Inspection

774956 Engine Chip Detector - Visual Check

792009 Filter, Engine Pressure Oil - Cleaning / Inspection
791034 Eng Oil Level - Check / Service, Using Onbd Sys (Related Code)

792014 Engine Scavenge Strainers - Inspection

Customer Supplied Codes (Exhibit 3)

RFQ# GAC0313-059-GIV.1085-R00

<u>CMP</u>	<u>Primary Code Description</u>	<u>R Code</u>	<u>Related Code Description</u>
100310	Check Airworthiness Directives	*****	Aircraft Records and Logbook Research
100320	Check Service Bulletins	*****	Aircraft Records and Logbook Research
191108	Review Aircraft Status and Records	*****	Aircraft Records and Logbook Research
231001	Avionics - Functional Ramp Test / Inspection		
251114	Pilot and Copilot Seat - Inspection / Lubrication	251109	Pilot Seat - Removal / Installation
		251110	Copilot Seat - Removal / Installation
262045	Fire Bottle (Left Engine) - Hydrostatic Test	262025	Engine Fire Bottle (Left) - Removal / Installation
		262065	Fire Bottle (Left) - Weight Check
262050	Fire Bottle (Right Engine) - Hydrostatic Test	262030	Engine Fire Bottle (Right) - Removal / Installation
		262070	Fire Bottle (Right) - Weight Check
270101	Stall Barrier / Angle of Attack System - Operational Test		
272038	Rudder Pedals - Lubrication		
275009	Flap Actuator Yoke (Left Inboard) - Inspection	275003	Flap (Left) - Removal / Installation
275010	Flap Actuator Yoke (Right Inboard) - Inspection	275004	Flap (Right) - Removal / Installation
275011	Flap Actuator Yoke (Left Outboard) - Inspection		
275012	Flap Actuator Yoke (Right Outboard) - Inspection		
275027	Flap Actuator Bushing (Left) - Service / Lubrication	275005	Inboard Flap Actuator (Left) - Removal / Installation
		275007	Outboard Flap Actuator (Left) - Removal / Installation
275028	Flap Actuator Bushing (Right) - Service / Lubrication	275006	Inboard Flap Actuator (Right) - Removal / Installation
		275008	Outboard Flap Actuator (Right) - Removal / Installation
280005	Fuel Control System - Functional Test		
303005	Pitot Heat System - Operational Test		
531007	FS 85 Bulkhead - Inspection		
532007	Forward Cabin Compartment Below Floor - Inspection		
532009	Midcabin Compartment Below Floor - Inspection		
532011	Aft Cabin Compartment Below Floor - Inspection		
551019	Horizontal Stabilizer / Elevator (Exterior) (Left) - Inspection	273003	Elevator Free Play - Inspection
551020	Horizontal Stabilizer / Elevator (Exterior) (Right) - Inspection		
551023	Horizontal Stabilizer / Elevator (Interior / Exterior) (Left) - Inspection		
551024	Horizontal Stabilizer / Elevator (Interior / Exterior) (Right) - Inspection		
553005	Vertical Stabilizer / Rudder (External) - Inspection		
553007	Vertical Stabilizer / Rudder (Internal) - Inspection	231114	HF Communications System No. 1 - Operational Check
		231117	HF Communication Antenna - Continuity Check (Installed)
		231155	HF Communication Antenna Assembly - Removal / Installation
		231115	HF Communications System No. 2 - Operational Check
571011	Wing Front Beam Hi-Lite Collars (Left) - Inspection	280018	Fuel Tank (Left) - Leak Check
		574005	Wing Leading Edge (Left Inboard) - Removal / Installation
		574011	Wing Leading Edge (Left Center) - Removal / Installation
		574017	Wing Leading Edge (Left Outboard) - Removal / Installation
571012	Wing Front Beam Hi-Lite Collars (Right) - Inspection	574006	Wing Leading Edge (Left Inboard) - Removal / Installation
		574012	Wing Leading Edge (Left Center) - Removal / Installation
		574018	Wing Leading Edge (Left Outboard) - Removal / Installation
571025	Wing Tank Interior (Left) - Inspection	280010	Defueling Procedures
		282025	Fuel Pickup Screen (Main Left Wing) - Inspection
		282026	Fuel Pickup Screen (Alternate Left Wing) - Inspection
		571003	Wing Fasteners - Cadmium Plating Degradation - Check (Left)
571026	Wing Tank Interior (Right) - Inspection	280019	Fuel Tank (Right) - Leak Check
		282027	Fuel Pickup Screen (Main Right Wing) - Inspection
		282028	Fuel Pickup Screen (Alternate Right Wing) - Inspection