



# DORNIER SEAPLANE COMPANY PURCHASE AGREEMENT

Effective 1-01-10

## PURCHASER INFORMATION

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## STANDARD EQUIPPED PURCHASE PRICE

S/N 3-9	\$5.5m 2009 USD
S/N 10 and on	\$6.0m 2009 USD

Initial Deposit With Order—

1st Progress Payment—   
(6 months after initial payment)

2nd Progress Payment—   
(18 months prior to delivery)

3rd Progress Payment—   
(6 months prior to delivery)

## Serial Number

## DELIVERY DATE

## DSC AGREES TO:

Build a DSC aircraft to customer's order and to make that aircraft available, for customer pickup, on the delivery date [subject to limitations set forth in Section 6.01]. The Aircraft will be built to the "Seastar CD 2 description and specification Booklet effective October 2008" (Exhibit A Attached).

Conduct a flight on the delivery date demonstrating that the aircraft conforms to applicable specifications.

Ensure that the aircraft has a valid FAA "Certificate of Airworthiness" and transfer clear title to customer on the delivery date.

## SELLER AGREEMENT

DSC

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Signature

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Title Date

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## CUSTOMER AGREES TO:

Inform DSC of any changes to the aircraft described above no later than 180 days before delivery date.

Make any interim payments within 30 days of written notification.

Arrange to accept delivery of aircraft on the delivery date either in person or by using DSC'S standard power of attorney form.

\_\_\_\_ [ read & initial] Purchaser by its signature agrees that the terms and conditions on the reverse side hereof and the exhibit attached are expressly made part of this agreement.

## PURCHASER AGREEMENT

Company

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Signature

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Title Date

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This order form is binding on Seller only when accepted by a duly authorized representative of Seller.

# DORNIER SEAPLANE COMPANY PURCHASE AGREEMENT TERMS & CONDITIONS

Purchaser [as referenced on the reverse of this Aircraft Purchase Agreement] agrees to purchase and Dornier Seaplane Company (DSC) agrees to sell to Purchaser one [1] DSC AIRCRAFT [the "Aircraft"], according to the following terms and conditions. Additionally, any attached exhibits or supplements referenced on the face, or as referenced in the following terms and conditions are an integral part of this Purchase Agreement and are to be carefully considered because they contain additional terms and/or specifications to which the Purchaser agrees. When signed by Purchaser and DSC, this Purchase Agreement is a binding contract on both parties.

## ENTIRE AGREEMENT

1.01 The terms and conditions set forth herein as well as exhibits or supplements referenced in the Purchase Agreement are the only terms and conditions controlling the purchase and sale of the Aircraft. The Purchaser expressly acknowledges that Purchaser has not relied on any oral or written representations except as specifically stated in this Purchase Agreement and that DSC has made no representations as to the suitability of the Aircraft for any particular purpose of the Purchaser. Purchaser acknowledges that the Aircraft is a general aviation aircraft not suited for aerobatics.

## PRICE AND PAYMENTS

2.01 The price of the Aircraft together with other applicable charges are set forth on the face of this Purchase Agreement and includes standard equipment, required service publications, and other miscellaneous listed charges [the "Purchase Price"]. The Purchase Price is subject to adjustment according to other terms and conditions stated below. Optional equipment prices will be available 180 days prior to delivery.

2.02 The Purchase Price is exclusive of any sales or use tax, value added taxes, duties, registration fees or any charges that may be levied against Purchaser by various governmental authorities in connection with the purchase, sale, transfer, use, registration, export, import of the Aircraft ["Taxes"]. Taxes required by law to be levied at the point of sale, will be collected by DSC. Such Taxes are in addition to the Purchase Price. Purchaser agrees to reimburse DSC for any Taxes that should have been, but were not, collected by DSC at Delivery.

2.03 All payments shall be made to DSC in United States Dollars and shall be made by certified check, bank cashier's check or wire transfer.

2.04 The wire transfer instructions are:

Bank of America  
701 Brickell Ave  
Miami FL, 33131

Beneficiary: Dornier Seaplane Company  
Account: XXXX XXXX XXXX  
ABA: XXXXXXXX  
SWIFT: XXXXXXXX

2.05 The Purchase Price shall be increased by an amount equal to the Purchase Price multiplied by the percentage increase, if any, in the Consumer Price Index [CPI] for all Urban consumers, U.S. City Average [1967=100; "all items"] as promulgated by the United States Bureau of Labor Statistics, for the period beginning December 31, 2009 and ending on the Delivery Date. This adjustment is of the total Purchase Price and not solely computed on the "balance due".

## DELIVERY/FLIGHT TRAINING

3.01 DSC states that upon delivery to Purchaser, the Aircraft will generally conform to the Aircraft Specifications in effect at the time of signing this Purchase Agreement.

3.02 Purchaser shall notify DSC in writing of any equipment optional changes not less than one hundred eighty [180] days prior to the Delivery Date specified on the facing page of the Purchase Agreement.

3.03 At the time of the delivery to the Purchaser, DSC shall conduct and Purchaser [or Purchaser's agent] shall participate in a "Delivery Flight" which shall be no more than two [2] hours in length. The flight shall be conducted and controlled by DSC's designated pilot and shall follow a "Delivery Flight Checklist" drawn up by DSC.

In the event that any issues or "squawks" are noted during the Delivery Flight DSC shall have a reasonable time to correct them, and, if necessary, the Delivery Date shall be adjusted accordingly.

3.04 Pilot Training for two pilots is offered as part of this Purchase Agreement and will consist of the DSC Transition Program in effect at the time of delivery. Purchaser's failure to participate in Pilot Training within thirty [30] days of Delivery Date will constitute a waiver of Pilot Training without further obligation on the part of DSC to provide such training. Purchaser acknowledges that this training presumes that the pilot is at least a current and competent private pilot. Purchaser further acknowledges that certain preparation may be required prior to the start of the training. Failure to meet these prerequisites will result in additional training charges. Unless otherwise agreed, all training will take place at the Factory at the time of the Aircraft Delivery.

## TRANSFER OF TITLE/RISK OF LOSS

4.01 At the time of delivery after receipt of the full Purchase Price including adjustments, DSC shall transfer the Aircraft title to the Purchaser together with an "FAA Certificate of Airworthiness" and an "FAA Aircraft Bill of Sale". DSC warrants that the Aircraft will be free and clear of all encumbrances except those created by or for the Purchaser.

4.02 The risk of loss shall pass from the DSC to Purchaser upon signing the DSC "Final Acceptance" document at the time of delivery.

## SUBSTITUTE EQUIPMENT

5.01 DSC reserves the right to substitute equipment other than that specified in this Purchase Agreement or Aircraft components other than those set forth in the Aircraft specifications whenever such substitution is deemed necessary to prevent delay in delivery or to improve the Aircraft. Purchaser specifically acknowledges that some of the equipment intended to be in the Aircraft may not be available in time to meet the Delivery Date. Purchaser agrees that DSC may substitute "like equipment" to the extent that it is available. In the event such substituted equipment has a different "retail value," DSC shall adjust the Purchase Price up or down accordingly.

## DELAY IN DELIVERY

6.01 DSC shall not be liable to Purchaser for any failure or delay in making Delivery when such failure or delay arises from any cause beyond DSC's control, including, without limitation, acts of God, hurricanes, accidents, strikes,

labor causing cessation, slow down, interruption of work, war, insurrections, hostilities, riots, delays or failure in transportation, delay or inability to secure materials, parts or equipment necessary to manufacture or complete the Aircraft, governmental acts of constraint, or any delay of any subcontractor or vendor. In the event that any delay is anticipated, DSC's sole obligation is to promptly notify Purchaser of a new Delivery Date.

## TERMINATION

7.01 Should DSC fail to deliver the Aircraft within ninety [90] days after the Delivery Date, Purchaser may, as its sole remedy, upon ten [10] days written notice and failure by DSC to deliver the Aircraft within the ten [10] day period, cancel this Purchase Agreement, and DSC shall refund all payments made by Purchaser. This ninety [90] day "grace period" shall be in addition to any period of delay caused by events referenced in Section 6.01.

7.02 DSC may terminate this Purchase Agreement if:

- A) Purchaser fails to make any required payments in a timely manner.
- B) Purchaser fails to make a timely response if requested to confirm details of optional equipment required on the Aircraft
- C) Purchaser fails to timely arrange acceptance of the Aircraft on Delivery Date
- D) A proceeding under any law of bankruptcy, insolvency or reorganization or relief of debtors is instituted by or against the Purchaser.
- E) Purchaser otherwise fails to meet its obligations pursuant to the Purchase Agreement.

7.03 In the event DSC elects to terminate this Purchase Agreement pursuant to Section 7.02, DSC shall forward a written notice to Purchaser and shall receive or retain, as the case may be, as liquidated damages, and not as penalty, the full amount of deposits made by Purchaser pursuant to this Purchase Agreement. This remedy is not exclusive, and DSC may pursue any other rights or remedies available to it in law or in equity for enforcement of this Purchase Agreement.

## CANCELLATION

8.01 Deposits are not refundable.

## EXPRESS LIMITED WARRANTY

9.01 The Aircraft is being sold to Purchaser with DSC's standard Aircraft Express Limited Warranty [a copy of which is attached], which covers the basic Aircraft, together with an assignment of the specific warranties provided by the engine, avionics, instrument, and equipment manufacturers. DSC does not provide any warranty, either express or implied, for those components, which are separately warranted by the component manufacturer. PURCHASER AGREES THAT, EXCEPT AS SET FORTH IN THE AIRCRAFT EXPRESS UNLIMITED WARRANTY, DSC MAKES NO OTHER OR FURTHER WARRANTIES, EXPRESS OR IMPLIED, AND SPECIFICALLY EXCLUDES AND DISCLAIMS THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE ALL OTHER OBLIGATIONS OR LIABILITIES OF DSC IN CONTRACT OR TORT, WHETHER UNDER A THEORY OF NEGLIGENCE OR STRICT LIABILITY OR OTHERWISE, WHETHER FOR CONSEQUENTIAL OR OTHER DAMAGES ARISING OUT OF THE SALE, USE OR OPERATION OF THE AIRCRAFT, OR OTHERWISE, ARE EXCLUDED BY DSC AND HEREBY EXPRESSLY WAIVED BY PURCHASER. PURCHASER ACKNOWLEDGES THAT THE AIRCRAFT IS A GENERAL AVIATION AIRCRAFT NOT SUITED FOR AEROBATICS.

9.02 Failure to maintain the Aircraft according to the published recommended maintenance schedule, and any modifications of the Aircraft except as approved in writing by DSC, will invalidate the Aircraft Express Limited Warranty.

## ASSIGNMENT

10.01 DSC may assign the rights and obligations under this Purchase Agreement to a third Party provided that all obligations of DSC to the Purchaser as set forth in this Purchase Agreement have been assumed by such third party in full. Purchaser may assign any of its rights or obligations under this Purchase Agreement with Payment of \$25,000 USD to DSC as a transfer fee.

## NOTICES

11.01 Any notice to be given under this Purchase Agreement shall be sent by first class or overnight mail or by facsimile to the address set forth on the face of this Purchase Agreement or such other address as the party shall designate in writing. Each notice or demand shall be deemed to have been given or made when actually received or seventy two [72] hours after being sent, whichever occurs first.

## DIGITAL COPIES

12.01 Purchaser agrees that digitally produced and/or stored copies of this Purchase Agreement or any other document associated with this Purchase Agreement are to be considered equivalent to original or "paper" documents.

## APPLICABLE LAW

13.01 This Purchase Agreement and all related transactions shall be construed and interpreted in accordance with the laws of the State of the Manufacturing facility and its performance shall be governed by the laws of that State. Any action to be brought in arbitration or in a court of law to enforce an arbitration decision shall be brought in the Southern District of New York State. Any Federal action to enforce an arbitration decision shall be brought in the Federal District Court for the Southern District of New York State.

## ARBITRATION

14.01 Parties agree that, should a dispute, controversy or claim arise out of this Purchase Agreement they shall endeavor to negotiate in good faith to resolve the dispute. In the event that the parties are unable to resolve their dispute, the matter shall be submitted to binding arbitration by a single arbitrator selected pursuant to the Commercial Arbitration Rules of the American Arbitration Association. A party may demand such arbitration in accordance with the procedures set out in those rules. No depositions or discovery shall be permitted or required by the Arbitrator. The Arbitration shall take place in the Southern District of New York State. The prevailing Party in any action brought regarding termination of this Purchase Agreement under Sections 7.01, 7.02 or 7.03 shall be awarded their costs of the action including actual attorney's fees incurred; in any other action, the Parties shall each be responsible for their own fees and costs. The decision by the Arbitrator shall be final and shall be enforceable by any court and/or judicial body.

## SEVERABILITY

15.01 If any of the terms or conditions of this Purchase Agreement are determined or held to be illegal or unenforceable, the remainder of the Purchase Agreement shall be interpreted as if the invalid term or condition did not exist in the original Purchase Agreement.

## BINDING PURCHASE AGREEMENT

16.01 This Purchase Agreement when signed by both Parties, is a binding contract of the Parties, their assigns or successors in interest. DSC reserves the right to a three [3] business day review period before such final acceptance becomes binding.