



<p><b>For internal use only</b></p> <p>PWI Auction ID: _____</p> <p>Auction Manager: _____</p>
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**Aircraft Purchase Contract**

This aircraft purchase contract ("Contract"), by and between the Buyer and Seller noted below in the signatures section of this contract (Buyer and Seller referred to individually as "Party" and collectively as "Parties"), is effective the latest date it is executed by either Party ("Effective Date").

Seller is represented in this transaction by Purple Wave, Inc., whose address is 825 Levee Drive, Manhattan, KS 66502, its auctioneers and all staff and salespersons affiliated with Purple Wave, Inc. (collectively "Auctioneer"). Auctioneer is Seller's agent only and does not represent the interests of Buyer.

**1. AGREEMENT TO PURCHASE AND SELL PROPERTY.** For good and valuable consideration, Buyer agrees to purchase from Seller and Seller agrees to sell to Buyer the following described aircraft and/or components ("Property") on the terms and conditions set forth in this Contract, to wit:

	Aircraft/Component Make	Model	Registration No.	Bid Price
a.	_____	_____	_____	\$ _____
b.	_____	_____	_____	\$ _____
c.	_____	_____	_____	\$ _____
d.	_____	_____	_____	\$ _____
e.	_____	_____	_____	\$ _____
f.	_____	_____	_____	\$ _____
g.	_____	_____	_____	\$ _____

**2. TOTAL DUE FROM BUYER.** Buyer agrees to pay the following price:

\$ \_\_\_\_\_ Total Bid Price (from section 1 above) +  
 \$ \_\_\_\_\_ Buyer's Premium (10% of Total Bid Price)=  
 \$ \_\_\_\_\_ Contract Price +  
 \$ \_\_\_\_\_ Sales tax (\_\_\_\_\_ % of Contract Price)=  
 \$ \_\_\_\_\_ Total Due From Buyer

The Bid Price and Buyer's Premium together constitute the "Contract Price." The Contract Price and applicable sales taxes together constitute the "Total Due From Buyer."

**3. TRANSACTION DOCUMENTS.** The auction terms published on Auctioneer's website, [www.purplewave.com](http://www.purplewave.com), and all Property information, brochures, disclosures, certificates, and logs made available to Buyer are part of the Parties' agreement (such items collectively referred to herein as "Transaction Documents"), and those Transaction Documents are incorporated into this Contract by reference.

To the extent any conflict or disagreement exists between any of the Transaction Documents and this Contract document, this document controls and is binding upon the Parties.

**3.1 SALE OTHER THAN BY AUCTION.** In the event any portion of the Property is sold other than by auction, the auction terms published on Auctioneer's website continue to be part of the Parties' agreement and to be incorporated into this Contract by reference. Buyer acknowledges receiving and understanding the auction terms published on Auctioneer's website, www.purplewave.com.

**4. WIRING TOTAL DUE FROM BUYER; WHEN AND WHERE.** Buyer agrees to deliver the Total Due From Buyer in a manner sufficient to allow Auctioneer to confirm those funds on or before 5 p.m. CST, Friday, February 22, 2008. Wire transfers are highly preferred and Buyer will be advised of wiring instructions once the auction is concluded. Payment other than by wire should be overnight mailed to Auctioneer at the address noted below

Purple Wave, Inc.  
Attn: Feb. 20, 2008 IO Aircraft Auction  
825 Levee Drive  
Manhattan, KS 66502  
(785) 537-7653 (phone)  
(785) 539-3837 (fax)

**4.1 LATE FEES.** Buyer's failure to pay the Total Due From Buyer in a manner sufficient to allow the confirmation noted in this section 4 will result in late payment charges of \$50/full or partial day until confirmation is possible.

**5. CLOSING AND TITLE/REGISTRATION TRANSFER.**

**5.1 TITLE AGENT.** The Parties agree that all Property title and registration transfer documentation shall be processed by **King Aircraft Title, 14801 SW 65th Street, Mustang, Oklahoma 73064, phone 405.376.5055 ("Title Agent")**.

**5.2 CLOSING PROCEDURE.** To close this Contract, Auctioneer shall collect the Total Due From Buyer and all other amounts payable by Buyer as noted in this Contract, disburse all funds payable to third parties including Auctioneer, and Title Agent, deduct all amounts payable by Seller as noted in this Contract, if any, and remit the net proceeds to Seller. Title Agent shall release title and registration transfer documentation for the Property to Buyer once Auctioneer has confirmed receipt of the Total Due From Buyer.

**5.3 DISBURSEMENTS.** The Parties agree the Auctioneer shall disburse funds as noted in this Contract without additional authority or instructions from the Parties. Notwithstanding the foregoing, in the event of a material dispute regarding disbursements, the Auctioneer shall disburse funds as instructed by one Party so long as prior written notice of the release is received by the other Party via first class mail at least seven (7) days prior to the release date and the other Party

subsequently consents in writing or fails or refuses to respond to the notice. For purposes of this section, notice is deemed to be received by a Party three (3) days after such notice is mailed, first class postage pre-paid, to the Party's address noted above, regardless of whether the Party actually or constructively receives such notice.

**6. COSTS AND TRANSACTION-RELATED FEES.** Seller agrees to pay all Federal Aviation Administration title transfer fees. The Parties agree to share equally the service fees charged by Title Agent, the Buyer's portion of which shall be paid directly by Buyer to the Title Agent and the Seller's portion of which shall be paid by Auctioneer out of Seller's proceeds. Buyer agrees to pay all other transaction-related fees arising out of the Parties' transaction, including but not limited to all lender fees, title search fees, and fees for inspections that may be requested by Buyer or Buyer's lender.

**7. ENCUMBRANCES, TITLE AND POSSESSION.** Seller agrees to deliver marketable title to the Property within a reasonable time after confirmed receipt of the Total Due From Buyer by executing and delivering to Buyer an FAA Bill of Sale (AC Form 8050-2) in favor of Buyer along with any other documents necessary to properly transfer title and registration of the Property under FAA regulations. Seller shall have a reasonable time after the Effective Date to remove any clouds or impairments on the Property title and Buyer agrees to extend the Closing Date accordingly. For purposes of this section, the time necessary to complete a quiet title action shall be deemed reasonable. Buyer shall have possession of the Property upon Auctioneer's confirmed receipt of all funds due from Buyer under section 2 and Buyer's presentation of Auctioneer's "paid in full" invoice to the Property custodian.

**8. SALES AND PROPERTY TAXES.** All personal property taxes attributable to the Property for all periods on an after the Closing Date shall be paid by Buyer. Auctioneer will collect local sales taxes for the jurisdiction in which the Property is located unless Buyer provides adequate proof of sales tax exemption before remitting payment to Auctioneer.

**9. RISK OF LOSS.** Buyer shall, at its cost, make arrangements for such insurance coverage as Buyer deems desirable for the Property effective on the Closing Date, and Seller agrees to reasonably cooperate with Buyer in that regard. Seller shall bear the risk of loss of the Property until the Closing Date. Destruction or damage to the Property before the Closing Date shall not excuse Buyer from performance of any obligations under this Contract, provided such destruction or damage is not actually and legally caused by Seller's intentional conduct or gross negligence and further provided the Contract Price is equitably adjusted to reflect such destruction or damage. Buyer shall bear the risk of loss of the Property on and after the Closing Date.

**10. AGENT/BROKER INVOLVEMENT AND THIRD-PARTY BENEFICIARY STATUS.**

**10.1 INTENDED BENEFICIARY.** Seller and Buyer agree that Auctioneer is an intended third party beneficiary of this Contract to the extent of the

Buyer's Premium due and payable by Buyer. In the event Buyer fails or refuses to deliver the full Buyer's Premium to Auctioneer on or before the Closing Date, Auctioneer may, at its option, seek payment of the full Buyer's Premium directly from Buyer with or without cooperation or involvement of Seller.

**10.2 AUCTIONEER COMMISSION.** Buyer acknowledges that Auctioneer may collect a commission from Seller arising out of this transaction pursuant to separate agreement between Seller and Auctioneer.

**10.3 NO OTHER AGENT OR BROKER INVOLVED.** Buyer represents and warrants that Buyer is not represented by and has not contacted any agent or aircraft broker with regard to the transaction contemplated by this Contract. Buyer agrees to defend and hold Seller and Auctioneer harmless from any claim by an agent or broker for commission, compensation or damages arising out of the transaction contemplated by this Contract and shall indemnify Seller and Auctioneer against all claims and demands of that nature, including costs of reasonable attorneys' fees and costs of defense.

**10.4 ACKNOWLEDGEMENT.** Buyer acknowledges Auctioneer is Seller's agent only, not Buyer's.

**11. PROPERTY CONDITION AND DISCLAIMER; BUYER'S WARRANTIES.**

**11.1 PROPERTY SOLD "AS IS, WHERE IS".** Buyer agrees Buyer is purchasing the Property in "**AS IS, WHERE IS**" condition with all burdens, circumstances, defects, faults, dangers, hazards, issues, material facts, problems, and other relevant matters, whether latent or patent, whether past, present, or future, and whether or not referenced herein or in the Transaction Documents, and Buyer knowingly, voluntarily, unconditionally, and irrevocably waives, releases, and discharges Seller, Auctioneer, their employees, governing body, officers, owners, affiliates, subsidiaries, directors, agents, and representatives from any claim that Buyer may otherwise have had with respect to the Property, the auction related to the Property, this Contract, and the transaction contemplated by this Contract.

**11.2 NO GUARANTEES OR WARRANTIES.** To the fullest extent allowed by law, Seller and Auctioneer unconditionally disclaim any guarantee, representation, and warranty of every kind, whether expressed, implied, or statutory, whether oral or written, with respect to the Property, the auction, the auction terms, all Property information, brochures, disclosures, certificates, logs, and all matters referenced therein plus all other relevant matters, whether past, present, or future, and whether or not referenced in this Contract, in the Transaction Documents, or elsewhere, except as expressly stated herein.

**11.3 NO RELIANCE BY BUYER.** Buyer has relied solely on Buyer's personal inspection and Buyer's agents and inspectors when deciding to bid on the Property and enter this Contract. Buyer has not relied on the accuracy or completeness of information provided by Seller or Auctioneer, whether oral, written or posted on Auctioneer's website, nor has Buyer assumed or expected that Seller or

Auctioneer have disclosed all information that could be reasonably ascertained by inspection of the Property. All disclosures, information, representations, and statements made or given are attributable solely to Seller and not Auctioneer. They represent Seller's belief at the time they were made and are not guaranteed to be accurate, complete, or correct.

**11.4 NO ADJUSTMENTS, ETC.** Buyer shall not be entitled to any adjustment, refund, renegotiation or other relief of any kind from Seller or Auctioneer arising out of the nature, quality, condition or quantity of the Property.

**11.5 BUYER'S REPRESENTATIONS AND WARRANTIES.** Buyer represents and warrants that Buyer is qualified and authorized under all applicable laws and regulations to own the Property. Buyer further warrants that Buyer will take possession of any airworthy Property only by utilizing the services of a pilot properly licensed to operate the Property. In the event Buyer is not a natural person, Buyer and the person signing this Contract for Buyer jointly and severally warrant that (i) the Buyer is duly organized and in good standing with the state in which it is organized to do business, (ii) said signatory is authorized to execute this Contract on behalf of the Buyer, (iii) said signatory's signature on this Contract binds the Buyer to this Contract, and (iv) Seller may, in its sole discretion, pursue all remedies under this Contract against the Buyer, Buyer's signatory, or both.

**12. INDEMNIFICATION AND HOLD HARMLESS.** Buyer agrees for Buyer and all of Buyer's agents, representatives, successors and assigns to release, indemnify, defend and hold harmless Seller, Auctioneer, their employees, governing body, officers, owners, affiliates, subsidiaries, directors, agents, and representatives from and against any and all claims, losses, damages, liabilities, fees, costs, and expenses, including reasonable attorneys' fees and expenses, related to, arising from, or associated with the sale, condition, and future operation of the Property, including, but not limited to, personal injuries or property damage incurred by or in any way arising out of operation, use or ownership of the Property.

**13. DISPUTE RESOLUTION.** Any dispute between Buyer and Seller and/or Auctioneer arising out of or in any way related to the transaction contemplated by this Contract or to claims between the mentioned parties related to the Property that are not resolved within ten days after any aggrieved party gives notice to the others of its desire to arbitrate the dispute shall be settled by binding arbitration by the American Arbitration Association in accord with its then-prevailing rules. Such arbitration shall be conducted in Manhattan, Kansas. Judgment upon the arbitration award may be entered in any court having jurisdiction. The arbitrator shall have no power to change the provisions of this Contract and shall have sole jurisdiction to determine the validity and scope of this Contract section. The arbitrator shall consist of one arbitrator, who must be an attorney actively engaged in the practice of law for at least the last fifteen years. Each party shall bear its own costs of the arbitration, including AAA filing fees, attorney fees, expert fees, and all expenses.

**14. REMEDIES.** If Buyer fails to perform any term of this Contract, Buyer agrees that Seller may, at its sole discretion, (i) retain the Down Payment as additional fees for extending the Closing Date and continue with this Contract in full

force until such time as a new Closing Date is agreed upon (ii) retain the Down Payment as liquidated damages and declare this Contract void, or (iii) retain the Down Payment and seek all other remedies available at law and equity, including Buyer's specific performance. Seller may elect any remedy and change Seller's election at any time. Should Seller be unable to cure any defect in the Property title that renders the same unmarketable within the contemplation of law and within a reasonable time as set forth above, Buyer may be declare this Contract null and void and of no further force and effect and Buyer shall be entitled to the return of the Down Payment. In no event shall Auctioneer have any liability whatsoever, on any basis and for any amount, as a result of either Party's breach of this Contract or wrongful act or omission related to this transaction.

**15. COUNTERPARTS AND FACSIMILE/ELECTRONICALLY TRANSMITTED SIGNATURES.** The Parties agree that this Contract may be executed in duplicate and in counterparts but that all counterpart signatures shall constitute but one original. The Parties further agree that if exchange of original ink signatures is not initially feasible for execution of this Contract, then facsimile signatures and scanned/emailed signatures on this Contract shall be as sufficient as original ink signatures. **In the event facsimile signatures or scanned/emailed signatures are utilized, the Parties will submit their original ink signatures on this Contract, in duplicate, to Auctioneer by overnight delivery no later than Monday, February 25, 2008, at the address noted in section 4 above.**

**16. MISCELLANEOUS.** All prior understandings and agreements between the Parties are merged into this Contract, which, along with the items noted in section 1.1, constitutes the entire agreement between the Parties. Time is of the essence of this Contract. This Contract shall be construed in accordance with and governed by the laws of the State of New York. No delay or failure by Seller or Auctioneer to exercise any right hereunder, and no partial or single exercise of such right, shall constitute a waiver of that or any other right, unless otherwise expressly provided herein. This Contract shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, legal representatives, and assigns, however this Contract may not be assigned by Buyer without the prior written consent of Seller.

[Remainder of page left intentionally blank]

In witness whereof, the Parties set their hands to this Contract on the dates written below.

**SELLER:**

Name: \_\_\_\_\_

By (signatory): \_\_\_\_\_

Name Printed: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**BUYER:**

Name: \_\_\_\_\_

By (signatory): \_\_\_\_\_

Name Printed: \_\_\_\_\_

Title (if applicable): \_\_\_\_\_

Phone Number: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, ZIP: \_\_\_\_\_

Tax ID #: \_\_\_\_\_

Date: \_\_\_\_\_

**BUYER (if applicable):**

Name: \_\_\_\_\_

By (signatory): \_\_\_\_\_

Name Printed: \_\_\_\_\_

Title (if applicable): \_\_\_\_\_

Phone Number: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, ZIP: \_\_\_\_\_

Tax ID #: \_\_\_\_\_

Date: \_\_\_\_\_

**BUYER (if applicable):**

Name: \_\_\_\_\_

By (signatory): \_\_\_\_\_

Name Printed: \_\_\_\_\_

Title (if applicable): \_\_\_\_\_

Phone Number: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, ZIP: \_\_\_\_\_

Tax ID #: \_\_\_\_\_

Date: \_\_\_\_\_

