



## Aircraft Brokerage Agreement

THIS AGREEMENT, is entered into this 31<sup>st</sup> day of August, 2017, by and between Air Bear Tactical Aircraft, (the "Broker"), a limited liability corporation whose principal address is 19711 Campus Drive Ste 150, Santa Ana, CA. 92707 and City of Riverside, CA. (the "Buyer"), a municipality whose principal address is 3900 MAIN ST., Riverside, CA. 92501 :

IN WITNESS WHEREOF, in consideration of the premises, the mutual covenants contained herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties do hereby agree as follows:

**1. Sale of Aircraft.** Seller agrees to sell to Broker's Client ("Buyer") and Buyer agrees to purchase from Seller the following Aircraft (the "Aircraft"):

Aircraft Make Cessna

Aircraft Model T206H

Aircraft Registration Number N903KA

Aircraft Serial Number T20609033

Aircraft shall be delivered equipped with installed surveillance equipment and ancillary items listed in Exhibit A.

Seller warrants that Seller holds legal title to the Aircraft and that title will be transferred to Buyer free and clear of any liens, claims, charges, or encumbrances. Upon delivery of the Aircraft and payment of the balance of the purchase price, in accordance with this Agreement, Seller shall execute a bill of sale granting good and marketable title to the Aircraft. This shall be done through Broker's nominated Escrow Agent.

**2. Consideration.** It is agreed that the price of the Aircraft is Seven Hundred Forty Thousand U.S. Dollars (\$740,000.00) and is due on delivery of the Aircraft. All monies paid in accordance with this Agreement will be made by wire transfer, or equivalent. Escrow Agent will request wire instructions from Buyer and Seller.

**3. Escrow.** It is agreed that within Ten (10) business days after acceptance by Seller of the offer by Broker, an escrow account will be established IATS of Oklahoma City, OK. All funds, including the deposit, and the following documents pertaining to this transaction, shall be transmitted through the escrow account: (a) Bill of sale for the Aircraft from Seller to Buyer; and (b) Application for Registration of the Aircraft to Buyer. The fees for the escrow service shall be paid by the Broker.

Air Bear Tactical Aircraft LLC  
19711 Campus Drive Ste. 200  
Santa Ana, CA. 92707  
855-699-5489

riverside aircraft broker agreement 170824b



**4. Deposit.** The Buyer shall pay a deposit of Ten Thousand U.S.Dollars (\$10,000.00) in to the escrow account within the 10 day period. As of 0700 PDT, 8/24/2017, Buyer has placed the funds on deposit with IATS. The deposit shall be credited to the purchase price of the Aircraft. The deposit is non-refundable unless otherwise stipulated in this agreement, or in the event the title search reveals issues of ownership or the Seller otherwise does not complete the transaction.

**5. Pre-Buy Inspection.** After payment of the deposit into escrow, Buyer shall have the right to perform a Pre-Buy inspection of the Aircraft. Such inspection shall be at the Buyer's expense and may be performed by an individual(s) of Buyer's choice, so long as he/she/they hold current Airframe and Powerplant mechanic certificates issued by the Federal Aviation Administration. The inspection shall be performed at a facility agreeable to both Seller's Consultant and Buyer. If the Buyer does not perform or have this inspection performed within twenty-one (21) business days of funding the Deposit, then Buyer shall be deemed to have waived his/her/its right to such inspection. Therefore, the Pre-Buy inspection shall occur on or before 9/22/2017.

Upon completion of this inspection, Buyer shall present to the Seller's Consultant any list of discrepancies compiled. The Seller shall have Ten (10) business days to review the list and to notify the Broker of Seller's decision: (a) to pay to have the discrepancies repaired at Seller's expense and to complete the sale; or (b) to decline to pay the costs of repairs and to terminate the Agreement. If Seller declines to pay the cost of repairs, Seller shall refund, or have refunded, the Buyer's deposit and shall reimburse the Buyer for the cost of the Pre-Buy inspection.

**6. Aircraft Delivery.** It is agreed that the Aircraft and its logbooks shall be delivered on a date and location agreeable to both Buyer and Seller's Consultant. Payment in full, as described above, is a condition of delivery. Title, liability for and risk of loss or damage to the Aircraft shall pass to Buyer at the time of delivery. The Aircraft will be delivered to Buyer in its present condition, normal wear and tear excepted, with a valid FAA Certificate of Airworthiness.

**7. Warranties.** Except as provided otherwise in this agreement, this Aircraft is sold "as is." There are no warranties, either express or implied with respect to merchantability or fitness applicable to the Aircraft or any equipment applicable thereto including warranties as to the accuracy of the Aircraft's logbooks, made by Seller. Buyer agrees that no warranty has been expressed or implied by Seller or Seller's Consultant and that Buyer has inspected the Aircraft and understands that it is being purchased "as is." Buyer hereby expressly waives any claim for incidental or consequential damages, including damages resulting in personal injury against Seller or Broker. Seller shall make a reasonable attempt to transfer any manufacturer's warranty which may be still in effect for the airframe, avionics or mission equipment to Buyer.

Seller warrants that: (a) the Aircraft is in airworthy condition; (b) the Aircraft has a current annual inspection; (c) the Aircraft has a currently effective Standard Category airworthiness



certificate issued by the Federal Aviation Administration; (d) all of the Aircraft's logbooks are accurate and current; (e) all applicable Airworthiness Directives have been complied with.

#### **8. Seller's Inability to Perform.**

(a) If the Aircraft is destroyed or in Seller's opinion damaged beyond repair, or is seized by the United States Government, Seller shall promptly notify Broker. On receipt of such notification, this Agreement will be terminated and the Seller shall inform Broker to direct Escrow agent to cause return to Buyer all payments made in accordance with this Agreement, and Seller will be relieved of any obligation to replace or repair the Aircraft.

(b) Seller will not be responsible or deemed to be in default for delays in performance of this Agreement due to causes beyond Seller's control and not caused by Seller's fault or negligence.

(c) Broker shall determine a reasonable time period for correction of any deficiency relating to Seller's inability to perform.

#### **9. Buyer's Inability to Perform.**

(a) If, for any reason, the Buyer is unable to pay the purchase price of the Aircraft or complete the transaction other than as stipulated within this agreement, the deposit shall be forwarded to Seller at the direction of Broker by the Escrow Agent.

(b) Buyer will not be responsible or deemed to be in default for delays in performance of this Agreement due to causes beyond Buyer's control and not caused by Buyer's fault or negligence.

(c) Broker shall determine a reasonable time period for correction of any deficiency relating to Buyer's inability to perform.

**10. Taxes.** The Buyer shall pay any sales or use tax imposed by a state or local government, which results from the sale of the Aircraft.

**11. Assignment.** This Agreement may not be transferred or assigned without written authorization signed by Broker.

**12. Notice.** All notices and requests required or authorized under this Agreement shall be given in writing by certified mail, email or facsimile, return receipt requested. The date on which any such notice is received by the addressee shall be deemed the date of notice.



**13. Governing Law.** This Agreement is a contract executed under and to be construed under the laws of the State of California, without regard to its choice of law principles. Any controversy, claim or dispute arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules in the State of California, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

**14. Attorney Fees.** In the event any action is filed in relation to this Agreement, the unsuccessful party in the action shall pay to the successful party a reasonable sum for the successful party's attorney's fees.

**15. Waiver.** Either party's failure to enforce any provision of this Agreement against the other party shall not be construed as a waiver thereof so as to excuse the other party from future performance of that provision or any other provision.

**16. Severability.** The invalidity of any portion of the Agreement shall not affect the validity of the remaining portions thereof.

**17. Paragraph Headings.** The headings to the paragraphs to this Agreement are solely for convenience and have no substantive effect on the Agreement nor are they to aid in the interpretation of the Agreement.

**18. Time.** Buyer and Seller agree that time is of the essence and this contract shall be concluded in the shortest amount of time possible.

**18. Entire Agreement.** This Agreement constitutes the entire Agreement between the parties. No statements, promises, or inducements made by any party to this Agreement, or any agent or employees of either party, which are not contained in this written contract shall be valid or binding. This Agreement may not be enlarged, modified, or altered except in writing signed by the parties.



IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

City of Riverside, CA.

Buyer

Air Bear Tactical Aircraft, LLC

Broker

By: \_\_\_\_\_

By: \_\_\_\_\_

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

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

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

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

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

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

Email: \_\_\_\_\_

APPROVED AS TO FORM  
CITY ATTORNEY'S OFFICE

BY Neil An  
Deputy City Attorney

Air Bear Tactical Aircraft LLC  
19711 Campus Drive Ste. 200  
Santa Ana, CA. 92707  
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## EXHIBIT A

### AIRCRAFT EQUIPMENT

The Aircraft shall be delivered in the following configuration:

- Garmin G1000
- Synthetic vision
- Garmin GFC700 Integrated Autopilot
- Garmin GDL88
- Stormscope
- TKS de-ice
- Tanis Engine Heater
- (4) Lightspeed headsets
- All LED lighting
- Pulselight
- Oxygen (5 year hydrostatic test accomplished in 2016)
- Aircraft tug
- L3/Wescam MX10
- Churchill Navigation ARS
- Visilink downlink system

The following Additional Equipment shall be supplied at time of Aircraft delivery:

- Visilink ground antenna
- Storage container for Wescam MX10
- Toughbox with downlink equipment:
  - Sencore MRD 4400
  - Visilink HDR 5000
  - HDX1100
- Toughbox laptop
- Churchill Laptop
- 2 Battery chargers
- Tug

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