



AIRCRAFT TAXATION CONSULTING AGREEMENT VERY LIGHT JET (VLJ) AIRCRAFT

Introduction

This Agreement contains the terms under which Aviation Tax Consultants, LLC, an Indiana limited liability company with its principal place of business at 4020 W. Goeller Blvd. Ste B, Columbus, IN 47201 (hereafter "ATC") will provide the services described below to _____ and all of its successors in interest, including, but not limited to, those entities owned or under its control (hereafter "Client"). The relationship of ATC to Client under this Agreement is solely that of an independent contractor.

Upon signing this Agreement, Client retains ATC for a term of three years to provide advisory and consulting services in structuring in a tax efficient manner the acquisition and operation of a single aircraft by Client. Client will be responsible for payment of all fees and costs of ATC set forth in this Agreement.

ATC's Services

ATC will provide the following services:

- Design and formation of the aircraft ownership entity and other entities, as appropriate
- Engagement of counsel, at ATC's expense, to draft any necessary contracts and other documents for the aircraft ownership and operating program
- Registration of the entities formed and the aircraft with the appropriate tax and regulatory authorities
- Consultation as requested with the Client and the Client's advisors regarding regulatory, tax and the aircraft ownership and operating program
 - ATC will provide advice and will review income tax returns and schedules, but does not prepare the returns
- Defense of any examination related to income tax, sales or use tax, or FAA registration requirements related to aircraft acquisition or operation which is the subject of this Agreement through the administrative appeals process
 - Client shall be responsible for all costs associated with further appeals to state or Federal courts, including but not limited to attorney fees

Standard of Performance

In the performance of its services under this Agreement, ATC shall use sound, established principles and practices in accordance with generally accepted professional standards and in **Very Light Jet (VLJ) – August 2010**

compliance with applicable state and Federal statutes and regulations as currently applied and interpreted by state and Federal agencies.

Fees and Costs

ATC's fee for its advisory and consulting services rendered in connection with this Agreement is \$24,000, payable in installments as follows:

- \$10,000, payable upon execution of this Agreement
- \$7,000, payable one year from the date of this Agreement
- \$7,000, payable two years from the date of this Agreement

Client will be responsible for any filing fees or other costs advanced by ATC on behalf of Client, including but not limited to travel expenses incurred by ATC representatives in connection with any administrative tax examination or appeal.

This Agreement contemplates the acquisition and operation of a single aircraft. Should Client acquire additional aircraft prior to the end of the three year term of this Agreement, Client and ATC will negotiate additional services and fees for any incremental services under a separate agreement. This Agreement is for a contemplated purchase of an aircraft. If no aircraft is acquired within one year of the date of this Agreement, Client will be responsible for charges for ATC's actual time incurred at the rate of \$295 per hour plus out of pocket expenses. Upon payment of such fees and costs this Agreement will terminate.

ATC will invoice Client pursuant to the schedule set forth above. Client agrees to pay all such invoices within thirty days of the date of invoice. Client agrees to pay interest of one and one half percent (1 1/2%) per month on the outstanding balance of fees owed to ATC that are not paid within thirty days of the date of invoice. Client further agrees to pay and be liable for all attorney fees, costs and other expenses incurred by ATC in collection of unpaid fees and costs.

Termination by ATC

In the event that any balance of ATC's fees and/or costs remains unpaid for more than 30 days from the date of invoice, ATC shall have the right to terminate this Agreement. Upon such termination, all future obligations and services remaining to be provided by ATC shall terminate and Client releases ATC from any liability incurred as a result of the termination. Payment by Client of such outstanding fees and/or costs plus interest shall reinstate this Agreement pursuant to its original terms.

Confidentiality

ATC will accept and hold the information received from Client in complete confidence solely for performing the services described in this Agreement. ATC will only disclose such information to attorneys, accountants, advisors and consultants retained by ATC and who, in its discretion, ATC believes reasonably need to know the information in connection with the services provided by ATC, unless required to do so by court of law.

Upon the expiration or termination of this Agreement, Client may use any of ATC's documents, planning systems, and methodologies for its own use, but not for any commercial purposes without the express prior written consent of ATC.

Miscellaneous Terms and Conditions

Should any portion of this Agreement be found to be unenforceable, illegal, or in conflict with applicable federal, state, and/or local laws, such portions shall be considered severed from this Agreement. The remaining portions of this Agreement shall not be affected. If such change shall cause this Agreement to be unworkable, unenforceable, or unreasonably burdensome, the Agreement shall be terminated without prejudice to either party.

No party may assign this Agreement without the written consent of the other party. This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective successors and assigns. This Agreement constitutes the entire agreement of the parties with reference to the subject matter hereof, and may not be changed, waived, or modified except in writing signed by both parties. This Agreement shall be construed in accordance with the laws of the State of Indiana. In the event of a dispute arising under this Agreement, the parties agree to binding arbitration to take place in Columbus, Indiana, pursuant to the applicable procedures and rules of the American Arbitration Association.

Acknowledgment and Approval

We have read this three page Agreement including this Acknowledgment and Approval section. We understand and accept its contents. We, the undersigned, also represent that we are authorized to sign on behalf of our respective parties and authorized to bind our respective parties to the provisions of this Agreement.

Client

By: _____
Title: _____
Date: _____
Address: _____

Telephone: _____

Aviation Tax Consultants, LLC

By: _____
Title: _____
Date: _____
Mailing address:
4020 W. Goeller Blvd. Ste B
Columbus, IN 47201

Please sign, date and fax the entire Agreement to ATC at 812-341-9001



4020 W. Goeller Blvd. Ste B • Columbus, IN 47201 • (800)342-9589 • Fax (812)341-9001

Aircraft Acquisition Questionnaire

Aircraft Ownership Entity Name: _____

Owner's Name: _____ **E-mail:** _____

Phone: _____ **Fax:** _____ **Cell Phone:** _____

Primary business entity that will utilize the aircraft: _____

Business address to be used on documents: _____

Owner's Home Address: _____

Home Phone: _____ **Social Security Number:** _____

Date of Birth: _____ **Drivers License Number & State:** _____

U.S. Citizen: _____ **Permanent Resident** _____ **Other (please explain)** _____

Year, Make, Model: _____ **Circle one: NEW USED DEMO**

N Number: _____ **Serial Number:** _____

Purchase Price: _____ **Anticipated Closing Date:** _____

Gross Take-Off Weight: _____ **County of Base Airport:** _____

Base Airport Name (Identifier): _____ (_____)

Seller's Name: _____

Seller's Address: _____

Financing: YES NO If yes, please list finance company name, contact person, phone number, & email address: _____

Do you have business interests outside of your home state? YES NO

If yes, please identify, describe: _____

Referred to ATC by: _____