



Aircraft Purchase Agreement

SkyRunner MK 3.2

This AIRCRAFT PURCHASE AGREEMENT (this "**Purchase Agreement**") is effective as of the last signature date indicated below (the "**Effective Date**") by and between the undersigned buyer ("**Buyer**") and SkyRunner, LLC, a Louisiana limited liability company ("**SkyRunner**"). Buyer and SkyRunner are also referred to herein individually as a "**Party**" and collectively as the "**Parties**."

WHEREAS, subject to the terms and conditions set forth herein, Buyer agrees to purchase and SkyRunner agrees to sell one (1) SkyRunner MK 3.2 model aircraft with the Specifications (as defined below) described on Addendum 1 (the "**Aircraft**").

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, SkyRunner and Buyer agree to the recitals above and as follows:

1. **ENTIRE AGREEMENT**

a. This Purchase Agreement includes the following Addendum:

- i. ADDENDUM 1 — Purchase Price Sheet and Specifications — This addendum includes the Aircraft Specifications, selected options and accessories, the Purchase Price, Estimated Closing Date, and the timing and amounts of the pre-delivery payments and final payment due at Closing. Addendum 1 may be *amended* by SkyRunner with the agreement of the Buyer.

b. Addendum 1 attached hereto is incorporated by reference and made part of this Purchase Agreement. This Purchase Agreement, together with Addendum 1, as amended by agreement of the Parties, constitutes the entire agreement among the Parties, and supersedes all prior written or oral understandings, concerning its subject matter. Buyer expressly represents and agrees that Buyer has not relied on any oral or written representations regarding the Specifications or other attributes of the Aircraft or Options (as defined below) except as expressly stated in this Purchase Agreement.

2. **PURCHASE AND SALE**

a. Subject to the terms of this Purchase Agreement, Buyer agrees to purchase from SkyRunner and SkyRunner agrees to sell to Buyer the Aircraft, together with the optional features, accessories and configurations described on Addendum 1 (collectively "**Options**"). The purchase price for the Aircraft and Options selected as of the Effective Date is set forth on Addendum 1 (the "**Purchase Price**"). The Purchase Price will be adjusted by SkyRunner from time to time to reflect additional Options selected or removed after the Effective Date in accordance with the terms of this Purchase Agreement.

3. **PAYMENTS; TAXES**

a. The Purchase Price will consist of 2 pre-delivery payments ("**PDP**") and one as follows:



- i. **Production Deposit:** \$115,000.00
- ii. **Final Payment & Closing** (registration, and bill of sale): \$115,000.00

b. Periodic updates by SkyRunner to Addendum 1, including to the Estimated Closing Date and changes to reflect Options (and associated changes to the Purchase Price and the timing and amount of the installment payments), may be made, if applicable, in writing by SkyRunner.

e. All payments shall be made to SkyRunner by wire, check or cashier's check in US dollars.

d. The Purchase Price is exclusive of any sales or use tax, value-added taxes, duties, registration fees and any other charges or fees that may be levied by governmental authorities in connection with the purchase, sale, transfer, use, registration, export, or import of the Aircraft (collectively "**Taxes**"). Buyer will be solely responsible for all Taxes and will indemnify and hold SkyRunner harmless from any and all Taxes assessed by any government authority against SkyRunner in respect of the sale, use, and possession of the Aircraft or any part thereof hereunder or attributable to any payment made by Buyer pursuant to this Purchase Agreement, other than any Taxes imposed on the overall income of SkyRunner. SkyRunner may, in its discretion, provide a copy of this Purchase Agreement in addition to other information to taxing authorities.

4. **COMMUNICATION: BUYER INFORMATION**

a. SkyRunner will contact Buyer using Buyer's contact information set forth in Paragraph 4.f below. Buyer is responsible for ensuring SkyRunner always has Buyer's current contact information by sending written notice to SkyRunner, LLC in Paragraph 4e.

b. SkyRunner will send any notice to Buyer under this Purchase Agreement by email or by pre-paid overnight delivery to the contact information last provided by Buyer.

c. Any notice to SkyRunner under this Purchase Agreement shall be sent by email to info@flyskyrunner.com or by pre-paid overnight delivery to SkyRunner's headquarters at the address listed in 4.e below.

d. Each notice or demand to either party shall be deemed to have been given when received or twenty-four (24) hours after being sent, whichever occurs first.

e. SkyRunner's current contact information is as follows:

Attn: Contract Office
2929 Baird Rd., Building #50
Shreveport, LA 71118
Telephone: (318) 219-5722
Email: info@FlySkyRunner.com



f. Buyer represents and warrants that its name and address is as set forth below:

Buyer (Name to Appear on Aircraft Title)

Authorized Signor (if Buyer is not an individual)

Title of Signor (if Buyer is not an individual)

Street Address

City State/Province

Country

Zip/Postal Code

Phone (Mobile)

Phone (Home/Office)

Email

5. **TRAINING**

- a. End user will receive pilot training and certification by an FAA-approved Certified Flight Instructor (“CFI”) specifically for light-sport powered parachute (PPC) that is approved by SkyRunner.
- b. Buyer understands that Buyer, and anyone authorized by Buyer, cannot fly the Aircraft unless the pilot-in-command for the flight (i) holds a *student pilot certificate* or *valid sport pilot certificate with an LSA endorsement* or *private pilot certificate* (or greater certificate) issued by the FAA with the appropriate rating or endorsement, and (ii) meets all FAA recent flight experience and currency requirements.

6. **CLOSING; CLOSING WINDOW; ACCEPTANCE**

- a. SkyRunner will coordinate the delivery of the Aircraft, and Options selected in Addendum 1 to Buyer (at place specified - in the continental US) . Purchase Price **does not include** cost of delivery insurance transport charges, and risk of damage is SkyRunner’s until Buyer has accepted the aircraft and Options.



b. The closing of the contemplated transactions is referred to herein as the "**Closing**" and the date on which Closing is completed is referred to herein as the "**Closing Date.**"

c. To complete Closing, Buyer will deliver or have delivered the following to SkyRunner:

- i. Payment in full of the Purchase Price; and
- ii. Completed FAA registration for the Aircraft **form 8050-1.**

d. At Closing, SkyRunner will deliver to Buyer:

- i. An executed bill of sale on FAA form **8050-2** or its equivalent; and
- ii. The then-current MK 3.2 **Limited Warranty.**

7. **SPECIFICATIONS AND OPTIONS**

a. The specifications for the Aircraft (including selected Options) are set forth in Addendum 1 (the "**Specifications**").

8. **TERMINATION**

a. Buyer may terminate this Purchase Agreement prior to Closing by written notice to SkyRunner for SkyRunner's material breach of the terms of this Purchase Agreement; provided that SkyRunner has received written notice from Buyer specifying such material breach and an opportunity to cure which in no event shall such cure period exceed 60 days. In the event of a termination by Buyer under this Paragraph 8.a, this Purchase Agreement and all rights and obligations of the Parties hereunder shall immediately terminate, and Buyer recourse shall be SkyRunner's return of 50% of Production Deposit made by Buyer within 90 days, without interest after the termination. Buyer acknowledges that the return of the Production Deposit to Buyer, without interest, is its sole and exclusive remedy for breach or violation of this Purchase Agreement by SkyRunner.

b. SkyRunner may terminate this Purchase Agreement for breach upon written notice to Buyer, if SkyRunner, in its sole discretion, determines that any of the following apply:

- i. Buyer fails to make any required payment in a timely manner.
- ii. Buyer otherwise materially breaches the terms of this Purchase Agreement; provided that Buyer has received written notice of the material breach and a reasonable opportunity to cure; or
- iii. A proceeding under any law of bankruptcy, insolvency, receivership, reorganization, or relief of debtors is instituted by or against Buyer.



c. In the event of a termination by SkyRunner under Paragraph 8.b above, (i) this Purchase Agreement and all of Buyer's rights hereunder and in and to the Aircraft shall immediately terminate and SkyRunner shall be free to sell the Aircraft to other purchasers free and clear of all liens, claims and encumbrances; and (ii) SkyRunner shall return all PDPs made by Buyer through the date of termination, without interest, within 30 days after termination, less 50% of all PDP's made by Buyer through the date of termination (such 50% amount, the "Retention Amount"). SkyRunner shall be entitled to retain the Retention Amount as liquidated damages for Buyer's breach.

d. Buyer and SkyRunner agree that the cost to SkyRunner for damages for Buyer's breach are impractical or extremely difficult to determine and that the Retention Amount constitutes a reasonable approximation, at the time this Purchase Agreement is entered into, of the harm and loss caused to SkyRunner, including the expense of finding a replacement buyer, reversing FAA documentation, and storage of the Aircraft while a buyer is located, the possible loss of an additional sale to the replacement buyer, and other costs. Buyer acknowledges and agrees that the foregoing liquidated damages provision is an important consideration to SkyRunner's willingness to enter into this Purchase Agreement and is not a penalty.

e. No interest shall accrue, or be paid, to Buyer on any refund or return of payments.

9. **REPRESENTATIONS**

a. Buyer hereby represents to SkyRunner that:

- i. Buyer has the power and authority to enter into this Purchase Agreement and perform the transactions contemplated hereby. The person executing this Purchase Agreement has the authority to execute and deliver this Purchase Agreement on behalf of Buyer; and
- ii. This Purchase Agreement constitutes a legal, valid and binding obligation of Buyer enforceable against Buyer in accordance with its terms.

b. SkyRunner hereby represents to Buyer that:

- i. SkyRunner has the power and authority to enter into this Purchase Agreement and perform the transactions contemplated hereby. The person executing this Purchase Agreement has the authority to execute and deliver this Purchase Agreement on behalf of SkyRunner; and
- ii. This Purchase Agreement constitutes a legal, valid, and binding obligation of SkyRunner enforceable against SkyRunner in accordance with its terms.

10. **LIMITED WARRANTY AND DISCLAIMER OF WARRANTIES**

a. At Closing, Buyer will receive the then-current MK 3.2 Limited Warranty provided by SkyRunner (the "**MK 3.2 Limited Warranty**"). The then-current MK 3.2 Limited Warranty provided to Buyer at the time of Closing will apply to the Aircraft.



b. SkyRunner warrants that the Aircraft and Options delivered to Buyers facility will be fit for the purposes for which they are sold, and that all engines, parts and components incorporated into the Aircraft and Options are new. With the exception the Warranty expressed in the previous sentence, Buyer agrees that the Warranty obligations and SkyRunner and the rights and remedies of Buyer set forth in the MK 3.2 Limited Warranty are exclusive and are in lieu of, and Buyer hereby waives and releases, all other warranties, obligations, representations, or liabilities, express or implied, and SkyRunner makes no other warranties, express or implied, and specifically excludes and disclaims the implied warranties for Buyer's particular use.

11. **LIMITATION OF LIABILITIES**

a. Notwithstanding anything to the contrary, the maximum aggregate liability SkyRunner shall have to Buyer for any breach of this Purchase Agreement or otherwise arising out of or relating to this Purchase Agreement or to Buyer's ownership or operation of the Aircraft or Options shall be an amount equal to the Purchase Price. In no event shall SkyRunner be liable for any consequential, indirect, punitive, incidental, or special damages of any kind or nature under any circumstance, or, without limiting the foregoing, for any lost profits or any other losses or damages for or arising out of any lack or loss of use of the Aircraft or any Option, equipment, accessory, or spare part for any reason.

12. **CONTINUED OPERATIONAL SAFETY, EARLY PRODUCTION RUN**

a. Buyer understands that the **Pilot's Operating Handbook** and **Maintenance Manual** include certain obligations for operational safety, and aircraft maintenance.

b. Buyer understands that the Aircraft's Maintenance Manual will require major service or overhauls on yearly or hourly requirements.

13. **AUTHORIZED REGIONS AND SUPPORT REGIONS**

a. Buyer acknowledges and agrees that the Aircraft may only be flown in jurisdictions where it has been specifically approved for operation by the applicable governmental authority ("**Authorized Regions**"). Buyer understands and agrees that the United States is the only region where Buyer can fly and obtain service and maintenance support (the "**Support Regions**"). Updates to Authorized Regions and Support Regions may be announced by SkyRunner sending notice to Buyer by email or by certified delivery to the contact information last provided by Buyer under this Purchase Agreement.

b. Operating the Aircraft outside of the Authorized Regions, except as permitted by local aviation authorities invalidates the MK 3.2 Limited Warranty.

14. **BINDING; MODIFICATIONS; SEVERABILITY; INTERPRETATION**

a. Buyer acknowledges and agrees that it has read, understands and agrees to the provisions of the Purchase Agreement. Prior to Buyer's acceptance of this Purchase Agreement, the offer of entering into this Purchase Agreement is subject to change in SkyRunner's sole discretion at any time. There are no assurances by SkyRunner that the terms and conditions of this Purchase



Agreement, including the Purchase Price, Specifications and Options, are or will be the same for all purchasers.

b. This Purchase Agreement may be amended or modified, and any of the terms, covenants, representations, warranties, or conditions may be waived, only by a written instrument executed by SkyRunner and Buyer. Any waiver by any party of any condition or breach shall not be deemed to be a further continuing waiver of any such condition or breach, or of the breach of any other provision of this Purchase Agreement.

c. In the event that any provision of this Purchase Agreement is determined by any court or arbitrator to be illegal, invalid or unenforceable under any present or future law, then (a) such provision shall be fully severable, and this Purchase Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof and the remaining provisions shall remain in full force and effect, and (b) in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as a part of this Purchase Agreement a legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible.

d. If an ambiguity or question of intent or interpretation arises, then this Purchase Agreement will be construed as if drafted jointly by the parties, and no presumption or burden of proof will arise favoring or disfavoring any party to this Purchase Agreement by virtue of the authorship of any of the provisions. The article, section, and paragraph titles and headings contained in this Purchase Agreement are inserted as a matter of convenience and for ease of reference only and shall be disregarded for all other purposes, including the construction or enforcement of this Purchase Agreement or any of its provisions.

e. The provisions of Paragraphs 3 and 11 through 17 shall survive the expiration or earlier termination of this Agreement for any reason.

f. This Purchase Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Purchase Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. This Agreement, to the extent signed and delivered by means of facsimile transmission or as an attachment to an electronic mail message in "pdf" or similar format, shall be treated in all manner and respects as an original agreement or instrument and shall have the same binding legal effect as if it were the original signed version thereof delivered in person.

15. GOVERNING LAW AND VENUE; ARBITRATION; ATTORNEY'S FEES

a. This Purchase Agreement and any disputes arising out of or relating to it shall be governed by the laws of the State of Louisiana, regardless of the choice of law provisions of Louisiana or any other jurisdiction.

b. Any and all disputes or claims arising out of or relating to this Purchase Agreement or otherwise arising out of or relating to the Parties' relationships shall be resolved by final and binding arbitration administered by the American Arbitration Association in Shreveport, Louisiana in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in



effect (which rules can be found at www.adr.org/commercial). This arbitration clause waives any right to a jury trial of any claims arising out of or relating to this Purchase Agreement.

c. Consistent with and without waiving the foregoing, the Parties agree that any court action to enforce the arbitration clause, have judgment entered in conformity with the award rendered in the arbitration or otherwise in the unlikely event the arbitration provision is found to be unenforceable or otherwise inapplicable, (i) shall be heard exclusively in the United States District Court for the Western District of Louisiana if federal jurisdiction exists or an appropriate state court located in Caddo Parish in the State of Louisiana if federal jurisdiction does not exist (collectively, the “**Agreed Courts**”), and (ii) the Parties acknowledge and agree that the Agreed Courts will have sole and exclusive jurisdiction and venue for all claims and disputes arising out of or relating to this Purchase Agreement or otherwise arising out of or relating to the Parties’ relationships, and SkyRunner and Buyer hereby consent to the jurisdiction of the Agreed Courts and waive any and all objections that they may have to the jurisdiction and venue in the Agreed Courts, including any claim or defense that the Agreed Courts are an inconvenient forum.

d. Should any litigation or arbitration be commenced (including any proceedings in a bankruptcy court) among SkyRunner and Buyer arising out of or relating to this Purchase Agreement or otherwise arising out of or relating to the Parties’ relationships, the prevailing party in any such proceedings, as determined by the court or arbitrator, will be entitled to reimbursement of its reasonable attorneys’ fees, expenses (including but not limited to the fees of experts), and any and all arbitration and court costs, including the fees of the arbitrators, expenses, and costs of any arbitration and judicial proceedings, including any appeals.

IN WITNESS WHEREOF, the Parties have caused this Purchase Agreement to be executed by their duly authorized representatives.

Buyer:

SkyRunner:

SkyRunner, LLC

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____



MK 3.2 OPTIONS



<input type="checkbox"/>	<u>UPGRADES</u>	<u>PRICE</u>	<u>ADDED WEIGHT (lbs.)</u>
<input type="checkbox"/>	Black Carbon Fiber	\$0	
<input type="checkbox"/>	Desert Tan Carbon	\$4,300	
<input type="checkbox"/>	Tires: Run Flat (4 tire blocks)	\$3,200	4
<input type="checkbox"/>	Parachute/ Wing (personalized)	TBD	N/A
<input type="checkbox"/>	INVISIO Radio & Comms	\$16,200	5

<input type="checkbox"/>	<u>TRAINING</u>	<u># Pilots to be Trained</u>	<u>Training Dates</u>
<input type="checkbox"/>	Pilot Training/ Certification (new pilots) \$15,000.00	-----	-----
<input type="checkbox"/>	Endorsement Training (additional pilots) \$9,500.00	-----	-----
<input type="checkbox"/>	FLORIDA Training Center Approved		

TOTAL: \$



ADDENDUM 1

Purchase Price Sheet and Specifications

Purchase Price, Payment Schedule, and Estimated Closing Date

BASE PRICE	\$230,000
1. Production Deposit	\$115,000
2. Options	\$ _____
3. Final Payment:	\$115,000 + Options
4. Sales Tax	<i>*Paid where aircraft is hangered</i>

Closing Date: _____
Mo. Day Year

INCLUDED:

1. Supply of Critical Spare Parts & Toolbox
2. Service & Maintenance Network (Global)
3. Owner access to refresher videos, support & maintenance centers all over the world

NOT INCLUDED:

1. LSA Pilot Training, Certification or Endorsement for One
2. Shipping included by land within continental USA

Approx. Expense

- a) Endorsement: \$9,500
 - b) New Pilot: \$15,000
-
- a) United States: \$5,000
 - b) Abroad: TBD



AIRCRAFT SPECIFICATIONS

Performance Specifications:

Seats: 2

Maximum Takeoff Weight: 1,800 lbs. (Exemption 15422B)

Dry weight: 1,220 lbs. (pending options)

Fuel Cell: 16 gallons

Fuel: 91-93 Octane

Powerplant(s)

Ground: ProStar 1000 - 89 hp.

Drive: 4-Stroke SOHC Twin Cylinder

Transmission: Automatic CVT

P/R/N/L/H; Shaft

Drive System: High Performance, On-Demand

Cooling: Liquid

Fuel System: Electronic Fuel Injected

Aircraft: Rotax 914/912- 160 hp Modified

4-Stroke

Cooling: Liquid / Air

Fuel System: Carbureted (Rotax) / (EFI optional)

Performance

Maximum Speed: 70 mph (ground); 46 mph (air)

Range: 200+ miles (ground); 120+ miles (air)

Takeoff & Landing Distance: 600 ft.

Shocks: Fox Podium 1.5 & 2.0

Standard Equipment:

Wing Options: 550 sqr. ft.

Propeller: 4 blade 75"

Engine Monitoring Systems #1 (EMS): State-of-the-art EMS to continuously monitor the Rotax aircraft systems.

Engine Monitoring Systems #2 (EMS): Digital Gauge: Speedometer, Odometer, Tachometer, Two Tripmeters, Hour Meter, Clock, Service Time, Diagnostic Indicator, Gear Indicator, Fuel Gauge, Hi-Temp/Low-Batt Lights, DC Outlet VHF Communication Radio

Altimeter

Fuel Gauge

ADS-B Trig TT22 Bundle

Standard Documentation:

Pilot Operating Handbook (POH) + APP

Maintenance Manual (ground & air)

Weight and Loading

FAA Airworthiness Certificate

ASTM Standards: Aircraft will meet or exceed the requirements as established by the ASTM standard: "Standard for Specifications for Design and Performance of a Light Sport Airplane."



SPARE PARTS *Included*

GROUND

- 1 x REAR AXLE --TITAN HD -- SPORTSMAN 850 XP / SCRAMBLER 1000
- 1 x PROSTAR - PRODUCTION AIR FILTER - SINGLE INLET AIRBOX - K&N (RU-0500)
- 1 x CLEARVIEW FUEL FILTER...PUSH-ON FOR 3/8 INCH HOSE
- 1 x POLARIS OIL FILTER / 10 MICRON 1 x POLARIS ENGINEERED DRIVE BELT.
- 1 x TIE ROD END KIT - ALL BALLS (2 PER UNIT)
- 1 x MOBILE 1 MOTOR OIL / 10W-40 / RACING 4T
- 1 x PRESTONE DEX-COOL 50/50 ANTI-FREEZE / COOLANT / 1 GALLON
- 2 x SPARK PLUGS - PROSTAR

AIR

- 1 x BLACK MODEL J-BLADE W/ RED TIPS / CERAMIC LEADING EDGE POWERFIN BLADES -- W/ LRG HUB
- 1 x SPARE TIRE & WHEEL W/ TIRE BLOCKS
- 1 x ROTAX - PRODUCTION AIR FILTER - UNIVERSAL CLAMP-ON - K&N (RU-0800)
- 1 x K&N PRECHARGER AIR FILTER WRAPS
- 1 x ROTAX OIL FILTER 825-016 / NEW STYLE
- 2 x SPARK PLUGS - ROTAX

OTHER

- 1 x TOOL KIT *** INCLUDES: TOOLS, FUSES, JACK
- 1 x CTEK LITHIUM US CHARGER