

Raytheon Support PLUS+

AGREEMENT

This AGREEMENT No. BB-1867-1 is entered into effective as of SEPTEMBER 22, 2004 by and between

RAYTHEON AIRCRAFT COMPANY

a company incorporated under the laws of the State of Kansas, U.S.A., with its principal place of business at 10511 E. Central Wichita, KS 67206 (hereinafter called "RAC").

- AND -

AR EQUIPMENT, LLC

a company organized pursuant to the laws of NORTH CAROLINA with its principal place of business at 9241 GLOBE CENTER DRIVE, SUITE 130, MORRISVILLE, NORTH CAROLINA USA (hereinafter called "the Operator").

WHEREAS RAC manufactures and sells various models of quality aircraft under the trade names and trademarks of "Hawker" and "Beech" (collectively the "Aircraft");

WHEREAS the Operator intends to purchase and/or operate Raytheon Aircraft;

WHEREAS RAC offers to operators of Raytheon Aircraft the Raytheon **Support PLUS+** Maintenance Plan, also otherwise known as **Support+**, which provides selectable options for comprehensive maintenance support of

- labor for scheduled inspections, maintenance and component removals,
- parts for scheduled inspections, maintenance and component removals,
- labor for unscheduled inspections, maintenance and component removals,
- parts for unscheduled inspections, maintenance and component removals, and
- service bulletin coverage

for the Raytheon Aircraft, avionics equipment and other parts, components and systems which are installed on the aircraft in consideration of the monthly payment of a service charge during the term of the Support+ Plan;

WHEREAS the Operator desires to avail itself of the benefits of the Support+ Plan;

NOW, THEREFORE, in consideration of the mutual terms and conditions herein contained, RAC and the Operator agree as follows:

ARTICLE I CONTACT INFORMATION

SECTION 1 – CONTACTS AND NOTICES

- 1.1 Each party agrees to notify the other party of any change to the contact information referenced herein. The Operator further agrees to notify RAC of any change in registration of the Aircraft or of any pending sale or actual Aircraft title transfer.
- 1.2 Until changed by written notice, given by either party to the other, the contact addresses and numbers of the parties for the purposes of this Agreement will be as follows:

In the case of RAC:

**RAYTHEON AIRCRAFT COMPANY
10511 E. Central
Wichita, Kansas 67206
USA**

by telefacsimile to: **316.676.3474**

For the attention of:
**Manager, Support Plus Programs
Department 854**

and in the case of the Operator:

**AR EQUIPMENT
3927 WINCHESTER ROAD
MEMPHIS, TENNESSEE 38118
USA**

by telefacsimile to: **901-367-3095**
by telephone to: **901-367-3036**

For the attention of:

**KAREN S. FIELDS
CHIEF MANAGER**

- 1.3 Any formal notice or communication required or permitted under this Agreement will be in writing and deemed sufficiently given if said notice or communication is personally delivered, sent by registered or certified mail (return receipt requested), or sent by means of tested telefacsimile to the party to whom the notice is to be given. Any notice or communication which is delivered in person or sent by means of tested telefacsimile will be deemed to be served effective as of the date the notice or communication is delivered or sent, as applicable. Any notice or communication which is sent by registered or certified mail (return receipt requested) will be deemed to be served seven (7) days after the date it is postmarked to the addressee, postage prepaid. Notices so sent will be deemed to be received upon actual receipt by the receiving party.

ARTICLE II PROGRAM TERMS AND HOURLY RATES

SECTION 1 -- ELIGIBLE AIRCRAFT AND AIRCRAFT ENROLLMENT

- 1.1 RAC will provide the Operator with a Raytheon Support+ Maintenance Plan provided the Aircraft is no more than (10) years old and its annual operation does not exceed 600 hours per calendar year.
- 1.2 RAC will provide the Operator with a Raytheon Support+ Maintenance Plan which will include options selected by the Operator that provide comprehensive parts and labor coverage for scheduled and unscheduled maintenance, including but not limited to, inspections, maintenance, troubleshooting and component replacement which is necessary to maintain the continued airworthiness of the Aircraft.
- 1.3 RAC and the Operator have entered into agreement as of the effective date of this Agreement and the Operator agrees to the following:
- 1.3.1 **Aircraft Serial Number**
The KING AIR B200 Aircraft bearing serial number BB-1867 is operated by the Operator and is the Aircraft to which this Plan applies.
- 1.3.2 **Aircraft Starting Hours and Landings**
Operator payments in accordance with Section 4 will start at 33.0 hours total time and N/A landings.

SECTION 2 - TERM OF THE AGREEMENT

- 2.1 The term of this Agreement will commence on the effective date set forth at the beginning of this Agreement and will expire on SEPTEMBER 21, 2009 unless terminated earlier as provided for under this Agreement.

SECTION 3 - GUARANTEED HOURLY RATE BASIS

- 3.1 The hourly rate guarantee is based on the Operator meeting the following Aircraft Utilization Assumptions and Conditions:
- 3.1.1 Flight hours are defined for the purpose of this Agreement as the actual number of hours flown by an Aircraft;
- 3.1.2 Each Aircraft will operate a minimum of 240 flight hours per year, with an average of 1.0 flight hours per landing;
- 3.1.3 For each period of twelve (12) consecutive calendar months after the effective date of this Agreement, the Operator will pay to RAC a minimum service charge which will be based upon a minimum of 20.0 flight hours per month.
- 3.1.4 If the Aircraft exceeds 600 flight hours in a calendar year, the hourly rate will be increased by 25 percent for all hours flown in that calendar year, whether before or after 600 flight hours.

SECTION 4 - GUARANTEED HOURLY RATE

- 4.1 Subject to the conditions set forth below, RAC will guarantee the related cost of maintenance of the Aircraft, as selected by the Operator under the Plan, in consideration of the Operator paying the following amounts:
 - 4.1.1 The hourly usage rate to be used to compute the monthly service charge pursuant to Article V Section 1 of the Agreement will be subject to the following conditions:
 - 4.1.2 The Operator hereby agrees that from the effective date of this Agreement until expiration of the current calendar year, the base guaranteed hourly usage rate set forth below will be used by the Operator for purposes of computing the monthly service charge pursuant to Article V Section 1 of the Agreement (hereafter "Guaranteed Hourly Rate"):

GUARANTEED HOURLY RATE:	
60 Month Agreement Term	In Service Years 1 - 5
US \$	
Airframe	\$ 82.80
Propellers	N/A
Engine Service Plan	N/A
APU Service Plan	N/A
Total per Flight Hour	\$ 82.80
Total Pre-Paid Amount	Pre-paid for 5 years or 1200 hours, whichever occurs first

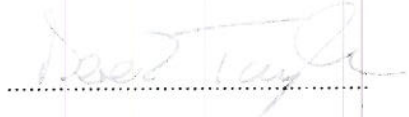
- 4.1.3 The Operator is responsible for payment of all additional flight hours, over and above any pre-paid flight hours, at the applicable rate for the balance of the 60 month agreement term.
- 4.1.4 All figures are in 2004 year currency and are subject to adjustment in accordance with Section 5 below, as applicable.

SECTION 13 - ENTIRE AGREEMENT

13.1 This Agreement and the matters referred to herein constitute the entire agreement between RAC and the Operator and will supersede and cancel all prior negotiations, representations, alleged warranties, statements, letters, acceptances, contracts, agreements, and communications, whether oral or written, between RAC and the Operator concerning all matters covered herein. No agreement or understanding varying the terms and conditions of this Agreement will have any affect unless it is in writing and signed on behalf of each party by its duly authorized representative. In the event of any inconsistency between this Agreement and any of the Appendices, the provisions of this Agreement will prevail.


IN WITNESS WHEREOF, the Operator and RAC have agreed to and accepted the terms and conditions set forth in this RAC Support+ Maintenance Program Agreement and the Appendices attached hereto, and caused the same to be approved and executed by their duly authorized representatives.

Signed by
for and on behalf of
RAYTHEON AIRCRAFT COMPANY

}By 
}Name Derek Taylor
}Title Manager – Support Plus Programs
"RAC"

NOTE: IN SIGNING THIS AGREEMENT THE OPERATOR ACKNOWLEDGES AND AGREES THAT: (A) THIS AGREEMENT WILL AUTOMATICALLY EXPIRE ON THE 21ST OF SEPTEMBER 2009 AS SPECIFIED ABOVE IN ARTICLE II SECTION 2.1; (B) THE OPERATOR'S RAYTHEON SUPPORT+ PLAN IS NOT PERMANENT AND MAY BE REVOKED OR TERMINATED PRIOR TO THE AFORESAID DATE FOR ANY OF THE REASONS SPECIFIED IN ARTICLE V SECTION 2, AND (C) THIS AGREEMENT DOES NOT CREATE OR VEST ANY LEGAL RIGHTS FOR OR IN THE OPERATOR WHICH ARE RENEWABLE, CONTINUOUS, LASTING, PERMANENT OR IRREVOCABLE IN NATURE OR SCOPE.

Signed by
for and on behalf of
AR EQUIPMENT, LLC

}By 
}Name Karen S. Fields
}Title Chief Manager
"the Operator"