

IN THE UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

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<i>In re:</i>	: Chapter 11
	:
	: Case No. 13-12329 (CSS)
FURNITURE BRANDS	:
INTERNATIONAL, INC., et al.,	: Jointly Administered
	:
Debtors.¹	: Ref. Docket No. 423
	:
-----	X
	Hearing Date: November 22, 2013 at 2:00 p.m. ET

SUPPLEMENT TO MOTION OF ACTION TRANSPORT, INC. FOR ENTRY OF AN ORDER PURSUANT TO BANKRUPTCY CODE SECTIONS 105(a) AND 363, BANKRUPTCY RULES 2002, 6004, AND 9014, AND LOCAL RULE 6004-1: (I) AUTHORIZING PRIVATE SALE OF AIRCRAFT; (II) AUTHORIZING ENTRY INTO PURCHASE AND SALE AGREEMENT; (III) AUTHORIZING PAYMENT TO BROKER; AND (IV) GRANTING RELATED RELIEF

Action Transport, Inc. (“Action Transport”), one of the above-captioned debtors and debtors in possession (collectively, the “Debtors”), hereby submits this supplement (the “Supplement”) to the *Motion of Action Transport, Inc. for Entry of an Order Pursuant to Bankruptcy Code Sections 105(a) and 363, Bankruptcy Rules 2002, 6004, and 9014, and Local Rule 6004-1: (I) Authorizing Private Sale of Aircraft; (II) Authorizing Entry Into Purchase and Sale Agreement; (III) Authorizing Payment to Broker; and (IV) Granting Related Relief* [Docket

¹ The debtors in these chapter 11 cases, along with the last four digits of each debtor’s tax identification number, as applicable, are: Furniture Brands International, Inc. (7683); Action Transport, Inc. (7587); Broyhill Furniture Industries, Inc. (3217); Broyhill Home Furnishings, Inc. (8844); Broyhill Retail, Inc. (8843); Broyhill Transport, Inc. (1721); Furniture Brands Holdings, Inc. (2837); Furniture Brands Operations, Inc. (4908); Furniture Brands Resource Company, Inc. (1288); HDM Furniture Industries, Inc. (7484); HDM Retail, Inc. (6125); HDM Transport, Inc. (4378); Lane Furniture Industries, Inc. (5064); Lane Home Furnishings Retail, Inc. (9085); Laneventure, Inc. (8434); Maitland-Smith Furniture Industries, Inc. (7486); Thomasville Furniture Industries, Inc. (6574); Thomasville Home Furnishings, Inc. (3139); Thomasville Retail, Inc. (f/k/a Classic Design Furnishings, Inc.) (6174). The Debtors’ corporate headquarters is located at 1 N. Brentwood Blvd., St. Louis, Missouri 63105.

No. 423] (the “Motion”).² In support of this Supplement, Action Transport respectfully represents as follows:

1. On October 18, 2013, Action Transport filed the Motion requesting entry of an order, among other things, authorizing the sale of the Aircraft and certain related assets free and clear of all liens, claims, interests, and encumbrances to Carolina Turbine Sales, Inc. on the terms and conditions set forth in the Offer to Purchase, and authorizing and approving Action Transport to enter into a definitive purchase and sale agreement on terms consistent with the Offer to Purchase. The Motion set November 1, 2013 as the deadline to file objections in respect of the relief requested in the Motion. No objections were filed to the Motion. The Sale Motion is currently scheduled to be heard at the November 22, 2013 hearing.

2. On November 14, 2013, Action Transport and Jet Sales International, LLC (the “Buyer” or the “Purchaser”) entered into that certain Aircraft Sale Agreement (the “Sale Agreement”). A copy of the Sale Agreement is attached hereto as Exhibit A. The Sale Agreement is consistent with the terms set forth in the Offer to Purchase and, accordingly, the Debtors respectfully request that the Court approve the sale of the Aircraft to the Purchaser on the terms set forth in the Sale Agreement and enter the proposed order attached hereto as Exhibit B (the “Proposed Order”). The Proposed Order has been updated to reflect the sale of the Aircraft pursuant to the terms of the Sale Agreement. A blackline marked to show changes of the Proposed Order against the proposed order attached to the Motion is attached hereto as Exhibit C.

3. The Debtors file this Supplement to provide notice of certain non-substantive modifications to the terms of the Aircraft Sale. First, the Debtors note that the Buyer under the

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion or the Sale Agreement (as defined below), as applicable.

Sale Agreement (Jet Sales International, LLC) is an affiliate of the buyer originally contemplated in the Offer to Purchase (Carolina Turbine Sales, Inc.). This change was made at the request of one of the principals of the original buyer, and does not otherwise affect the substance of the transaction. Importantly, the Purchase Price remains at \$2,650,000 (subject to certain adjustments noted below).

4. Second, the Sale Agreement includes a mechanism for inspecting the aircraft and addressing airworthiness discrepancies that are discovered during that inspection—as is standard practice for aircraft sales. Specifically:

- Inspection of the aircraft will be completed by December 20, 2013, subject to a reasonable extension caused as a result of the Inspection Facility’s inability to complete the Inspection within the time period specified. *See* Sale Agreement § 3.4. After the inspection has been completed, the Buyer will indicate technical acceptance of the aircraft or rejection of the aircraft. *See id.* §§ 3.4.1, 3.4.2.
- Assuming the Buyer technically accepts the aircraft, the Seller will cause the Inspection Facility to correct, at the Buyer’s cost and expense, the inspection discrepancies affecting airworthiness (the “Airworthiness Inspection Discrepancies”), if any. *See id.* § 3.5. Correction of such Airworthiness Inspection Discrepancies will be evidenced by the Aircraft’s return to service. *See id.*
- Within 2 business days following the Aircraft’s return to service, the pre-Closing items shall pre-positioned with the Escrow Agent. *See id.*
- As soon as preconditions to Closing have taken place, but no later 3 business days following entry of the Bankruptcy Court’s entry of an order approving Seller’s motion to enter into the Aircraft Sale Agreement and sell the Aircraft, Closing shall take place. *See id.* § 4.4.

5. Moreover, as set forth in section 3.6 of the Sale Agreement, the Purchase Price of \$2,650,000 is subject to reduction for any costs and expenses incurred by the Buyer to correct the Airworthiness Inspection Discrepancies.

6. For all these reasons, as well as the reasons set forth in the Motion, the Debtors request that the Court approve the sale of the Aircraft to the Buyer.

NOTICE

7. Notice of this Supplement has been provided to: (a) the Office of the United States Trustee for Region 3; (b) counsel to the Committee; (c) counsel to KPS Capital Partners, LP; (d) counsel for the administrative agent for the Debtors' prepetition term lenders and the Debtors' postpetition lenders; (e) counsel for the agent for the Debtors' prepetition revolver; (f) the Buyer; (g) the Broker; and (h) those parties who have formally filed requests for notice in these chapter 11 cases pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested herein, Action Transport submits that no other or further notice is required.

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CONCLUSION

WHEREFORE, Action Transport respectfully requests entry of the Proposed Order, substantially in the form attached hereto as Exhibit B: (i) authorizing the private sale of the Aircraft to the Buyer; (ii) authorizing certain payments to the Broker; (iii) waiving the stay of order under Bankruptcy Rule 6004(h); and (iv) granting such other and further relief as the Court deems just and proper.

Dated: November 15, 2013
Wilmington, Delaware

/s/ Andrew L. Magaziner
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Attorneys for the Debtors and Debtors in Possession

EXHIBIT A

Sale Agreement

AIRCRAFT SALE AGREEMENT

Dated as of November 14, 2013

between

ACTION TRANSPORT, INC.,

as Seller,

and

JET SALES INTERNATIONAL, LLC,

as Purchaser,

concerning one (1) used 2003 Raytheon Aircraft Company model Hawker 800XP aircraft,
manufacturer's serial number 258613,
registration mark N90FB

AIRCRAFT SALE AGREEMENT

This **AIRCRAFT SALE AGREEMENT** (this “**Agreement**”) is made and entered into as of November 14, 2013 (the “**Effective Date**”), by and between Action Transport, Inc. (“**Seller**”) and Jet Sales International, LLC (“**Purchaser**”).

WITNESSETH:

A. **WHEREAS**, at Closing, Seller shall hold the entire, undivided ownership interest in the Aircraft, and desires to sell the Aircraft to Purchaser pursuant to the terms and subject to the conditions set forth herein.

B. **WHEREAS**, Purchaser desires to purchase the Aircraft from Seller, all upon the terms and subject to the conditions set forth herein.

C. **WHEREAS**, capitalized terms used herein and not otherwise defined shall have the meanings set forth in Article I hereto.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants, obligations and agreements herein contained, the parties, intending to be legally bound hereby, agree as follows:

ARTICLE I. DEFINITIONS

The following terms shall have the following meanings for all purposes of this Agreement:

“**Administrator**” has the meaning assigned to it in the International Registry Procedures and the International Registry Regulations.

“**Aircraft**” means (i) that certain Raytheon Aircraft Company model Hawker 800XP (described on the International Registry drop-down menu as a Hawker 800XP) airframe, manufacturer’s serial number 258613, bearing U.S. registration mark N90FB (the “**Airframe**”), together with two (2) installed Honeywell model TFE731-5BR engines, manufacturer’s serial numbers P107778 and P107770 (the “**Engines**”, which Engines are described on the International Registry drop-down menu as Honeywell TFE731 series engines), (ii) the Honeywell GTCP-36-150W auxiliary power unit, serial number P-720 (the “**APU**”); (iii) all appurtenances, appliances, parts, avionics, instruments, components, accessions, furnishings, items of equipment and accessories installed thereon or appurtenant thereto, (iv) loose equipment normally a part of the Aircraft in the possession of Seller and specifically included on the Aircraft Specifications (upon verification), and (v) all Aircraft Documents.

“**Aircraft Documents**” means all documents and records relating to or required to be maintained with respect to the Aircraft, including all Airframe, Engine, APU and accessory logbooks, manuals, weight and balance manuals, tags, technical records, traceability records, information, overhaul records, maintenance records, wiring diagrams, drawings, data, and completion manuals in Seller’s possession and delivered with the Aircraft to the Inspection Facility, all issued FAA Form 337s, and all additional documentation provided with the Aircraft when delivered new from the manufacturer and delivered with the Aircraft to the Inspection Facility.

“**Aircraft Protocol**” means the official English language text of the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment.

“**Aircraft Registration Application**” means an FAA Aeronautical Center Form 8050-1 Aircraft Registration Application.

“**Aircraft Specifications**” means the Aircraft Specifications set forth on Exhibit A attached hereto.

“**Airworthiness Certificate**” means an FAA Standard Airworthiness Certificate (FAA Form 8100-2).

“**Airworthiness Inspection Discrepancies**” has the meaning given to that term in Section 3.4.1.

“**Anti-Money Laundering Laws**” means those laws, regulations and sanctions, state and federal, criminal and civil, that (a) limit the use of and/or seek the forfeiture of proceeds from illegal transactions; (b) limit

commercial transactions with designated countries or individuals believed to be terrorists, narcotics dealers or otherwise engaged in activities contrary to the interests of the United States; (c) require identification and documentation of the parties with whom a financial institution conducts business; or (d) are designed to disrupt the flow of funds to terrorist organizations. Such laws, regulations and sanctions shall be deemed to include the Patriot Act, the Bank Secrecy Act, the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957.

“Assignment of Warranties” means the Assignment of Warranties in the form of Exhibit E attached hereto.

“Balance of the Purchase Price” means the Purchase Price minus the Deposit received by the Escrow Agent.

“Bankruptcy Cases” means the voluntary cases under chapter 11 of title 11 of the United States Code filed by Seller and Seller’s domestic affiliates in the Bankruptcy Court for the District of Delaware which are being jointly administered under the caption *In re Furniture Brands International, Inc.*, Case No. 13-12329 (CSS).

“Bankruptcy Court” means the United States Bankruptcy Court for the District of Delaware.

“Business Day” means any day of the year in which (i) banks in the State of New York are not authorized or required to close; and (ii) the FAA is open for filing title documents.

“Cape Town Convention” means, collectively, the Convention and the Aircraft Protocol.

“Closing” means the consummation of the purchase and sale transaction contemplated by this Agreement, as described in Section 4.4.

“Closing Date” means the date the Closing occurs, which shall be a Business Day.

“Contract of Sale” has the meaning given to it in the Convention.

“Controlled Technologies” has the meaning given to that term in Section 8.22.

“Convention” means the official English language text of the Convention on International Interests in Mobile Equipment, adopted on 16 November 2001, at a diplomatic conference in Cape Town, South Africa.

“Delivery Condition” has the meaning given to that term in Section 3.1.

“Delivery Flight” means the flight, if any, necessary to relocate the Aircraft from the Inspection Facility to the Delivery Location.

“Delivery Location” means East Alton, Illinois or, as may be mutually agreed by Purchaser and Seller, another location within the 48 contiguous United States.

“Delivery Receipt” means an Aircraft Delivery Receipt in the form of Exhibit C attached hereto.

“Deposit” means a purchase money deposit in the amount of Fifty Thousand and 00/100 United States Dollars (US\$50,000.00).

“Escrow Agent” means Aero-Space Reports, Inc. (ATTN: Christina Hancock), whose address and contact information is listed in Section 8.10.

“Escrow Fees” has the meaning assigned to that term in Section 2.2.

“FAA” means the Federal Aviation Administration.

“FAA Bill of Sale” means an FAA Aeronautical Center Form 8050-2 Aircraft Bill of Sale conveying title to the Aircraft from Seller to Purchaser.

“FAA Civil Aviation Registry” means the FAA Civil Aviation registry, Aircraft Registration Branch.

“Inspection” means Purchaser’s pre-purchase inspection of the Aircraft in form and scope set forth in Section 3.2 hereof.

“Inspection Discrepancy” means any item discovered during the Inspection and/or flight test that must be corrected or repaired in order for Seller to deliver the Aircraft to Purchaser at Closing in Delivery Condition, and as noted as a discrepancy in the Inspection Report.

“Inspection Report” means the written report generated by the Inspection Facility following the Inspection, which shall be released to both Purchaser and Seller, but which shall be the property of Seller.

“Inspection Facility” means the Weststar Aviation located in East Alton, Illinois, or other FAA-Certificated Part 145 Repair Station as may be mutually agreeable to Purchaser and Seller.

“International Interest” has the meaning given to it in the Convention.

“International Registry” means the international registry located in Dublin, Ireland, established pursuant to the Cape Town Convention.

“International Registry Procedures” means the official English language text of the Procedures of the International Registry issued by the supervisory authority thereof pursuant to the Cape Town Convention.

“International Registry Regulations” means the official English language text of the Regulations of the International Registry issued by the supervisory authority thereof pursuant to the Cape Town Convention.

“Lien” means rights, prior claims, interests, liens, charges, registrations and encumbrances, excluding any arising out of the acts or omissions of Purchaser or asserted by Purchaser or any person claiming by, through or under Purchaser, or consented to by Purchaser.

“Lienholder” means the holder of any Lien.

“MSP” has the meaning assigned to that term in Section 3.1.7.

“OFAC” means the United States Department of the Treasury Office of Foreign Assets Control.

“Priority Search Certificate” has the meaning assigned to it in the International Registry Procedures and the International Registry Regulations.

“Professional User Entity” has the meaning assigned to it in the International Registry Procedures and the International Registry Regulations.

“Prospective Sale” has the meaning given to it in the Convention.

“Prospective International Interest” has the meaning given to it in the Convention.

“Purchase Price” means the amount of Two Million Six Hundred and Fifty Thousand and 00/100 United States Dollars (US\$2,650,000.00), as reduced by any applicable Purchase Price Reduction pursuant to Section 3.6.

“Purchase Price Reduction” has the meaning assigned to that term in Section 3.6.

“Re-Positioning Costs” means the cost of fuel, crew pay and coach airfare for two crew members associated with a Re-Positioning Flight(s) as described below.

“Re-Positioning Flight(s)” means: (i) any flight test, and (ii) the Delivery Flight, if any, all of which shall be at Purchaser’s expense for the Re-Positioning Costs. All of said flights shall be under Seller’s possession, command and operational control.

“Return to Service” has the meaning assigned to that term in Section 3.5.

“Return to Service Date” means the date that the Aircraft Return to Service is accomplished by the Inspection Facility.

“Sale Order” has the meaning assigned to that term in Section 4.2.1.

“Taxes” has the meaning assigned to that term in Section 7.1.

“**Technical Acceptance/Rejection Letter**” means a Technical Acceptance/Rejection Letter in the form of Exhibit B attached hereto.

“**Transacting User Entity**” has the meaning assigned to it in the International Registry Procedures and the International Registry Regulations.

“**USA Patriot Act**” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA Patriot Act) Act of 2001.

“**Warranty Bill of Sale**” means a Warranty Bill of Sale for the Aircraft in the form of Exhibit D attached hereto.

ARTICLE II. AGREEMENT TO BUY AND SELL

- 2.1 **Agreement.** For and in consideration of the Purchase Price, on the Closing Date, Seller shall sell and deliver the Aircraft to Purchaser, and Purchaser shall purchase and accept delivery of the Aircraft from Seller, on and subject to the terms and conditions set forth herein.
- 2.2 **Deposit.** Purchaser has transferred the Deposit to the Escrow Agent by wire transfer of immediately available funds. The Escrow Agent shall hold the Deposit to be applied towards the Purchase Price at the Closing, except as otherwise expressly set forth herein. The Deposit shall be non-refundable to Purchaser, unless Purchaser’s Technical Acceptance/Rejection Letter sets forth Purchaser’s rejection of the technical condition of the Aircraft pursuant to Section 3.4.2, or as otherwise expressly set forth herein. Purchaser and Seller shall each be obligated to pay one-half (1/2) of the Escrow Agent’s escrow fees and expenses relating to the transactions contemplated hereby (the “**Escrow Fees**”).

ARTICLE III. AIRCRAFT CONDITION AND INSPECTION

- 3.1 **Aircraft Condition.** It shall be a condition to Purchaser’s obligation to consummate the transaction contemplated herein that the Aircraft shall be in the following condition (“**Delivery Condition**”) on the Closing Date:
- 3.1.1 eligible for and have a current and valid Airworthiness Certificate;
 - 3.1.2 in an airworthy condition, with all systems, avionics, components, accessories and other installed equipment operating in accordance with manufacturers’ specifications, tolerances and standards;
 - 3.1.3 current on all manufacturer’s recommended maintenance programs and inspection schedules (for which compliance is required on or before the Closing Date);
 - 3.1.4 in compliance with all applicable FAA airworthiness directives and mandatory service bulletins (or manufacturer’s equivalent) that have been issued with respect to the Aircraft and its systems, components, accessories or equipment, for which compliance is required on or before the Closing Date;
 - 3.1.5 with no parts, systems or components installed in the Aircraft on a temporary, loan or exchange basis;
 - 3.1.6 with all Aircraft Documents;
 - 3.1.7 with the Engines and APU enrolled and current on the Honeywell Maintenance Service Plan (hereinafter referred to as “**MSP**”). The Purchaser shall bear the cost of transfer of the Purchaser if any;
 - 3.1.8 equipped as specified in the Aircraft Specifications (as adjusted to reflect current times, landings and cycles);
 - 3.1.9 with all Airworthiness Inspection Discrepancies repaired or corrected; and
 - 3.1.10 with the Aircraft enrolled on CAMP.
- 3.2 **Inspection Authority.** The Aircraft shall be subjected to an inspection of a scope mutually agreeable to Seller and Purchaser, which shall be undertaken at Purchaser’s expense.

- 3.3 **Inspection Location and Commencement.** The Inspection shall be performed at the Inspection Facility. Purchaser shall prepay the flat rate cost of the Inspection and shall execute and deliver to the Inspection Facility any and all documents required by the Inspection Facility in order to permit the Inspection to be undertaken.
- 3.4 **Aircraft Technical Acceptance and/or Rejection.** The Inspection shall be completed, and the Inspection Report shall be delivered by the Inspection Facility to Seller and Purchaser, no later than December 20, 2013, subject to a reasonable extension caused as result of the Inspection Facility's inability to complete the Inspection within the time period specified. Within two (2) Business Days following completion of the Inspection and receipt by Purchaser of the Inspection Report, Purchaser shall execute and deliver to Seller a Technical Acceptance/Rejection Letter and shall therein indicate:
- 3.4.1 Purchaser's technical acceptance of the Aircraft, subject solely to the Inspection Facility's correction of all Inspection Discrepancies affecting airworthiness ("**Airworthiness Inspection Discrepancies**") set forth in the Inspection Report and included on Annex "A" to the Technical Acceptance/Rejection Letter; or
- 3.4.2 Purchaser's rejection of the Aircraft. In the event of such rejection of the Aircraft, the Escrow Agent shall (i) confirm the Inspection Facility has been paid all sums due from Purchaser; and (ii) reimburse Seller out of the Deposit for all Re-Positioning Costs (including return of the Aircraft from the Inspection Facility to its home base), then return the balance of the Deposit to the Purchaser (less the Purchaser's share of the Escrow Fees, if any). Thereafter, the parties shall have no further obligations hereunder.
- 3.5 **Correction of Discrepancies.** As soon as reasonably practicable after Purchaser's technical acceptance of the Aircraft pursuant to Section 3.4.1, Seller shall cause the Inspection Facility to correct, at Purchaser's cost and expense, all Airworthiness Inspection Discrepancies as agreed upon by Seller and Purchaser. Correction of such Airworthiness Inspection Discrepancies shall be evidenced by the Aircraft's return to service through appropriate logbook entries ("**Return to Service**"). Within two (2) Business Days following the Return to Service Date, a flight test of the Aircraft may be conducted to confirm that the Aircraft conforms to Delivery Condition. Such flight test may, but shall not be required to, last one and one-half (1½) hours duration, and Purchaser shall be obligated to pay any related Re-Positioning Costs. The parties acknowledge and agree that only personnel essential to the safe and reasonable conduct of the flight test(s) shall be on board the Aircraft, plus two (2) technical representatives of Purchaser (or fewer, at Purchaser's election). In the event that Airworthiness Inspection Discrepancies are discovered during the flight test, Seller shall cause the Inspection Facility to correct, at Purchaser's cost and expense, such additional Airworthiness Inspection Discrepancies as agreed upon by Seller and Purchaser.
- 3.6 **Payment of Correction of Discrepancies.** Purchaser shall reduce the Purchase Price by the total cost and expense, if any, incurred by Purchaser to correct all Airworthiness Inspection Discrepancies, as agreed upon by Seller and Purchaser, pursuant to Section 3.5 ("**Purchase Price Reduction**"). Any Purchase Price Reduction made pursuant to this Section 3.6 shall be evidenced by written instrument signed by Seller and Purchaser.

ARTICLE IV. CLOSING PROCEDURES

- 4.1 **Pre-Closing Obligations.** Within two (2) Business Days following the Return to Service Date:
- 4.1.1 Seller shall pre-position or cause to be pre-positioned with the Escrow Agent:
- 4.1.1.1 An undated, but otherwise fully executed, FAA Bill of Sale in form satisfactory to Purchaser which will convey title from Seller to Purchaser;
- 4.1.1.2 An undated, but otherwise fully executed, Warranty Bill of Sale which will convey title from Seller to Purchaser; and
- 4.1.1.3 An undated, but otherwise fully executed, Assignment of Warranties.
- 4.1.2 Purchaser shall pre-position with the Escrow Agent:

- 4.1.2.1 An undated, but otherwise fully executed, Aircraft Registration Application for the Aircraft; and
- 4.1.2.2 The Balance of the Purchase Price, applicable Re-Positioning Costs, if any due, and Purchaser's share of Escrow Fees.
- 4.1.3 Seller shall deliver the Aircraft to the Delivery Location. Purchaser shall have the right to have up to two (2) of its technical representatives on board the Aircraft during such Delivery Flight, if any.

THE PRE-POSITIONING OF ANY DOCUMENT OR THE BALANCE OF THE PURCHASE PRICE WITH THE ESCROW AGENT IS FOR THE CONVENIENCE OF THE PARTIES ONLY SO THAT THEY MAY BE RELEASED AT THE ORAL OR WRITTEN DIRECTION OF THE DEPOSITING PARTIES FOLLOWING SATISFACTION OF ANY CONDITIONS CONTAINED HEREIN, AND SHALL NOT BE CONSTRUED AS OR IMPLY ACCEPTANCE OF THE AIRCRAFT OR CONVEYANCE OF TITLE THERETO, WHICH MAY ONLY OCCUR AS SPECIFICALLY PROVIDED IN THIS AGREEMENT.

4.2 Conditions Precedent to Seller's Obligations. Seller's obligation to sell and deliver the Aircraft to Purchaser on the Closing Date shall be subject to the following conditions precedent, any of which can be waived by Seller:

- 4.2.1 The Bankruptcy Court, in connection with the Bankruptcy Cases, has entered an order, pursuant to sections 105(a) and 363 of the Bankruptcy Code, Bankruptcy Rules 2002, 6004, and 9014, and Local Rule 6004-1, approving the Seller's motion to enter into this Agreement and sell the Aircraft free and clear of all liens, claims, interests and encumbrances (the "**Sale Order**");
- 4.2.2 All of Purchaser's representations set forth in Section 5.2 shall be true and accurate as of the time of Closing;
- 4.2.3 Purchaser shall have delivered or cause to be delivered the items identified in Section 4.1.2 required to be delivered by it;
- 4.2.4 Purchaser's obligations set forth in Sections 8.19.1 through 8.19.5 shall have been complied with;
- 4.2.5 Purchaser shall have positioned with the Escrow Agent, the Balance of the Purchase Price, Re-Positioning Costs payable by it, and Purchaser's share of the Escrow Fees; and
- 4.2.6 Purchaser shall have performed and complied with all of the terms, conditions and covenants required by this Agreement to be performed or complied with by it prior to or at the Closing.

4.3 Conditions Precedent to Purchaser's Obligations. Purchaser's obligation to purchase and accept delivery of the Aircraft from Seller on the Closing Date shall be subject to the following conditions precedent, any of which can be waived by Purchaser:

- 4.3.1 The Bankruptcy Court, in connection with the Bankruptcy Cases, has entered the Sale Order;
- 4.3.2 All of Seller's representations set forth in Section 5.1 shall be true and accurate as of the time of Closing;
- 4.3.3 Seller shall have delivered or caused to be delivered the items identified in Section 4.1.1 required to be delivered by it;
- 4.3.4 The Aircraft shall be in Delivery Condition;
- 4.3.5 Seller's obligations expressed in Sections 8.19.1 through 8.19.5 shall have been complied with; and
- 4.3.6 Seller shall have performed and complied with all of the terms, conditions and covenants required by this Agreement to be performed or complied with by it prior to or at the Closing.

4.4 Closing. Subject to the conditions set forth in Section 4.2 (as to Seller) and Section 4.3 (as to Purchaser), Closing shall occur as soon as reasonably practicable following the satisfaction of the conditions listed in Section 4.1, but no later than three (3) Business Days following the entry of the Sale Order. At the time of

the Closing, the parties shall perform the following closing deliveries in the order presented, the consummation of which shall constitute the Closing:

- 4.4.1 Seller shall confirm to Purchaser and Escrow Agent that the conditions precedent to Seller's obligations as set forth in Section 4.2 have been satisfied or waived;
- 4.4.2 Purchaser shall confirm to Seller and Escrow Agent that the conditions precedent to Purchaser's obligations as set forth in Section 4.3 have been satisfied or waived.
- 4.4.3 Seller shall tender the Aircraft to Purchaser at the Delivery Location;
- 4.4.4 Seller and Purchaser or their agents shall commence a conference call with Escrow Agent during which:
 - 4.4.4.1 The Escrow Agent shall confirm that the conditions set forth in Section 4.1.1 have been satisfied or waived by Purchaser, that the conditions set forth in Section 4.1.2 have been satisfied or waived by Seller, that the procedures set forth in Sections 8.19.3 through 8.19.5 have been followed, that Priority Search Certificates from the International Registry addressed to Seller and Purchaser indicate that there is no International Interest registered on the International Registry with respect to the Aircraft or, if there is, Escrow Agent has been irrevocably authorized to discharge the same contemporaneous with Closing;
 - 4.4.4.2 The Escrow Agent shall confirm that it is in receipt of the Purchase Price, Re-Positioning Costs payable by Purchaser, Purchaser's payment of its share of the Escrow Fees and the documents referred to in Sections 4.1.1 and 4.1.2;
 - 4.4.4.3 Purchaser shall instruct the Escrow Agent, conditioned only upon receipt by the Escrow Agent of Seller's instruction consistent with Section 4.4.4.4, to date and file the Aircraft Registration Application in the FAA Civil Aviation Registry and to release the Purchase Price and Re-Positioning Costs payable by Purchaser to Seller and to retain the Escrow Fees;
 - 4.4.4.4 Seller shall instruct the Escrow Agent to date and file the FAA Bill of Sale and any Lien releases in the FAA Civil Aviation Registry, release the Purchase Price pursuant to Seller's written instruction, and deliver to Purchaser the Warranty Bill of Sale; and
 - 4.4.4.5 Escrow Agent, acting as Seller's Professional User Entity, shall discharge or cause to be discharged any registration of the Airframe and the Engines with the International Registry by any Lienholder, if any; and Purchaser and Seller shall simultaneously authorize Escrow Agent to register, on the International Registry as set forth in paragraph 8.19.4 below, the Purchaser's Contract of Sale interests in the Airframe and Engines.
- 4.4.5 Purchaser shall accept delivery of the Aircraft from Seller at the Delivery Location, and shall simultaneously deliver to Seller a fully executed and completed Delivery Receipt setting forth the time of the FAA filing of the FAA Bill of Sale as provided by Escrow Agent. Upon execution and delivery by Purchaser of the Delivery Receipt, (A) it shall conclusively be presumed that the Aircraft and the Aircraft Documents are satisfactory to Purchaser in all respects, including, without limitation, as to their scope: (1) Purchaser has approved and accepted delivery of the Aircraft "**as is, where is**" in its then-current condition and state of repair, with all faults, limitations and defects (whether hidden or apparent), regardless of cause; (2) the Aircraft satisfies all of the delivery conditions and all of the other requirements, terms and conditions of this Agreement; (3) all of the conditions specified in this Agreement (including, but not limited to, those in Sections 3.1 and 4.3) have been satisfied, waived or expired and are of no further force or effect; and (B) Purchaser shall have no claim against Seller for breach of any covenant, agreement, representation or warranty regarding the Aircraft, whether express or implied, other than the representation regarding title set forth in Section 5.1.5 and in the Warranty Bill of Sale.

ARTICLE V. REPRESENTATIONS AND WARRANTIES

5.1 Seller's Representations and Warranties. Seller hereby represents and warrants that, as of the date hereof, and as of the Closing:

- 5.1.1 Seller is a corporation duly formed, validly existing, and in good standing under the laws of its jurisdiction of incorporation, and, subject to the approval of the Bankruptcy Court, has full power, legal right and authority to execute, deliver and perform the provisions of this Agreement;
- 5.1.2 Subject to the approval of the Bankruptcy Court, the execution, delivery, and performance by Seller of this Agreement, and the sale of the Aircraft, have been duly authorized by all necessary action on behalf of Seller;
- 5.1.3 Subject to the approval of the Bankruptcy Court, the person executing this Agreement on behalf of Seller has full power and authority to do so;
- 5.1.4 Subject to the approval of the Bankruptcy Court, this Agreement constitutes the legal, valid and binding obligations of Seller and is enforceable against Seller in accordance with its terms subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting the enforceability of contractual obligations and creditors' rights generally and by the application of equitable principles by courts of competent jurisdiction, sitting at law or in equity; and
- 5.1.5 Subject to the approval of the Bankruptcy Court, at the time of the Closing, Seller shall convey to Purchaser good and marketable title to the Aircraft, free and clear of all Liens.

5.2 Purchaser's Representations and Warranties. Purchaser hereby represents and warrants that, as of the date hereof, and as of the Closing:

- 5.2.1 Purchaser is a corporation duly formed, validly existing, and in good standing under the laws of its state of incorporation, having the capacity to sue and be sued in its own name, having full power, legal right and authority to carry on its business as currently conducted, and to execute, deliver and perform the provisions of this Agreement;
- 5.2.2 The execution, delivery, and performance by Purchaser of this Agreement, and the acquisition of the Aircraft, have been duly authorized by all necessary action on behalf of Purchaser;
- 5.2.3 The person executing this Agreement on behalf of Purchaser has full power and authority to do so;
- 5.2.4 This Agreement constitutes the legal, valid and binding obligations of Purchaser and is enforceable against Purchaser in accordance with its terms subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting the enforceability of contractual obligations and creditors' rights generally and by the application of equitable principles by courts of competent jurisdiction, sitting at law or in equity;
- 5.2.5 Upon execution of the Delivery Receipt at Closing, Purchaser acknowledges that the Aircraft is being purchased at Closing in its "**AS IS, WHERE IS, WITH ALL FAULTS**" condition, as described in Section 6.1 and subject to the limitations and exceptions set forth therein, in the Delivery Receipt, and in the Warranty Bill of Sale;
- 5.2.6 Until completion of the Closing, Purchaser (i) shall not assert a possessory lien or any other type of Lien, legal order, attachment or judgment encumbering the Aircraft, and (ii) shall not allow or suffer to exist, and shall immediately discharge at its sole cost and expense, any mechanic's lien, possessory lien or any other type of Lien, legal order, attachment or judgment encumbering the Aircraft arising or purportedly arising out of Purchaser's acts or omissions, and Purchaser's obligations under this Section 5.2.6 shall survive any termination of this Agreement;
- 5.2.7 Purchaser has not entered into any agreement for commissions, brokerage fees or similar fees to be paid upon transfer of the Aircraft which would become the obligation of Seller nor does Purchaser

have any agreement or arrangement to pay any consideration whatsoever, directly or indirectly, to any employee, agent or independent contractor of Seller.

- 5.2.8 Neither Purchaser nor any of its employees (or any assignee as permitted by Section 8.6 hereof) is listed by the United States Department of Treasury on the Specifically Designated Nationals and Blocked Persons List or by the United States Department of Commerce on the Denied Persons List. There exists no United States prohibition on the transactions contemplated by this Agreement related to the identity, citizenship, location or business of Purchaser (or its assignee) or to the purpose for which Purchaser (or its assignee) will use the Aircraft;
- 5.2.9 No portion of the Purchase Price is derived from Anti-Money Laundering Laws;
- 5.2.10 Purchaser acknowledges that the Seller is engaged in the Bankruptcy Cases and is not expected to have any material assets following the completion of these proceedings.

ARTICLE VI. DISCLAIMER

- 6.1 **DISCLAIMER AND LIMITATION OF LIABILITY.** THE AIRCRAFT IS A USED AIRCRAFT AND THEREFORE THE AIRCRAFT AND EACH PART THEREOF IS BEING SOLD AND DELIVERED TO PURCHASER IN “**AS IS, WHERE IS, WITH ALL FAULTS**” CONDITION ON THE CLOSING DATE, WITH ALL FAULTS, LIMITATIONS AND DEFECTS, WHETHER HIDDEN OR APPARENT, REGARDLESS OF CAUSE, AND WITHOUT ANY REPRESENTATION, WARRANTY OR GUARANTY OF ANY KIND OR NATURE BEING MADE OR GIVEN BY SELLER, ITS SHAREHOLDERS, MEMBERS, DIRECTORS, OFFICERS, MANAGERS, AGENTS, EMPLOYEES OR ATTORNEYS, EXPRESS OR IMPLIED, WHETHER ARISING BY LAW OR OTHERWISE AND SELLER DISCLAIMS AND PURCHASER KNOWINGLY AND VOLUNTARILY RENOUNCES ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, GUARANTIES AND REPRESENTATIONS REGARDING THE AIRCRAFT OR ANY ASPECT THEREOF WHETHER ARISING IN LAW, IN EQUITY, IN CONTRACT, IN TORT, FROM COURSE OF PERFORMANCE, COURSE OF DEALING, USAGE OF TRADE OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY WITH RESPECT TO IMPLIED WARRANTY OF MERCHANTABILITY, MATERIALS, MANUFACTURE, WORKMANSHIP, AIRWORTHINESS, DESIGN, CONDITION, FITNESS FOR ANY PARTICULAR PURPOSE, VALUE, DESIGN, CONDITION, SAFETY, OPERATION, PERFORMANCE OR CONFORMITY TO ANY OF THE REQUIREMENTS, TERMS AND CONDITIONS OF THIS AGREEMENT. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, SELLER SHALL NOT BE LIABLE OR RESPONSIBLE TO PURCHASER FOR ANY DEFECTS, EITHER PATENT OR LATENT IN THE AIRCRAFT OR FOR ANY DIRECT OR INDIRECT DAMAGE TO PERSONS OR PROPERTIES RESULTING THEREFROM OR FOR PURCHASER’S LOSS OF USE OF OR A DIMINUTION IN VALUE OF THE AIRCRAFT OR FOR ANY INTERRUPTION IN PURCHASER’S BUSINESS CAUSED BY PURCHASER’S INABILITY TO USE THE AIRCRAFT FOR ANY REASON WHATSOEVER.
- 6.2 UNDER NO CIRCUMSTANCES SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR LOST PROFITS, LOSS OF BUSINESS, LOSS OF USE OR ANY OTHER INCIDENTAL, INDIRECT, CONSEQUENTIAL OR SPECIAL DAMAGES ARISING OUT OF OR RELATED TO THE CONSUMMATION OF OR FAILURE TO CONSUMMATE THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY DELAY IN CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED HEREBY, AND EACH PARTY HEREBY WAIVES ANY RIGHT IT MAY HAVE TO SUCH DAMAGES.

ARTICLE VII. TAXES

- 7.1 Purchaser shall pay to and indemnify Seller for, and hold Seller harmless from and against, all franchise, gross receipts, sales, use, excise, personal property, ad valorem, value added, stamp, landing, airport use or other taxes, levies, imposts, duties, charges, fees, asset tax or withholdings of any nature, together with any penalties, fines or interest thereon (collectively “**Taxes**”) as a result of or in connection with this Agreement and imposed against the Seller, the Purchaser or the Aircraft, or any part thereof, by any federal or foreign

government, any state, municipal or local subdivision, any agency or instrumentality thereof or other taxing authority, or upon the ownership, delivery, possession, or transfer thereof, or upon or with respect to this Agreement. If a claim is made against Seller for any Taxes and such claim is subject to indemnification by Purchaser, Seller shall notify Purchaser promptly of such claim in writing and Purchaser shall promptly indemnify Seller for such claim.

- 7.2 Purchaser shall not be responsible for (i) any taxes on, or measured by, the net income of Seller or amounts in lieu of such taxes imposed by a governmental authority in any jurisdiction; (ii) any Taxes, or any penalties, fines or interest thereon, imposed solely as a result of the wilful misconduct or gross negligence of Seller; or (iii) any Taxes under this Agreement and which relate to events occurring prior to the completion of the Delivery Flight.

ARTICLE VIII. MISCELLANEOUS

- 8.1 **Warranties and Maintenance Program Contracts.** To the extent that any warranties from manufacturers or service providers or suppliers with respect to the Aircraft are still in effect and are assignable after Closing, including but not limited to, MSP and CAMP, Seller shall cause all rights under such warranties to be assigned and transferred to Purchaser (at Purchaser's expense) effective at the time of the Closing, including the remaining Engines warranty, if any. Purchaser agrees to pay any and all fees and expenses of any and every kind or nature associated with the transfer or assignment of any warranties or maintenance programs transferred or assigned pursuant to this Section 8.1.
- 8.2 **Pre-Existing Warranty Claims.** Notwithstanding Section 8.1, Seller reserves the right to assert claims under any such warranties to the extent that the same relates to facts and circumstances arising prior to the Closing Date to the extent that Seller shall or may have incurred financial responsibility for such claims.
- 8.3 **Termination.** This Agreement may be terminated in writing:
- 8.3.1 By either Seller or Purchaser in the event the Bankruptcy Court fails to enter the Sale Order. Upon written notice of termination under this Section 8.3.1, (i) Purchaser shall be entitled to a refund of the Deposit (less Purchaser's share of the Escrow Fees, if any) and (ii) the Escrow Agent shall confirm that the Inspection Facility has received in full all sums due from Purchaser, then return the Deposit (less Purchaser's share of the Escrow Fees, if any) to Purchaser; or
- 8.3.2 By Seller, in the event that Purchaser fails to timely deliver the Balance of the Purchase Price to the Escrow Agent as required by Section 4.1.2.2, and Seller is in compliance with its material obligations under this Agreement. Upon written notice of termination under this Section 8.3.2, Seller shall be entitled to be paid the Deposit, and the Escrow Agent shall pay the Deposit to Seller within two (2) Business Days of written demand by Seller, as liquidated damages, whereupon this Agreement shall terminate and be of no further force or effect.
- 8.4 **Amendments.** The provisions of this Agreement may not be waived, altered, modified, amended, supplemented or terminated in any manner whatsoever except by written instrument signed by both parties hereto.
- 8.5 **Severability.** Any provision of this Agreement that may be determined by competent authority to be prohibited or unenforceable in any jurisdiction (i) shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, (ii) shall be deemed null and void only to the extent of such conflict or unenforceability and (iii) shall be replaced by another valid, legal and enforceable provision that most nearly approximates the intent of the invalid, illegal or unenforceable provision, and all of the remaining provisions of this Agreement shall remain fully valid and enforceable. Any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.
- 8.6 **Assignment.** This Agreement may not be assigned by any party without the prior written consent of the other party. Notwithstanding the foregoing sentence, upon notice to either party: (i) Seller shall be entitled to assign this Agreement to an acquirer of all or substantially all of its assets or its equity interests, regardless of whether any such acquisition is effected by merger, consolidation or liquidation of Seller or by

any other method; and (ii) Purchaser shall be entitled to assign this Agreement in whole or in part to (x) a corporation or other entity controlled by or under common control with Purchaser, (y) to any entity that may provide financing to Purchaser in connection with the acquisition of the Aircraft, or (z) to an entity for registration pursuant to 14 CFR §47.7. In the case of any of the foregoing assignments, the assignor shall remain primarily obligated for its assignee's payment and performance of assignor's obligations hereunder, including warranting title to the Aircraft (if applicable). Notwithstanding anything herein to the contrary, no assignment shall be permitted if it would cause Seller or Purchaser to be in violation of any law, rule or regulation to which Seller or Purchaser is subject (including, without limitation, those of OFAC and the USA Patriot Act).

- 8.7 **Successor and Assigns.** This Agreement shall inure to the benefit of and be binding upon each of the parties hereto and their respective successors and assigns permitted by Section 8.6.
- 8.8 **Headings and References.** The division of this Agreement into sections, and the insertion of headings, are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.
- 8.9 **Counterparts.** This Agreement may be fully executed in two or more counterparts by each of the parties hereto, such counterparts together constituting but one and the same instrument. Such counterparts may be exchanged via any method permitted under Section 8.10 below.
- 8.10 **Notices.** All communications, declarations, demands, consents, directions, approvals, instructions, requests and notices required or permitted by this Agreement shall be in writing and shall be deemed to have been duly given or made when delivered personally or transmitted electronically by email or facsimile (receipt acknowledged), or in the case of documented overnight delivery service or registered or certified mail, return receipt requested, delivery charge or postage prepaid, on the date shown on the receipt therefor, in each case at the address set forth below:

If to Purchaser: Jet Sales International, LLC
Attention: T.J. Beverley, President
951 N.E. 10th Street
Pompano Beach, FL
Telephone: (954) 296-6100
Telefax: (561) 989-9966
Emails: tjbeverley@gmail.com

With a copy to
Purchaser's Counsel: Mark B. Goldstein, Esquire
Mark B. Goldstein, P.A.
2700 N. Military Trail, Suite 130
Boca Raton, Florida 33431
Telephone: (561) 989-9955
Telefax: (561) 989-9966
Email: mbg@bizavlaw.com

If to Seller: Action Transport, Inc.
Tax Department, 7th Floor
1 North Brentwood Blvd.
Saint Louis, Missouri 63105-3925
Email: MGraham@furniturebrands.com

With a copy to: Kirk Blomgren, Director of Aircraft Sales
Meisinger Aviation, LLC
Telephone: (636) 536-3976
Cellular Telephone: (314) 477-7108
Email: Kirk.blomgren@mallcstl.com

With a copy to: Paul Hastings LLP
Attn: James Grogan
1000 Louisiana Street
54th Floor
Houston, TX 77002
Telephone: (713) 860-7338
Fax: (713) 353-2576
Email: jamesgrogan@paulhastings.com

With a copy to: Paul Hastings LLP
Attn: Matthew Hendrix
1000 Louisiana Street
54th Floor
Houston, TX 77002
Telephone: (713) 860-7343
Fax: (713) 353-2805
Email: matthewhendrix@paulhastings.com

If to Escrow Agent: Christina Hancock, Escrow Agent
Aero-Space Reports, Inc.
6916 N.W. 112th Street
Oklahoma City, OK 73162
Toll Free Telephone: 800-765-2336
Direct Telephone: 405-728-4105
E-Fax: 877-823-1991
Email: christina@aerospacereports.com

8.11 **Attorney Fees.** In the event it becomes necessary to enforce the terms of this Agreement by litigation or otherwise, the prevailing party shall be entitled to recover its reasonable attorney fees and court costs, including any such fees or costs arising from subsequent appeals and efforts to execute on any judgment.

8.12 **Non-Waiver.** Any failure at any time of either party to enforce any provision of this Agreement shall not constitute a waiver of such provision or prejudice the right of such party to enforce such provision at any subsequent time.

8.13 **Entire Agreement.** The parties agree that the terms and conditions of this Agreement constitute the entire agreement between the parties with respect to the subject matter hereof. This Agreement supersedes all prior agreements between the parties, express or implied.

8.14 **Transaction Costs and Expenses.** Except as otherwise set forth herein, each party to this Agreement shall bear its own transaction costs and expenses, including, without limitation, any brokers' commissions and/or attorneys' fees.

8.15 **Survival.** The representations, warranties, and indemnification obligations of Purchaser and Seller shall survive the Closing in perpetuity; provided, however, that any of the same pertaining to the technical condition of the Aircraft, if any, shall terminate at Closing.

8.16 **Time is of the Essence.** Time shall be of the essence for all events contemplated hereunder.

- 8.17 **Further Assurances.** Each of the parties hereto covenants and agrees to execute such other and further documents relating to the matters set forth herein and to take or cause to be taken such other and further actions, as may be reasonably necessary or appropriate to carry out the purposes and intent of this Agreement, and to consummate the transactions contemplated hereby.
- 8.18 **Governing Law and Venue.** This Agreement shall in all respects be governed by, and construed in accordance with, the laws of the State of New York, without giving effect to principals which may govern any conflicts of laws, including all matters of construction, validity and performance, without giving effect to its conflict of laws provisions. Each of the parties irrevocably and unconditionally: (a) agrees that any suit, action or legal proceeding arising out of or relating to this Agreement shall be brought in New York State court or the federal District Court of the United States having jurisdiction over New York, New York; (b) consents to the jurisdiction and court rules in New York; (c) waives any objection which it may have to the laying of venue of any such suit, action or proceeding in any such courts; and (d) agrees that service of any court paper may be effected on such party by mail (with a copy also sent to counsel for the opposing party), or in such other manner as may be provided under applicable laws or court rules in the State of New York.
- 8.19 **Cape Town Convention.**
- 8.19.1 Prior to the Closing, Purchaser shall become a Transacting User Entity, and Seller shall become a Transacting User Entity with the International Registry (in each case, to the extent that it is not already a Transacting User Entity). Each of Purchaser and Seller shall bear its own expense in doing so and such expenses shall not be considered Escrow Fees.
- 8.19.2 Each party shall provide to the other, as a condition to Closing, evidence that it has been approved by the International Registry as a Transacting User Entity and has duly registered with, is authorized to make filings with and has received all approvals from the International Registry, and has appointed an "Administrator".
- 8.19.3 Each party shall, as a condition to Closing, authorize Escrow Agent to act as, and shall designate Escrow Agent or another mutually agreed party (including as its Professional User Entity) to effect, amend, discharge and consent to registrations with respect to the Airframe and the Engines with the International Registry and filings with respect to the Airframe and Engines with the FAA Civil Aviation Registry on its behalf in accordance with this Agreement. Neither Seller nor Purchaser shall revoke such authorization until after the earlier to occur of (i) the discharge of any International Interests and registration of a Contract of Sale of the Airframe and Engines with the International Registry following the filing with the FAA Civil Aviation Registry of the FAA Bill of Sale conveying the Aircraft from Seller to Purchaser or (ii) the termination of this Agreement in accordance with its terms. Purchaser shall have no right to and hereby agrees that it will not register, consent to or allow any third party (including, without limitation, any prospective lender or assignee) to register any Contract of Sale, Prospective Sale, International Interest or Prospective International Interest with respect to the Airframe or Engines until title to the Aircraft has been conveyed to Purchaser at the Closing, and if there has been any such registration, take all necessary actions to discharge or cause to discharge such registration immediately at its sole cost and expense.
- 8.19.4 Escrow Agent shall prepare and cause to be filed with the FAA an AC Form 8050-135. Purchaser and Seller shall cooperate to cause Escrow Agent to at the time of Closing file the FAA Bill of Sale with the FAA Civil Aviation Registry and then, as a Professional User Entity, to register a Contract of Sale of the Aircraft (including the Airframe and Engines with the International Registry immediately after filing of such FAA Bill of Sale. Seller and Purchaser each hereby expressly consents to the registration in accordance with this Agreement of the Contract of Sale with the International Registry with respect to the Airframe and the Engines.
- 8.19.5 Immediately prior to Closing, the Escrow Agent shall obtain a Priority Search Certificate from the International Registry with respect to the Airframe and the Engines) confirming that no prior International Interest exists that will not be otherwise discharged at Closing with respect to the Airframe and the Engines. Any Priority Search Certificate obtained by the Escrow Agent from the

International Registry with respect to the Aircraft shall identify Purchaser and Seller as having the benefit of the search.

- 8.19.6 Notwithstanding anything in this Agreement to the contrary, Purchaser and the Escrow Agent hereby agree that in the event of termination of this Agreement for any reason whatsoever (which termination shall in no event be effective until the requirements of this Section 8.19.6 and Section 8.19.7 have been satisfied), the Escrow Agent shall not return any portion of the Deposit to Purchaser unless and until the Escrow Agent has searched the International Registry and determined that no International Interest, Prospective International Interest, Contract of Sale, Prospective Sale or other interest has been filed or registered against any portion or all of the Airframe and/or Engines as a result of the acts or omissions of Purchaser, or by Purchaser or any person claiming by, through or under Purchaser or consented to by Purchaser. Purchaser shall pay all costs and expenses to search the International Registry pursuant to this Section 8.19.6.
- 8.19.7 If, in the event of termination of this Agreement for any reason whatsoever, any International Interest, Prospective International Interest, Contract of Sale, Prospective Sale or other interest has been filed or registered against the Airframe and/or Engines as a result of the acts or omissions of Purchaser, or by Purchaser or any person claiming by, through or under Purchaser or consented to by Purchaser, Purchaser hereby irrevocably authorizes and directs the Escrow Agent to cause the discharge of any such filing or registration not later than one (1) Business Day after the Escrow Agent becomes aware of any such filing or registration. Seller shall have all of the rights available to it under law or in equity, including the right of specific performance, to enforce Purchaser's performance of its obligations under this Section 8.19.7. Notwithstanding anything in this Agreement to the contrary, Purchaser agrees to be responsible for and upon demand to indemnify Seller and to hold Seller harmless from and against any and all claims, demands, liabilities, damages, losses and judgments, including legal fees and all expenses, arising out of any breach by Purchaser of any of its obligations under Section 8.19.6 or this Section 8.19.7. Purchaser hereby authorizes and directs the Escrow Agent to apply any portion or all of the entire Deposit toward Purchaser's obligations hereunder (but Purchaser's liability for breaches of Section 8.19.6 and this Section 8.19.7 shall in no event be limited to the amount of the entire Deposit). This indemnity obligation and all of Purchaser's other obligations under Section 8.19.6 and this Section 8.19.7 shall survive the termination of this Agreement for any reason.
- 8.20 **Agreement Negotiated.** The parties to this Agreement are sophisticated and have been represented or had the opportunity to be represented in connection with the negotiation and performance of this Agreement. The parties agree that no presumptions relating to the interpretation of contracts against the drafter of any particular clause should or may be applied in this case and, therefore, waive their effects.
- 8.21 **Confidentiality.** The terms and conditions of this Agreement, and all writings, discussions, and negotiations in connection with the transaction contemplated by this Agreement (including, without limitation, the fact that discussions and negotiations have been conducted by the parties), shall remain strictly confidential and shall not be disclosed by either party, without the prior written consent of the other party, except that each party shall be entitled to disclose the terms and conditions of this Agreement (i) as may be required by law, legal process or the rules of any stock exchange; (ii) to such party's attorneys, accountants, consultants, and other advisors performing services for such party with respect to or affected by the transaction contemplated by this Agreement, including the Escrow Agent and Inspection Facility and their personnel; (iii) to each party's employees with a need to know; (iv) as may be required to permit such party to pursue all available remedies for breach of this Agreement by the other party; and (v) to any entity that may provide financing to Purchaser in connection with the acquisition of the Aircraft.
- 8.22 **Export Control.** The parties acknowledge and understand that the delivery of the Aircraft to Purchaser may be subject to regulation by governmental agencies, including the United States Department of State and Department of Commerce, and/or any foreign government or regulatory body, which prohibit export or diversion of certain technical products, data or services ("**Controlled Technologies**") to certain individuals or countries. This prohibition includes providing or giving access to such Controlled Technologies (including without limitation such items that have been identified by the United States Export

Administration Regulations and the International Traffic in Arms Regulations). The parties acknowledge that providing Controlled Technologies to certain foreign nationals located in the United States may be deemed by the United States Government as equivalent to exporting Controlled Technologies to a foreign country, including embargoed or restricted countries. The parties shall comply in all respects with all export restrictions applicable to this Agreement.

8.23 **No Marketing.** Upon execution of this Agreement and until such time as the Aircraft is rejected by Purchaser or this Agreement is otherwise terminated in accordance with the terms contained herein, neither Seller nor its agents shall (i) solicit or encourage any offers to purchase the Aircraft or (ii) accept or negotiate the terms of any offer or agreement with respect to the sale or other transfer of the Aircraft whatsoever. The parties acknowledge that certain advertising remains in place for the Aircraft and that Seller may receive unsolicited offers, however, Seller agrees that it and its agents will inform prospective purchasers that the Aircraft is subject to an existing contract for sale.

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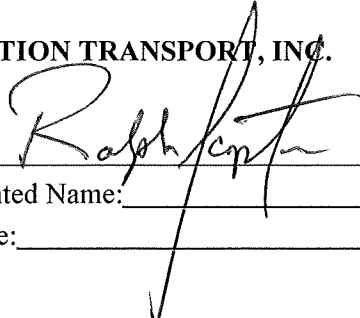
IN WITNESS WHEREOF, the undersigned parties have caused this Aircraft Sale Agreement to be executed, delivered and effective as of the date first above written.

Seller:

Purchaser:

ACTION TRANSPORT, INC.

JET SALES INTERNATIONAL, LLC

By: 

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Agreement of Escrow Agent

Purchaser and Seller hereby appoint Escrow Agent as document holder and stakeholder for the sale and purchase of the Aircraft, and Escrow Agent accepts such appointment for and in consideration of the Escrow Fee set forth below. The parties acknowledge that Escrow Agent is acting as a document holder and stakeholder only, its duties being purely ministerial, at their request and for their convenience, that Escrow Agent shall not be deemed to be the agent or trustee for either of the parties, and that Escrow Agent shall not be liable to either of the parties for any act or omission unless it involves willful misconduct or negligence on its part. Escrow Agent confirms that the Deposit is being held exclusively with respect to the sale of the Aircraft by Seller to Purchaser as contemplated by this Agreement and for no other transaction and no other person.

The undersigned does hereby consent to and join in the foregoing Agreement hereby agreeing to act as Escrow Agent in accordance with the provisions of the Agreement applicable to Escrow Agent, including, without limitation, Sections 8.19.6 and 8.19.7 hereof.

The Escrow Fees shall be a total of US\$ _____, and Purchaser and Seller shall each be responsible for one-half (1/2) of said total.

Escrow Agent:

AERO SPACE REPORTS, INC.

By: _____

Printed Name: _____

Title: _____

[SIGNATURES END]

IN WITNESS WHEREOF, the undersigned parties have caused this Aircraft Sale Agreement to be executed, delivered and effective as of the date first above written.

Seller:

Purchaser:

ACTION TRANSPORT, INC.

JET SALES INTERNATIONAL, LLC

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Agreement of Escrow Agent

Purchaser and Seller hereby appoint Escrow Agent as document holder and stakeholder for the sale and purchase of the Aircraft, and Escrow Agent accepts such appointment for and in consideration of the Escrow Fee set forth below. The parties acknowledge that Escrow Agent is acting as a document holder and stakeholder only, its duties being purely ministerial, at their request and for their convenience, that Escrow Agent shall not be deemed to be the agent or trustee for either of the parties, and that Escrow Agent shall not be liable to either of the parties for any act or omission unless it involves willful misconduct or negligence on its part. Escrow Agent confirms that the Deposit is being held exclusively with respect to the sale of the Aircraft by Seller to Purchaser as contemplated by this Agreement and for no other transaction and no other person.

The undersigned does hereby consent to and join in the foregoing Agreement hereby agreeing to act as Escrow Agent in accordance with the provisions of the Agreement applicable to Escrow Agent, including, without limitation, Sections 8.19.6 and 8.19.7 hereof.

The Escrow Fees shall be a total of US\$ _____, and Purchaser and Seller shall each be responsible for one-half (1/2) of said total.

Escrow Agent:

AERO SPACE REPORTS, INC.

By: _____

Printed Name: _____

Title: _____

[SIGNATURES END]

**EXHIBIT A
AIRCRAFT SPECIFICATIONS**

**2003 Hawker 800XP
N90FB, S/N 258613**

Airframe:

3,783 Total Airframe Hours
3,746 Total Airframe Landings

Engine Specs:

Model: Honeywell TFE 731-5BR

Left: Serial Number 107770
3,741 Hours since New
3,731 Cycles Since New

Right: Serial Number 107778
3,783 Hours since New
3,745 Cycles since New

Plan: MSP

APU Model: GTCP-36-150(W)
Serial Number 720
2,663 Hours Since New

Plan: MSP

Avionics/Radios:

Collins Proline 21 System:
Dual Collins FGC 3000 Auto Pilot
Dual Collins ADC 3000 Air Data System
Dual FMS 6000 with Dual 4000A GPS
Collins 4 Tube EFIS / MFD Displays
Collins TWR 850 Weather Radar
Dual Collins ADF 462
Dual Collins DME 442
Dual Collins VIR 432 Nav units with FM Immunity Dual
Collins VHF 422C
Collins ALT 4000 Radio Altimeter
Honeywell TCAS 4000 with Change 7
Allied Signal Mark V EGPWS
Universal 120 minute Cockpit Voice Recorder
Collins HF 9000 with SELCAL
Allied Signal AFIS w/ PDC, METAR & TAF information
Dual CDU 6200 w/ Weather Graphics

Additional Equipment:

HBC Winglets installed 2011
RVSM
DVD/CD player
15" Monitor Cabin Display with Airshow capability
Long Range O2
Magnastar C-2000 Flight Phone

Maintenance Status:

No items due until Oct. 2013 (150 hr. inspection)
May 2014 – E, F Due
Landing Gear due March 2015
X-ray due May 2015 CAMP Enrolled (read-only access is accessible)
Professionally flown by same flight department since 2006.

Year Painted:

2011

Exterior:

Matterhorn White with Vendetta Red, Las Vegas Gold and Black striping.

Year Interior:

2003

Interior:

Eight (8) passenger interior. The cabin interior includes a forward left hand galley with microwave oven and coffee pot. The forward cabin consists of four (4) club seats with fold out card tables; aft cabin consists of three (3) additional forward facing seats. The belted lavatory is located in the aft cabin.

EXHIBIT B
TECHNICAL ACCEPTANCE/REJECTION LETTER

Date: _____

Action Transport, Inc.
Tax Department, 7th Floor
1 North Brentwood Blvd.
Saint Louis, Missouri 63105-3925

Re: Completion of Pre-Purchase Inspection

Gentlemen:

Pursuant to that certain Aircraft Sale Agreement (the “**Agreement**”) dated as of November 14, 2013, by and between Jet Sales International, LLC (“**Purchaser**”) and Action Transport, Inc. (“**Seller**”), pertaining to that certain Raytheon Aircraft Company model Hawker 800XP aircraft, manufacturer’s serial number 258613 (the “**Aircraft**”), this letter confirms that Purchaser has completed its Inspection (as such term is defined in the Agreement) of the Aircraft. (Capitalized terms used but not defined in this Technical Acceptance/Rejection Letter shall have the meanings ascribed to them in the Agreement.)

CHECK ONE:

_____ Subject to correction or repair of all Airworthiness Inspection Discrepancies (as such term is defined in the Agreement) listed on Annex “A” hereto and those identified during any test flight, which shall cause a reduction in the Purchase Price of the Aircraft, pursuant to 3.6 of the Agreement, the technical condition of the Aircraft is hereby accepted in accordance with the terms of the Agreement, and the Deposit is hereby non-refundable except as otherwise set forth in the Agreement. Further, the Aircraft Documents currently in the custody of the Inspection Facility fully comply with the requirements of the Agreement except as otherwise set forth on Annex “A” hereto.

_____ The technical condition of the Aircraft is hereby rejected in accordance with Section 3.4.2 of the Agreement. Escrow Agent is hereby instructed to confirm that the Inspection Facility has received full payment of all sums due from Purchaser, reimburse Seller on for the Re-Positioning Costs to return the Aircraft from the Inspection Facility to its home base, then refund the balance of the Deposit to Purchaser.

Purchaser:

JET SALES INTERNATIONAL, LLC

By: _____

Name: _____

Title: _____

cc: Aero-Space Reports, Inc.

ANNEX "A"
TO
TECHNICAL ACCEPTANCE/REJECTION LETTER

Airworthiness Inspection Discrepancy

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____

EXHIBIT C
AIRCRAFT DELIVERY RECEIPT

Jet Sales International, LLC (“**Purchaser**”) hereby acknowledges acceptance of delivery of that certain Raytheon Aircraft Company model Hawker 800XP aircraft bearing manufacturer’s serial number 258613, registration mark N90FB (the “**Aircraft**”) from Action Transport, Inc. (“**Seller**”), at _____ o’clock (am / pm) local time on the ____ day of _____, 2013, at _____, _____, _____, pursuant to the terms and conditions of the Aircraft Purchase Agreement dated as of November 14, 2013, between Purchaser and Seller (the “**Agreement**”). Purchaser hereby acknowledges that the Aircraft satisfies all of the requirements, terms and conditions of the Purchase Agreement. By reason of the execution and delivery by Purchaser of this Aircraft Delivery Receipt, it is conclusively presumed that (1) Purchaser has approved and accepted the Aircraft “**as is, where is**” in its then-current technical condition and state of repair, with all faults, limitations and defects (whether hidden or apparent), regardless of cause; (2) the Aircraft satisfies all of the delivery conditions and all of the other requirements, terms and conditions of the Agreement; (3) all of the conditions specified in the Agreement (including, but not limited to, those in Section 3.1 and Section 4.3) have been satisfied, waived or expired and are of no further force or effect; and Purchaser shall have no claim against Seller for breach of any covenant, agreement, representation or warranty regarding the Aircraft, whether express or implied, other than the representation regarding title set forth in Section 5.1.5 of the Agreement and in the Warranty Bill of Sale. Except for the representation regarding title set forth in Section 5.1.5 of the Agreement and in the Warranty Bill of Sale, Seller has not made with respect to the condition of the Aircraft any representation, warranty or guaranty of any kind, express or implied, whether arising in law, in equity, in contract, or in tort, including, without limitation, any implied warranty of merchantability, airworthiness, design, condition, or fitness for a particular purpose.

TOTAL TIME AIRFRAME AT DELIVERY: _____ hours / _____ cycles

TOTAL TIME ENGINES AT DELIVERY:

Engine P113169: _____ hours _____ cycles

Engine P113170: _____ hours _____ cycles

TOTAL TIME APU AT DELIVERY: _____ hours _____ starts

Purchaser:

JET SALES INTERNATIONAL, LLC

By: _____

Name: _____

Title: _____

EXHIBIT D

WARRANTY BILL OF SALE

KNOW ALL PERSONS BY THESE PRESENTS:

THAT ACTION TRANSPORT, INC. (“**Seller**”) is the lawful owner of the full legal and beneficial title to the following tangible personal property:

(i) that certain Raytheon Aircraft Company model Hawker 800XP aircraft (described on the International Registry drop-down menu as a Hawker 800XP airframe), manufacturer’s serial number 258613, bearing U.S. registration mark N90FB (the “**Airframe**”), together with two (2) installed Honeywell model TFE731-5BR engines, manufacturer’s serial numbers P107778 and P107770 (the “**Engines**”, which Engines are described on the International Registry drop-down menu as Honeywell TFE731 series engines), (ii) the Honeywell GTCP-36-150W auxiliary power unit, serial number P-720 (the “**APU**”); (iii) all appurtenances, appliances, parts, avionics, instruments, components, accessions, furnishings, items of equipment and accessories installed thereon and (iv) loose equipment normally a part of the Aircraft and specifically included on the Aircraft Specifications (upon verification) and (v) all Aircraft Documents as defined below (collectively, the “**Aircraft**”); and

all documents and records relating to or required to be maintained with respect to the Aircraft, including, without limitation, a current and valid Airworthiness Certificate, all Airframe, Engine, APU and accessory logbooks, manuals, weight and balance manuals, tags, technical records, traceability records, information, overhaul records, maintenance records, wiring diagrams, drawings, data, completion manuals and all issued FAA Form 337’s in Seller’s possession and delivered with the Aircraft to the Inspection Facility (collectively, the “**Aircraft Documents**”).

THAT, for \$1.00 and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Seller does as of the date provided below, grant, convey, transfer, deliver and set over all right, title and interest in and to the Aircraft and the Aircraft Documents unto **JET SALES INTERNATIONAL, LLC** (“**Purchaser**”), and unto Purchaser’s successors and assigns forever.

THAT, Seller hereby warrants to Purchaser, its successors and assigns, that there is hereby conveyed to Purchaser on the date hereof good and marketable title to the Aircraft and the Aircraft Documents free and clear of any and all mortgages, liens, claims, international interests, encumbrances and rights of others, excluding any arising out of the acts or omissions of Purchaser or asserted by Purchaser or any person claiming by, through or under Purchaser, or consented to by Purchaser.

THAT, THE AIRCRAFT IS A USED AIRCRAFT AND THEREFORE THE AIRCRAFT AND EACH PART THEREOF IS BEING SOLD AND DELIVERED TO PURCHASER ON THE DATE HEREOF IN “AS IS, WHERE IS, WITH ALL FAULTS” CONDITION, WITH ALL FAULTS LIMITATIONS AND DEFECTS, WHETHER HIDDEN OR APPARENT, REGARDLESS OF CAUSE, AND WITHOUT ANY REPRESENTATION, WARRANTY OR GUARANTY OF ANY KIND OR NATURE BEING MADE OR GIVEN BY SELLER, ITS SHAREHOLDERS, MEMBERS, DIRECTORS, OFFICERS, MANAGERS, AGENTS, EMPLOYEES OR ATTORNEYS, EXPRESS OR IMPLIED, WHETHER ARISING BY LAW OR OTHERWISE AND SELLER DISCLAIMS AND PURCHASER KNOWINGLY AND VOLUNTARILY RENOUNCES ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, GUARANTIES AND REPRESENTATIONS REGARDING THE AIRCRAFT OR ANY ASPECT THEREOF WHETHER ARISING IN LAW, IN EQUITY, IN CONTRACT, OR IN TORT, FROM COURSE OF PERFORMANCE, COURSE OF DEALING, USAGE OF TRADE OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY WITH RESPECT TO IMPLIED WARRANTY OF MERCHANTABILITY, MATERIALS, MANUFACTURE, WORKMANSHIP, AIRWORTHINESS, DESIGN, CONDITION, FITNESS FOR ANY PARTICULAR PURPOSE, VALUE, DESIGN, CONDITION, SAFETY, OPERATION, PERFORMANCE OR CONFORMITY TO ANY OF THE REQUIREMENTS, TERMS AND CONDITIONS OF THE AGREEMENT. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, SELLER SHALL NOT

BE LIABLE OR RESPONSIBLE TO PURCHASER FOR ANY DEFECTS, EITHER PATENT OR LATENT IN THE AIRCRAFT OR FOR ANY DIRECT OR INDIRECT DAMAGE TO PERSONS OR PROPERTIES RESULTING THEREFROM OR FOR PURCHASER'S LOSS OF USE OF OR A DIMINUTION IN VALUE OF THE AIRCRAFT OR FOR ANY INTERRUPTION IN PURCHASER'S BUSINESS CAUSED BY PURCHASER'S INABILITY TO USE THE AIRCRAFT FOR ANY REASON WHATSOEVER.

IN WITNESS WHEREOF, Seller has caused this Warranty Bill of Sale to be executed and delivered by its duly authorized signatory as of _____, 2013.

ACTION TRANSPORT, INC.

By: _____

Name: _____

Title: _____

Exhibit E

ASSIGNMENT OF WARRANTIES

Pursuant to the Aircraft Purchase Agreement (the “**Agreement**”) dated as of November 14, 2013, by and between Action Transport, Inc. (“**Seller**”) and Jet Sales International, LLC (“**Purchaser**”), Seller, without representation or warranty, hereby assigns to Purchaser such rights if any, as Seller may have under (i) any warranty (express or implied) with respect to that certain Raytheon Aircraft Company model Hawker 800XP airframe, manufacturer’s serial number 258613, bearing U.S. registration mark N90FB (the “**Airframe**”), together with two (2) installed Honeywell model TFE731-5BR engines, manufacturer’s serial numbers P107778 and P107770 and one (1) Honeywell GTCP-36-150W auxiliary power unit, serial number P-720 (collectively, the “**Aircraft**”); and (ii) any service policies, maintenance plans and programs or product agreements with respect to the Aircraft, in each case to the extent the same exist in favor of Seller and are capable of being assigned by Seller or otherwise available to Purchaser (collectively, the “**Assigned Rights**”).

Purchaser acknowledges that it shall be solely responsible for any fees, charges, costs and expenses with respect to the transfer of the Assigned Rights and the processing of any claims or services thereunder.

Seller hereby acknowledges Purchaser’s right to enforce in its own name such Assigned Rights as Seller may have with respect to the Aircraft to the extent assigned to Purchaser by Seller hereunder.

Capitalized terms used herein and not otherwise defined herein shall have the meaning ascribed to such terms in the Agreement. This Assignment of Warranties may be executed in counterpart.

IN WITNESS WHEREOF, Seller and Purchaser have caused this instrument to be executed by their duly authorized officer this _____ day of _____, 2013.

Seller:
Action Transport, Inc.

Purchaser:
Jet Sales International, LLC

By: _____
Print: _____
Title: _____

By: _____
Print: _____
Title: _____

EXHIBIT B

Proposed Order (clean)

**IN THE UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

	X	
	:	
<i>In re:</i>	:	Chapter 11
	:	
FURNITURE BRANDS	:	Case No. 13-12329 (CSS)
INTERNATIONAL, INC., et al.,	:	
	:	Jointly Administered
Debtors.¹	:	
	:	RE: Docket Nos. 423 & ____
	X	

**ORDER PURSUANT TO BANKRUPTCY CODE SECTIONS 105(a) AND 363,
BANKRUPTCY RULES 2002, 6004, AND 9014, AND LOCAL RULE 6004-1:
(I) AUTHORIZING PRIVATE SALE OF AIRCRAFT; (II) AUTHORIZING
ENTRY INTO PURCHASE AND SALE AGREEMENT; (III) AUTHORIZING
PAYMENT TO BROKER; AND (IV) GRANTING RELATED RELIEF**

Upon the motion (as supplemented, the “Motion”)² of Action Transport Inc. (“Action Transport”), one of the above-captioned debtors and debtors in possession (collectively, the “Debtors”), for entry of an order, pursuant to sections 105 and 363 of title 11 of the United States Code (the “Bankruptcy Code”), Rules 2002, 6004, and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule 6004-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”): (i) authorizing the private sale of the Aircraft and certain related assets free and clear of all liens, claims, interests, and encumbrances on the terms and conditions set forth in the Offer to

¹ The debtors in these chapter 11 cases, along with the last four digits of each debtor’s tax identification number, as applicable, are: Furniture Brands International, Inc. (7683); Action Transport, Inc. (7587); Broyhill Furniture Industries, Inc. (3217); Broyhill Home Furnishings, Inc. (8844); Broyhill Retail, Inc. (8843); Broyhill Transport, Inc. (1721); Furniture Brands Holdings, Inc. (2837); Furniture Brands Operations, Inc. (4908); Furniture Brands Resource Company, Inc. (1288); HDM Furniture Industries, Inc. (7484); HDM Retail, Inc. (6125); HDM Transport, Inc. (4378); Lane Furniture Industries, Inc. (5064); Lane Home Furnishings Retail, Inc. (9085); Laneventure, Inc. (8434); Maitland-Smith Furniture Industries, Inc. (7486); Thomasville Furniture Industries, Inc. (6574); Thomasville Home Furnishings, Inc. (3139); Thomasville Retail, Inc. (f/k/a Classic Design Furnishings, Inc.) (6174). The Debtors’ corporate headquarters is located at 1 N. Brentwood Blvd., St. Louis, Missouri 63105.

Purchase, attached to the Motion as Exhibit B (the “Offer to Purchase”); (ii) authorizing Action Transport to enter into a definitive purchase and sale agreement on terms consistent with the Offer to Purchase; (iii) authorizing certain payments to the sales broker in connection with the marketing and sale of the aircraft; and (iv) waiving the stay of order under Bankruptcy Rule 6004(h), all as more fully set forth in the Motion; and upon the declarations annexed to the Motion; and the Supplement to the Motion (the “Supplement”); and the Court having determined that the relief requested in the Motion is in the best interests of Action Transport, its estate, creditors and other parties-in-interest; and due and proper notice of the Motion and the Supplement having been provided under the particular circumstances, and it appearing that no other or further notice need be provided; and upon all of the proceedings had before this Court and after due deliberation and sufficient cause appearing therefor, it is hereby

FOUND AND DETERMINED THAT:

A. The findings and conclusions set forth herein constitute the Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014.

B. This Court has jurisdiction over the Motion and the transactions contemplated by the Sale Agreement pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District of Delaware, dated as of February 29, 2012, and this matter is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue in this District is proper under 28 U.S.C. §§ 1408 and 1409.

C. A sound business purpose justifies the sale of the Aircraft outside of the ordinary course of business.

² All capitalized terms used but not defined herein shall have the meaning ascribed in the Motion and the

D. Good and sufficient notice of the Motion, the Supplement, and the relief sought therein has been given and no other or further notice is required. A reasonable opportunity to object or be heard regarding the relief requested in the Motion has been afforded to parties in interest.

E. Action Transport has obtained a fair and reasonable price for the sale of the Aircraft.

F. The offer of Jet Sales International, LLC (the “Buyer”) for the Aircraft, as embodied in the Sale Agreement, is the highest or best offer received by Action Transport therefor.

G. Consummation of the Aircraft Sale on the terms set forth in the Sale Agreement will provide the highest or otherwise best value for the Aircraft and is in the best interests of Action Transport and its estate.

H. The Sale Agreement has been negotiated by Action Transport and the Buyer in good faith and at arm’s-length.

I. The Buyer is a “good faith purchaser” entitled to the benefits and protections of section 363(m) of the Bankruptcy Code.

J. Action Transport and the Buyer have not engaged in any conduct that would permit the Aircraft Sale, as contemplated in the Sale Agreement, to be avoided under section 363(n) of the Bankruptcy Code.

K. The consideration to be provided by the Buyer in the Aircraft Sale, as set forth in the Sale Agreement: (i) is fair and reasonable; (ii) is the highest or otherwise best offer for the Aircraft; and (iii) constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code.

L. The legal and factual bases set forth in the Motion establish just cause for the relief granted herein.

M. The relief requested in the Motion is an exercise of Action Transport's sound business judgment and is in the best interest of Action Transport and its estate and creditors.

N. The entry of this Order is in the best interests of Action Transport, its estate, its creditors, and other parties in interest.

NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. The Motion is granted as set forth herein.
2. All objections and responses to the Motion or the relief provided herein that have not been overruled, withdrawn, waived, settled, or resolved, and all reservations of rights included therein, are hereby overruled and denied on the merits.
3. The sale contemplated by the Sale Agreement annexed hereto as Exhibit 1 (the "Aircraft Sale") is hereby approved pursuant to sections 105(a) and 363(b) of the Bankruptcy Code and Action Transport is authorized to consummate and perform all of its obligations under the Sale Agreement and to execute such other documents consistent with the Sale Agreement, and take such other actions as are necessary or appropriate to effectuate the Aircraft Sale.
4. Pursuant to section 363(f) of the Bankruptcy Code, the Aircraft may be sold and transferred free and clear of all liens, claims, interests, and encumbrances (collectively, "Liens") except as otherwise provided in the Sale Agreement, with any and all such Liens to attach to proceeds of such sale with the same validity, priority, force, and effect such Liens had on the Aircraft immediately prior to the sale and subject to the rights, claims, defenses, and objections, if any, of Action Transport and all interested parties with respect to any such asserted Liens.

5. Action Transport is authorized, but not directed, to satisfy any such valid Liens from the proceeds of the Aircraft Sale.

6. Pursuant to sections 105(a) and 363(b) of the Bankruptcy Code, the sale of the Aircraft by Action Transport to the Buyer and the transactions related thereto, upon the closing under the Sale Agreement, are authorized and approved in all respects.

7. The Buyer is a good faith purchaser entitled to the benefits and protections afforded by section 363(m) of the Bankruptcy Code.

8. The consideration provided by the Buyer for the Aircraft under the Aircraft Sale is fair and reasonable, and the sale pursuant to the Purchase and Sale Agreement may not be avoided under section 363(n) of the Bankruptcy Code.

9. The terms of the Sale Agreement and this Order shall be binding in all respects upon, and shall survive and shall inure to the benefit of the Debtors, their estates, any trustee under any chapter of the Bankruptcy Code, the Buyer and its affiliates, predecessors, successors, and permitted assigns, and any affected third parties, notwithstanding any subsequent dismissal or conversion of these chapter 11 cases or the appointment of a trustee under any chapter of the Bankruptcy Code.

10. With respect to the transactions consummated pursuant to this Order, upon the closing of the Aircraft Sale, this Order shall be sole and sufficient evidence of the transfer of title to any particular purchaser, and the sale transaction consummated pursuant to this Order shall be binding upon and shall govern the acts of all persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any of the property sold pursuant to this Order, including, without limitation,

all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, administrative agencies, governmental departments, secretaries of state, and federal, state, and local officials, and each of such persons and entities is hereby directed to accept this Order as sole and sufficient evidence of such transfer of title and shall rely upon this Order in consummating the transactions contemplated hereby.

11. Action Transport is hereby authorized to pay the sales commission to the Broker and reimburse the Broker's expenses in accordance with and pursuant to the terms of the Brokerage Agreement.

12. This Court retains jurisdiction to interpret, implement, and enforce the provisions of, and resolve any disputes arising under or related to, this Order and the Offer to Purchase, the Sale Agreement, all amendments thereto, any waivers and consents thereunder, and each of the agreements executed in connection therewith.

13. To the extent of any inconsistency between the provisions of this Order, on the one hand, and the Offer to Purchase, the Sale Agreement, or any documents executed in connection therewith, on the other hand, the provisions contained in this Order shall govern.

14. The stay provided for in Bankruptcy Rules 6004(h) is hereby waived and this Order shall be effective immediately upon its entry.

Dated: Wilmington, Delaware
December __, 2013

Christopher S. Sontchi
United States Bankruptcy Judge

Exhibit 1

Sale Agreement

AIRCRAFT SALE AGREEMENT

Dated as of November 14, 2013

between

ACTION TRANSPORT, INC.,

as Seller,

and

JET SALES INTERNATIONAL, LLC,

as Purchaser,

concerning one (1) used 2003 Raytheon Aircraft Company model Hawker 800XP aircraft,
manufacturer's serial number 258613,
registration mark N90FB

AIRCRAFT SALE AGREEMENT

This **AIRCRAFT SALE AGREEMENT** (this “**Agreement**”) is made and entered into as of November 14, 2013 (the “**Effective Date**”), by and between Action Transport, Inc. (“**Seller**”) and Jet Sales International, LLC (“**Purchaser**”).

WITNESSETH:

A. **WHEREAS**, at Closing, Seller shall hold the entire, undivided ownership interest in the Aircraft, and desires to sell the Aircraft to Purchaser pursuant to the terms and subject to the conditions set forth herein.

B. **WHEREAS**, Purchaser desires to purchase the Aircraft from Seller, all upon the terms and subject to the conditions set forth herein.

C. **WHEREAS**, capitalized terms used herein and not otherwise defined shall have the meanings set forth in Article I hereto.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants, obligations and agreements herein contained, the parties, intending to be legally bound hereby, agree as follows:

ARTICLE I. DEFINITIONS

The following terms shall have the following meanings for all purposes of this Agreement:

“**Administrator**” has the meaning assigned to it in the International Registry Procedures and the International Registry Regulations.

“**Aircraft**” means (i) that certain Raytheon Aircraft Company model Hawker 800XP (described on the International Registry drop-down menu as a Hawker 800XP) airframe, manufacturer’s serial number 258613, bearing U.S. registration mark N90FB (the “**Airframe**”), together with two (2) installed Honeywell model TFE731-5BR engines, manufacturer’s serial numbers P107778 and P107770 (the “**Engines**”, which Engines are described on the International Registry drop-down menu as Honeywell TFE731 series engines), (ii) the Honeywell GTCP-36-150W auxiliary power unit, serial number P-720 (the “**APU**”); (iii) all appurtenances, appliances, parts, avionics, instruments, components, accessions, furnishings, items of equipment and accessories installed thereon or appurtenant thereto, (iv) loose equipment normally a part of the Aircraft in the possession of Seller and specifically included on the Aircraft Specifications (upon verification), and (v) all Aircraft Documents.

“**Aircraft Documents**” means all documents and records relating to or required to be maintained with respect to the Aircraft, including all Airframe, Engine, APU and accessory logbooks, manuals, weight and balance manuals, tags, technical records, traceability records, information, overhaul records, maintenance records, wiring diagrams, drawings, data, and completion manuals in Seller’s possession and delivered with the Aircraft to the Inspection Facility, all issued FAA Form 337s, and all additional documentation provided with the Aircraft when delivered new from the manufacturer and delivered with the Aircraft to the Inspection Facility.

“**Aircraft Protocol**” means the official English language text of the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment.

“**Aircraft Registration Application**” means an FAA Aeronautical Center Form 8050-1 Aircraft Registration Application.

“**Aircraft Specifications**” means the Aircraft Specifications set forth on Exhibit A attached hereto.

“**Airworthiness Certificate**” means an FAA Standard Airworthiness Certificate (FAA Form 8100-2).

“**Airworthiness Inspection Discrepancies**” has the meaning given to that term in Section 3.4.1.

“**Anti-Money Laundering Laws**” means those laws, regulations and sanctions, state and federal, criminal and civil, that (a) limit the use of and/or seek the forfeiture of proceeds from illegal transactions; (b) limit

commercial transactions with designated countries or individuals believed to be terrorists, narcotics dealers or otherwise engaged in activities contrary to the interests of the United States; (c) require identification and documentation of the parties with whom a financial institution conducts business; or (d) are designed to disrupt the flow of funds to terrorist organizations. Such laws, regulations and sanctions shall be deemed to include the Patriot Act, the Bank Secrecy Act, the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957.

“Assignment of Warranties” means the Assignment of Warranties in the form of Exhibit E attached hereto.

“Balance of the Purchase Price” means the Purchase Price minus the Deposit received by the Escrow Agent.

“Bankruptcy Cases” means the voluntary cases under chapter 11 of title 11 of the United States Code filed by Seller and Seller’s domestic affiliates in the Bankruptcy Court for the District of Delaware which are being jointly administered under the caption *In re Furniture Brands International, Inc.*, Case No. 13-12329 (CSS).

“Bankruptcy Court” means the United States Bankruptcy Court for the District of Delaware.

“Business Day” means any day of the year in which (i) banks in the State of New York are not authorized or required to close; and (ii) the FAA is open for filing title documents.

“Cape Town Convention” means, collectively, the Convention and the Aircraft Protocol.

“Closing” means the consummation of the purchase and sale transaction contemplated by this Agreement, as described in Section 4.4.

“Closing Date” means the date the Closing occurs, which shall be a Business Day.

“Contract of Sale” has the meaning given to it in the Convention.

“Controlled Technologies” has the meaning given to that term in Section 8.22.

“Convention” means the official English language text of the Convention on International Interests in Mobile Equipment, adopted on 16 November 2001, at a diplomatic conference in Cape Town, South Africa.

“Delivery Condition” has the meaning given to that term in Section 3.1.

“Delivery Flight” means the flight, if any, necessary to relocate the Aircraft from the Inspection Facility to the Delivery Location.

“Delivery Location” means East Alton, Illinois or, as may be mutually agreed by Purchaser and Seller, another location within the 48 contiguous United States.

“Delivery Receipt” means an Aircraft Delivery Receipt in the form of Exhibit C attached hereto.

“Deposit” means a purchase money deposit in the amount of Fifty Thousand and 00/100 United States Dollars (US\$50,000.00).

“Escrow Agent” means Aero-Space Reports, Inc. (ATTN: Christina Hancock), whose address and contact information is listed in Section 8.10.

“Escrow Fees” has the meaning assigned to that term in Section 2.2.

“FAA” means the Federal Aviation Administration.

“FAA Bill of Sale” means an FAA Aeronautical Center Form 8050-2 Aircraft Bill of Sale conveying title to the Aircraft from Seller to Purchaser.

“FAA Civil Aviation Registry” means the FAA Civil Aviation registry, Aircraft Registration Branch.

“Inspection” means Purchaser’s pre-purchase inspection of the Aircraft in form and scope set forth in Section 3.2 hereof.

“Inspection Discrepancy” means any item discovered during the Inspection and/or flight test that must be corrected or repaired in order for Seller to deliver the Aircraft to Purchaser at Closing in Delivery Condition, and as noted as a discrepancy in the Inspection Report.

“Inspection Report” means the written report generated by the Inspection Facility following the Inspection, which shall be released to both Purchaser and Seller, but which shall be the property of Seller.

“Inspection Facility” means the Weststar Aviation located in East Alton, Illinois, or other FAA-Certificated Part 145 Repair Station as may be mutually agreeable to Purchaser and Seller.

“International Interest” has the meaning given to it in the Convention.

“International Registry” means the international registry located in Dublin, Ireland, established pursuant to the Cape Town Convention.

“International Registry Procedures” means the official English language text of the Procedures of the International Registry issued by the supervisory authority thereof pursuant to the Cape Town Convention.

“International Registry Regulations” means the official English language text of the Regulations of the International Registry issued by the supervisory authority thereof pursuant to the Cape Town Convention.

“Lien” means rights, prior claims, interests, liens, charges, registrations and encumbrances, excluding any arising out of the acts or omissions of Purchaser or asserted by Purchaser or any person claiming by, through or under Purchaser, or consented to by Purchaser.

“Lienholder” means the holder of any Lien.

“MSP” has the meaning assigned to that term in Section 3.1.7.

“OFAC” means the United States Department of the Treasury Office of Foreign Assets Control.

“Priority Search Certificate” has the meaning assigned to it in the International Registry Procedures and the International Registry Regulations.

“Professional User Entity” has the meaning assigned to it in the International Registry Procedures and the International Registry Regulations.

“Prospective Sale” has the meaning given to it in the Convention.

“Prospective International Interest” has the meaning given to it in the Convention.

“Purchase Price” means the amount of Two Million Six Hundred and Fifty Thousand and 00/100 United States Dollars (US\$2,650,000.00), as reduced by any applicable Purchase Price Reduction pursuant to Section 3.6.

“Purchase Price Reduction” has the meaning assigned to that term in Section 3.6.

“Re-Positioning Costs” means the cost of fuel, crew pay and coach airfare for two crew members associated with a Re-Positioning Flight(s) as described below.

“Re-Positioning Flight(s)” means: (i) any flight test, and (ii) the Delivery Flight, if any, all of which shall be at Purchaser’s expense for the Re-Positioning Costs. All of said flights shall be under Seller’s possession, command and operational control.

“Return to Service” has the meaning assigned to that term in Section 3.5.

“Return to Service Date” means the date that the Aircraft Return to Service is accomplished by the Inspection Facility.

“Sale Order” has the meaning assigned to that term in Section 4.2.1.

“Taxes” has the meaning assigned to that term in Section 7.1.

“**Technical Acceptance/Rejection Letter**” means a Technical Acceptance/Rejection Letter in the form of Exhibit B attached hereto.

“**Transacting User Entity**” has the meaning assigned to it in the International Registry Procedures and the International Registry Regulations.

“**USA Patriot Act**” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA Patriot Act) Act of 2001.

“**Warranty Bill of Sale**” means a Warranty Bill of Sale for the Aircraft in the form of Exhibit D attached hereto.

ARTICLE II. AGREEMENT TO BUY AND SELL

- 2.1 **Agreement.** For and in consideration of the Purchase Price, on the Closing Date, Seller shall sell and deliver the Aircraft to Purchaser, and Purchaser shall purchase and accept delivery of the Aircraft from Seller, on and subject to the terms and conditions set forth herein.
- 2.2 **Deposit.** Purchaser has transferred the Deposit to the Escrow Agent by wire transfer of immediately available funds. The Escrow Agent shall hold the Deposit to be applied towards the Purchase Price at the Closing, except as otherwise expressly set forth herein. The Deposit shall be non-refundable to Purchaser, unless Purchaser’s Technical Acceptance/Rejection Letter sets forth Purchaser’s rejection of the technical condition of the Aircraft pursuant to Section 3.4.2, or as otherwise expressly set forth herein. Purchaser and Seller shall each be obligated to pay one-half (1/2) of the Escrow Agent’s escrow fees and expenses relating to the transactions contemplated hereby (the “**Escrow Fees**”).

ARTICLE III. AIRCRAFT CONDITION AND INSPECTION

- 3.1 **Aircraft Condition.** It shall be a condition to Purchaser’s obligation to consummate the transaction contemplated herein that the Aircraft shall be in the following condition (“**Delivery Condition**”) on the Closing Date:
- 3.1.1 eligible for and have a current and valid Airworthiness Certificate;
 - 3.1.2 in an airworthy condition, with all systems, avionics, components, accessories and other installed equipment operating in accordance with manufacturers’ specifications, tolerances and standards;
 - 3.1.3 current on all manufacturer’s recommended maintenance programs and inspection schedules (for which compliance is required on or before the Closing Date);
 - 3.1.4 in compliance with all applicable FAA airworthiness directives and mandatory service bulletins (or manufacturer’s equivalent) that have been issued with respect to the Aircraft and its systems, components, accessories or equipment, for which compliance is required on or before the Closing Date;
 - 3.1.5 with no parts, systems or components installed in the Aircraft on a temporary, loan or exchange basis;
 - 3.1.6 with all Aircraft Documents;
 - 3.1.7 with the Engines and APU enrolled and current on the Honeywell Maintenance Service Plan (hereinafter referred to as “**MSP**”). The Purchaser shall bear the cost of transfer of the Purchaser if any;
 - 3.1.8 equipped as specified in the Aircraft Specifications (as adjusted to reflect current times, landings and cycles);
 - 3.1.9 with all Airworthiness Inspection Discrepancies repaired or corrected; and
 - 3.1.10 with the Aircraft enrolled on CAMP.
- 3.2 **Inspection Authority.** The Aircraft shall be subjected to an inspection of a scope mutually agreeable to Seller and Purchaser, which shall be undertaken at Purchaser’s expense.

- 3.3 **Inspection Location and Commencement.** The Inspection shall be performed at the Inspection Facility. Purchaser shall prepay the flat rate cost of the Inspection and shall execute and deliver to the Inspection Facility any and all documents required by the Inspection Facility in order to permit the Inspection to be undertaken.
- 3.4 **Aircraft Technical Acceptance and/or Rejection.** The Inspection shall be completed, and the Inspection Report shall be delivered by the Inspection Facility to Seller and Purchaser, no later than December 20, 2013, subject to a reasonable extension caused as result of the Inspection Facility's inability to complete the Inspection within the time period specified. Within two (2) Business Days following completion of the Inspection and receipt by Purchaser of the Inspection Report, Purchaser shall execute and deliver to Seller a Technical Acceptance/Rejection Letter and shall therein indicate:
- 3.4.1 Purchaser's technical acceptance of the Aircraft, subject solely to the Inspection Facility's correction of all Inspection Discrepancies affecting airworthiness ("**Airworthiness Inspection Discrepancies**") set forth in the Inspection Report and included on Annex "A" to the Technical Acceptance/Rejection Letter; or
- 3.4.2 Purchaser's rejection of the Aircraft. In the event of such rejection of the Aircraft, the Escrow Agent shall (i) confirm the Inspection Facility has been paid all sums due from Purchaser; and (ii) reimburse Seller out of the Deposit for all Re-Positioning Costs (including return of the Aircraft from the Inspection Facility to its home base), then return the balance of the Deposit to the Purchaser (less the Purchaser's share of the Escrow Fees, if any). Thereafter, the parties shall have no further obligations hereunder.
- 3.5 **Correction of Discrepancies.** As soon as reasonably practicable after Purchaser's technical acceptance of the Aircraft pursuant to Section 3.4.1, Seller shall cause the Inspection Facility to correct, at Purchaser's cost and expense, all Airworthiness Inspection Discrepancies as agreed upon by Seller and Purchaser. Correction of such Airworthiness Inspection Discrepancies shall be evidenced by the Aircraft's return to service through appropriate logbook entries ("**Return to Service**"). Within two (2) Business Days following the Return to Service Date, a flight test of the Aircraft may be conducted to confirm that the Aircraft conforms to Delivery Condition. Such flight test may, but shall not be required to, last one and one-half (1½) hours duration, and Purchaser shall be obligated to pay any related Re-Positioning Costs. The parties acknowledge and agree that only personnel essential to the safe and reasonable conduct of the flight test(s) shall be on board the Aircraft, plus two (2) technical representatives of Purchaser (or fewer, at Purchaser's election). In the event that Airworthiness Inspection Discrepancies are discovered during the flight test, Seller shall cause the Inspection Facility to correct, at Purchaser's cost and expense, such additional Airworthiness Inspection Discrepancies as agreed upon by Seller and Purchaser.
- 3.6 **Payment of Correction of Discrepancies.** Purchaser shall reduce the Purchase Price by the total cost and expense, if any, incurred by Purchaser to correct all Airworthiness Inspection Discrepancies, as agreed upon by Seller and Purchaser, pursuant to Section 3.5 ("**Purchase Price Reduction**"). Any Purchase Price Reduction made pursuant to this Section 3.6 shall be evidenced by written instrument signed by Seller and Purchaser.

ARTICLE IV. CLOSING PROCEDURES

- 4.1 **Pre-Closing Obligations.** Within two (2) Business Days following the Return to Service Date:
- 4.1.1 Seller shall pre-position or cause to be pre-positioned with the Escrow Agent:
- 4.1.1.1 An undated, but otherwise fully executed, FAA Bill of Sale in form satisfactory to Purchaser which will convey title from Seller to Purchaser;
- 4.1.1.2 An undated, but otherwise fully executed, Warranty Bill of Sale which will convey title from Seller to Purchaser; and
- 4.1.1.3 An undated, but otherwise fully executed, Assignment of Warranties.
- 4.1.2 Purchaser shall pre-position with the Escrow Agent:

- 4.1.2.1 An undated, but otherwise fully executed, Aircraft Registration Application for the Aircraft; and
- 4.1.2.2 The Balance of the Purchase Price, applicable Re-Positioning Costs, if any due, and Purchaser's share of Escrow Fees.

4.1.3 Seller shall deliver the Aircraft to the Delivery Location. Purchaser shall have the right to have up to two (2) of its technical representatives on board the Aircraft during such Delivery Flight, if any.

THE PRE-POSITIONING OF ANY DOCUMENT OR THE BALANCE OF THE PURCHASE PRICE WITH THE ESCROW AGENT IS FOR THE CONVENIENCE OF THE PARTIES ONLY SO THAT THEY MAY BE RELEASED AT THE ORAL OR WRITTEN DIRECTION OF THE DEPOSITING PARTIES FOLLOWING SATISFACTION OF ANY CONDITIONS CONTAINED HEREIN, AND SHALL NOT BE CONSTRUED AS OR IMPLY ACCEPTANCE OF THE AIRCRAFT OR CONVEYANCE OF TITLE THERETO, WHICH MAY ONLY OCCUR AS SPECIFICALLY PROVIDED IN THIS AGREEMENT.

4.2 Conditions Precedent to Seller's Obligations. Seller's obligation to sell and deliver the Aircraft to Purchaser on the Closing Date shall be subject to the following conditions precedent, any of which can be waived by Seller:

- 4.2.1 The Bankruptcy Court, in connection with the Bankruptcy Cases, has entered an order, pursuant to sections 105(a) and 363 of the Bankruptcy Code, Bankruptcy Rules 2002, 6004, and 9014, and Local Rule 6004-1, approving the Seller's motion to enter into this Agreement and sell the Aircraft free and clear of all liens, claims, interests and encumbrances (the "**Sale Order**");
- 4.2.2 All of Purchaser's representations set forth in Section 5.2 shall be true and accurate as of the time of Closing;
- 4.2.3 Purchaser shall have delivered or cause to be delivered the items identified in Section 4.1.2 required to be delivered by it;
- 4.2.4 Purchaser's obligations set forth in Sections 8.19.1 through 8.19.5 shall have been complied with;
- 4.2.5 Purchaser shall have positioned with the Escrow Agent, the Balance of the Purchase Price, Re-Positioning Costs payable by it, and Purchaser's share of the Escrow Fees; and
- 4.2.6 Purchaser shall have performed and complied with all of the terms, conditions and covenants required by this Agreement to be performed or complied with by it prior to or at the Closing.

4.3 Conditions Precedent to Purchaser's Obligations. Purchaser's obligation to purchase and accept delivery of the Aircraft from Seller on the Closing Date shall be subject to the following conditions precedent, any of which can be waived by Purchaser:

- 4.3.1 The Bankruptcy Court, in connection with the Bankruptcy Cases, has entered the Sale Order;
- 4.3.2 All of Seller's representations set forth in Section 5.1 shall be true and accurate as of the time of Closing;
- 4.3.3 Seller shall have delivered or caused to be delivered the items identified in Section 4.1.1 required to be delivered by it;
- 4.3.4 The Aircraft shall be in Delivery Condition;
- 4.3.5 Seller's obligations expressed in Sections 8.19.1 through 8.19.5 shall have been complied with; and
- 4.3.6 Seller shall have performed and complied with all of the terms, conditions and covenants required by this Agreement to be performed or complied with by it prior to or at the Closing.

4.4 Closing. Subject to the conditions set forth in Section 4.2 (as to Seller) and Section 4.3 (as to Purchaser), Closing shall occur as soon as reasonably practicable following the satisfaction of the conditions listed in Section 4.1, but no later than three (3) Business Days following the entry of the Sale Order. At the time of

the Closing, the parties shall perform the following closing deliveries in the order presented, the consummation of which shall constitute the Closing:

- 4.4.1 Seller shall confirm to Purchaser and Escrow Agent that the conditions precedent to Seller's obligations as set forth in Section 4.2 have been satisfied or waived;
- 4.4.2 Purchaser shall confirm to Seller and Escrow Agent that the conditions precedent to Purchaser's obligations as set forth in Section 4.3 have been satisfied or waived.
- 4.4.3 Seller shall tender the Aircraft to Purchaser at the Delivery Location;
- 4.4.4 Seller and Purchaser or their agents shall commence a conference call with Escrow Agent during which:
 - 4.4.4.1 The Escrow Agent shall confirm that the conditions set forth in Section 4.1.1 have been satisfied or waived by Purchaser, that the conditions set forth in Section 4.1.2 have been satisfied or waived by Seller, that the procedures set forth in Sections 8.19.3 through 8.19.5 have been followed, that Priority Search Certificates from the International Registry addressed to Seller and Purchaser indicate that there is no International Interest registered on the International Registry with respect to the Aircraft or, if there is, Escrow Agent has been irrevocably authorized to discharge the same contemporaneous with Closing;
 - 4.4.4.2 The Escrow Agent shall confirm that it is in receipt of the Purchase Price, Re-Positioning Costs payable by Purchaser, Purchaser's payment of its share of the Escrow Fees and the documents referred to in Sections 4.1.1 and 4.1.2;
 - 4.4.4.3 Purchaser shall instruct the Escrow Agent, conditioned only upon receipt by the Escrow Agent of Seller's instruction consistent with Section 4.4.4.4, to date and file the Aircraft Registration Application in the FAA Civil Aviation Registry and to release the Purchase Price and Re-Positioning Costs payable by Purchaser to Seller and to retain the Escrow Fees;
 - 4.4.4.4 Seller shall instruct the Escrow Agent to date and file the FAA Bill of Sale and any Lien releases in the FAA Civil Aviation Registry, release the Purchase Price pursuant to Seller's written instruction, and deliver to Purchaser the Warranty Bill of Sale; and
 - 4.4.4.5 Escrow Agent, acting as Seller's Professional User Entity, shall discharge or cause to be discharged any registration of the Airframe and the Engines with the International Registry by any Lienholder, if any; and Purchaser and Seller shall simultaneously authorize Escrow Agent to register, on the International Registry as set forth in paragraph 8.19.4 below, the Purchaser's Contract of Sale interests in the Airframe and Engines.
- 4.4.5 Purchaser shall accept delivery of the Aircraft from Seller at the Delivery Location, and shall simultaneously deliver to Seller a fully executed and completed Delivery Receipt setting forth the time of the FAA filing of the FAA Bill of Sale as provided by Escrow Agent. Upon execution and delivery by Purchaser of the Delivery Receipt, (A) it shall conclusively be presumed that the Aircraft and the Aircraft Documents are satisfactory to Purchaser in all respects, including, without limitation, as to their scope: (1) Purchaser has approved and accepted delivery of the Aircraft "**as is, where is**" in its then-current condition and state of repair, with all faults, limitations and defects (whether hidden or apparent), regardless of cause; (2) the Aircraft satisfies all of the delivery conditions and all of the other requirements, terms and conditions of this Agreement; (3) all of the conditions specified in this Agreement (including, but not limited to, those in Sections 3.1 and 4.3) have been satisfied, waived or expired and are of no further force or effect; and (B) Purchaser shall have no claim against Seller for breach of any covenant, agreement, representation or warranty regarding the Aircraft, whether express or implied, other than the representation regarding title set forth in Section 5.1.5 and in the Warranty Bill of Sale.

ARTICLE V. REPRESENTATIONS AND WARRANTIES

5.1 Seller's Representations and Warranties. Seller hereby represents and warrants that, as of the date hereof, and as of the Closing:

- 5.1.1 Seller is a corporation duly formed, validly existing, and in good standing under the laws of its jurisdiction of incorporation, and, subject to the approval of the Bankruptcy Court, has full power, legal right and authority to execute, deliver and perform the provisions of this Agreement;
- 5.1.2 Subject to the approval of the Bankruptcy Court, the execution, delivery, and performance by Seller of this Agreement, and the sale of the Aircraft, have been duly authorized by all necessary action on behalf of Seller;
- 5.1.3 Subject to the approval of the Bankruptcy Court, the person executing this Agreement on behalf of Seller has full power and authority to do so;
- 5.1.4 Subject to the approval of the Bankruptcy Court, this Agreement constitutes the legal, valid and binding obligations of Seller and is enforceable against Seller in accordance with its terms subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting the enforceability of contractual obligations and creditors' rights generally and by the application of equitable principles by courts of competent jurisdiction, sitting at law or in equity; and
- 5.1.5 Subject to the approval of the Bankruptcy Court, at the time of the Closing, Seller shall convey to Purchaser good and marketable title to the Aircraft, free and clear of all Liens.

5.2 Purchaser's Representations and Warranties. Purchaser hereby represents and warrants that, as of the date hereof, and as of the Closing:

- 5.2.1 Purchaser is a corporation duly formed, validly existing, and in good standing under the laws of its state of incorporation, having the capacity to sue and be sued in its own name, having full power, legal right and authority to carry on its business as currently conducted, and to execute, deliver and perform the provisions of this Agreement;
- 5.2.2 The execution, delivery, and performance by Purchaser of this Agreement, and the acquisition of the Aircraft, have been duly authorized by all necessary action on behalf of Purchaser;
- 5.2.3 The person executing this Agreement on behalf of Purchaser has full power and authority to do so;
- 5.2.4 This Agreement constitutes the legal, valid and binding obligations of Purchaser and is enforceable against Purchaser in accordance with its terms subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting the enforceability of contractual obligations and creditors' rights generally and by the application of equitable principles by courts of competent jurisdiction, sitting at law or in equity;
- 5.2.5 Upon execution of the Delivery Receipt at Closing, Purchaser acknowledges that the Aircraft is being purchased at Closing in its "**AS IS, WHERE IS, WITH ALL FAULTS**" condition, as described in Section 6.1 and subject to the limitations and exceptions set forth therein, in the Delivery Receipt, and in the Warranty Bill of Sale;
- 5.2.6 Until completion of the Closing, Purchaser (i) shall not assert a possessory lien or any other type of Lien, legal order, attachment or judgment encumbering the Aircraft, and (ii) shall not allow or suffer to exist, and shall immediately discharge at its sole cost and expense, any mechanic's lien, possessory lien or any other type of Lien, legal order, attachment or judgment encumbering the Aircraft arising or purportedly arising out of Purchaser's acts or omissions, and Purchaser's obligations under this Section 5.2.6 shall survive any termination of this Agreement;
- 5.2.7 Purchaser has not entered into any agreement for commissions, brokerage fees or similar fees to be paid upon transfer of the Aircraft which would become the obligation of Seller nor does Purchaser

have any agreement or arrangement to pay any consideration whatsoever, directly or indirectly, to any employee, agent or independent contractor of Seller.

- 5.2.8 Neither Purchaser nor any of its employees (or any assignee as permitted by Section 8.6 hereof) is listed by the United States Department of Treasury on the Specifically Designated Nationals and Blocked Persons List or by the United States Department of Commerce on the Denied Persons List. There exists no United States prohibition on the transactions contemplated by this Agreement related to the identity, citizenship, location or business of Purchaser (or its assignee) or to the purpose for which Purchaser (or its assignee) will use the Aircraft;
- 5.2.9 No portion of the Purchase Price is derived from Anti-Money Laundering Laws;
- 5.2.10 Purchaser acknowledges that the Seller is engaged in the Bankruptcy Cases and is not expected to have any material assets following the completion of these proceedings.

ARTICLE VI. DISCLAIMER

- 6.1 **DISCLAIMER AND LIMITATION OF LIABILITY.** THE AIRCRAFT IS A USED AIRCRAFT AND THEREFORE THE AIRCRAFT AND EACH PART THEREOF IS BEING SOLD AND DELIVERED TO PURCHASER IN “**AS IS, WHERE IS, WITH ALL FAULTS**” CONDITION ON THE CLOSING DATE, WITH ALL FAULTS, LIMITATIONS AND DEFECTS, WHETHER HIDDEN OR APPARENT, REGARDLESS OF CAUSE, AND WITHOUT ANY REPRESENTATION, WARRANTY OR GUARANTY OF ANY KIND OR NATURE BEING MADE OR GIVEN BY SELLER, ITS SHAREHOLDERS, MEMBERS, DIRECTORS, OFFICERS, MANAGERS, AGENTS, EMPLOYEES OR ATTORNEYS, EXPRESS OR IMPLIED, WHETHER ARISING BY LAW OR OTHERWISE AND SELLER DISCLAIMS AND PURCHASER KNOWINGLY AND VOLUNTARILY RENOUNCES ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, GUARANTIES AND REPRESENTATIONS REGARDING THE AIRCRAFT OR ANY ASPECT THEREOF WHETHER ARISING IN LAW, IN EQUITY, IN CONTRACT, IN TORT, FROM COURSE OF PERFORMANCE, COURSE OF DEALING, USAGE OF TRADE OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY WITH RESPECT TO IMPLIED WARRANTY OF MERCHANTABILITY, MATERIALS, MANUFACTURE, WORKMANSHIP, AIRWORTHINESS, DESIGN, CONDITION, FITNESS FOR ANY PARTICULAR PURPOSE, VALUE, DESIGN, CONDITION, SAFETY, OPERATION, PERFORMANCE OR CONFORMITY TO ANY OF THE REQUIREMENTS, TERMS AND CONDITIONS OF THIS AGREEMENT. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, SELLER SHALL NOT BE LIABLE OR RESPONSIBLE TO PURCHASER FOR ANY DEFECTS, EITHER PATENT OR LATENT IN THE AIRCRAFT OR FOR ANY DIRECT OR INDIRECT DAMAGE TO PERSONS OR PROPERTIES RESULTING THEREFROM OR FOR PURCHASER’S LOSS OF USE OF OR A DIMINUTION IN VALUE OF THE AIRCRAFT OR FOR ANY INTERRUPTION IN PURCHASER’S BUSINESS CAUSED BY PURCHASER’S INABILITY TO USE THE AIRCRAFT FOR ANY REASON WHATSOEVER.
- 6.2 UNDER NO CIRCUMSTANCES SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR LOST PROFITS, LOSS OF BUSINESS, LOSS OF USE OR ANY OTHER INCIDENTAL, INDIRECT, CONSEQUENTIAL OR SPECIAL DAMAGES ARISING OUT OF OR RELATED TO THE CONSUMMATION OF OR FAILURE TO CONSUMMATE THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY DELAY IN CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED HEREBY, AND EACH PARTY HEREBY WAIVES ANY RIGHT IT MAY HAVE TO SUCH DAMAGES.

ARTICLE VII. TAXES

- 7.1 Purchaser shall pay to and indemnify Seller for, and hold Seller harmless from and against, all franchise, gross receipts, sales, use, excise, personal property, ad valorem, value added, stamp, landing, airport use or other taxes, levies, imposts, duties, charges, fees, asset tax or withholdings of any nature, together with any penalties, fines or interest thereon (collectively “**Taxes**”) as a result of or in connection with this Agreement and imposed against the Seller, the Purchaser or the Aircraft, or any part thereof, by any federal or foreign

government, any state, municipal or local subdivision, any agency or instrumentality thereof or other taxing authority, or upon the ownership, delivery, possession, or transfer thereof, or upon or with respect to this Agreement. If a claim is made against Seller for any Taxes and such claim is subject to indemnification by Purchaser, Seller shall notify Purchaser promptly of such claim in writing and Purchaser shall promptly indemnify Seller for such claim.

- 7.2 Purchaser shall not be responsible for (i) any taxes on, or measured by, the net income of Seller or amounts in lieu of such taxes imposed by a governmental authority in any jurisdiction; (ii) any Taxes, or any penalties, fines or interest thereon, imposed solely as a result of the wilful misconduct or gross negligence of Seller; or (iii) any Taxes under this Agreement and which relate to events occurring prior to the completion of the Delivery Flight.

ARTICLE VIII. MISCELLANEOUS

- 8.1 **Warranties and Maintenance Program Contracts.** To the extent that any warranties from manufacturers or service providers or suppliers with respect to the Aircraft are still in effect and are assignable after Closing, including but not limited to, MSP and CAMP, Seller shall cause all rights under such warranties to be assigned and transferred to Purchaser (at Purchaser's expense) effective at the time of the Closing, including the remaining Engines warranty, if any. Purchaser agrees to pay any and all fees and expenses of any and every kind or nature associated with the transfer or assignment of any warranties or maintenance programs transferred or assigned pursuant to this Section 8.1.
- 8.2 **Pre-Existing Warranty Claims.** Notwithstanding Section 8.1, Seller reserves the right to assert claims under any such warranties to the extent that the same relates to facts and circumstances arising prior to the Closing Date to the extent that Seller shall or may have incurred financial responsibility for such claims.
- 8.3 **Termination.** This Agreement may be terminated in writing:
- 8.3.1 By either Seller or Purchaser in the event the Bankruptcy Court fails to enter the Sale Order. Upon written notice of termination under this Section 8.3.1, (i) Purchaser shall be entitled to a refund of the Deposit (less Purchaser's share of the Escrow Fees, if any) and (ii) the Escrow Agent shall confirm that the Inspection Facility has received in full all sums due from Purchaser, then return the Deposit (less Purchaser's share of the Escrow Fees, if any) to Purchaser; or
- 8.3.2 By Seller, in the event that Purchaser fails to timely deliver the Balance of the Purchase Price to the Escrow Agent as required by Section 4.1.2.2, and Seller is in compliance with its material obligations under this Agreement. Upon written notice of termination under this Section 8.3.2, Seller shall be entitled to be paid the Deposit, and the Escrow Agent shall pay the Deposit to Seller within two (2) Business Days of written demand by Seller, as liquidated damages, whereupon this Agreement shall terminate and be of no further force or effect.
- 8.4 **Amendments.** The provisions of this Agreement may not be waived, altered, modified, amended, supplemented or terminated in any manner whatsoever except by written instrument signed by both parties hereto.
- 8.5 **Severability.** Any provision of this Agreement that may be determined by competent authority to be prohibited or unenforceable in any jurisdiction (i) shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, (ii) shall be deemed null and void only to the extent of such conflict or unenforceability and (iii) shall be replaced by another valid, legal and enforceable provision that most nearly approximates the intent of the invalid, illegal or unenforceable provision, and all of the remaining provisions of this Agreement shall remain fully valid and enforceable. Any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.
- 8.6 **Assignment.** This Agreement may not be assigned by any party without the prior written consent of the other party. Notwithstanding the foregoing sentence, upon notice to either party: (i) Seller shall be entitled to assign this Agreement to an acquirer of all or substantially all of its assets or its equity interests, regardless of whether any such acquisition is effected by merger, consolidation or liquidation of Seller or by

any other method; and (ii) Purchaser shall be entitled to assign this Agreement in whole or in part to (x) a corporation or other entity controlled by or under common control with Purchaser, (y) to any entity that may provide financing to Purchaser in connection with the acquisition of the Aircraft, or (z) to an entity for registration pursuant to 14 CFR §47.7. In the case of any of the foregoing assignments, the assignor shall remain primarily obligated for its assignee's payment and performance of assignor's obligations hereunder, including warranting title to the Aircraft (if applicable). Notwithstanding anything herein to the contrary, no assignment shall be permitted if it would cause Seller or Purchaser to be in violation of any law, rule or regulation to which Seller or Purchaser is subject (including, without limitation, those of OFAC and the USA Patriot Act).

- 8.7 **Successor and Assigns.** This Agreement shall inure to the benefit of and be binding upon each of the parties hereto and their respective successors and assigns permitted by Section 8.6.
- 8.8 **Headings and References.** The division of this Agreement into sections, and the insertion of headings, are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.
- 8.9 **Counterparts.** This Agreement may be fully executed in two or more counterparts by each of the parties hereto, such counterparts together constituting but one and the same instrument. Such counterparts may be exchanged via any method permitted under Section 8.10 below.
- 8.10 **Notices.** All communications, declarations, demands, consents, directions, approvals, instructions, requests and notices required or permitted by this Agreement shall be in writing and shall be deemed to have been duly given or made when delivered personally or transmitted electronically by email or facsimile (receipt acknowledged), or in the case of documented overnight delivery service or registered or certified mail, return receipt requested, delivery charge or postage prepaid, on the date shown on the receipt therefor, in each case at the address set forth below:

If to Purchaser: Jet Sales International, LLC
Attention: T.J. Beverley, President
951 N.E. 10th Street
Pompano Beach, FL
Telephone: (954) 296-6100
Telefax: (561) 989-9966
Emails: tjbeverley@gmail.com

With a copy to
Purchaser's Counsel: Mark B. Goldstein, Esquire
Mark B. Goldstein, P.A.
2700 N. Military Trail, Suite 130
Boca Raton, Florida 33431
Telephone: (561) 989-9955
Telefax: (561) 989-9966
Email: mbg@bizavlaw.com

If to Seller: Action Transport, Inc.
Tax Department, 7th Floor
1 North Brentwood Blvd.
Saint Louis, Missouri 63105-3925
Email: MGraham@furniturebrands.com

With a copy to: Kirk Blomgren, Director of Aircraft Sales
Meisinger Aviation, LLC
Telephone: (636) 536-3976
Cellular Telephone: (314) 477-7108
Email: Kirk.blomgren@mallcstl.com

With a copy to: Paul Hastings LLP
Attn: James Grogan
1000 Louisiana Street
54th Floor
Houston, TX 77002
Telephone: (713) 860-7338
Fax: (713) 353-2576
Email: jamesgrogan@paulhastings.com

With a copy to: Paul Hastings LLP
Attn: Matthew Hendrix
1000 Louisiana Street
54th Floor
Houston, TX 77002
Telephone: (713) 860-7343
Fax: (713) 353-2805
Email: matthewhendrix@paulhastings.com

If to Escrow Agent: Christina Hancock, Escrow Agent
Aero-Space Reports, Inc.
6916 N.W. 112th Street
Oklahoma City, OK 73162
Toll Free Telephone: 800-765-2336
Direct Telephone: 405-728-4105
E-Fax: 877-823-1991
Email: christina@aerospacereports.com

8.11 **Attorney Fees.** In the event it becomes necessary to enforce the terms of this Agreement by litigation or otherwise, the prevailing party shall be entitled to recover its reasonable attorney fees and court costs, including any such fees or costs arising from subsequent appeals and efforts to execute on any judgment.

8.12 **Non-Waiver.** Any failure at any time of either party to enforce any provision of this Agreement shall not constitute a waiver of such provision or prejudice the right of such party to enforce such provision at any subsequent time.

8.13 **Entire Agreement.** The parties agree that the terms and conditions of this Agreement constitute the entire agreement between the parties with respect to the subject matter hereof. This Agreement supersedes all prior agreements between the parties, express or implied.

8.14 **Transaction Costs and Expenses.** Except as otherwise set forth herein, each party to this Agreement shall bear its own transaction costs and expenses, including, without limitation, any brokers' commissions and/or attorneys' fees.

8.15 **Survival.** The representations, warranties, and indemnification obligations of Purchaser and Seller shall survive the Closing in perpetuity; provided, however, that any of the same pertaining to the technical condition of the Aircraft, if any, shall terminate at Closing.

8.16 **Time is of the Essence.** Time shall be of the essence for all events contemplated hereunder.

- 8.17 **Further Assurances.** Each of the parties hereto covenants and agrees to execute such other and further documents relating to the matters set forth herein and to take or cause to be taken such other and further actions, as may be reasonably necessary or appropriate to carry out the purposes and intent of this Agreement, and to consummate the transactions contemplated hereby.
- 8.18 **Governing Law and Venue.** This Agreement shall in all respects be governed by, and construed in accordance with, the laws of the State of New York, without giving effect to principals which may govern any conflicts of laws, including all matters of construction, validity and performance, without giving effect to its conflict of laws provisions. Each of the parties irrevocably and unconditionally: (a) agrees that any suit, action or legal proceeding arising out of or relating to this Agreement shall be brought in New York State court or the federal District Court of the United States having jurisdiction over New York, New York; (b) consents to the jurisdiction and court rules in New York; (c) waives any objection which it may have to the laying of venue of any such suit, action or proceeding in any such courts; and (d) agrees that service of any court paper may be effected on such party by mail (with a copy also sent to counsel for the opposing party), or in such other manner as may be provided under applicable laws or court rules in the State of New York.
- 8.19 **Cape Town Convention.**
- 8.19.1 Prior to the Closing, Purchaser shall become a Transacting User Entity, and Seller shall become a Transacting User Entity with the International Registry (in each case, to the extent that it is not already a Transacting User Entity). Each of Purchaser and Seller shall bear its own expense in doing so and such expenses shall not be considered Escrow Fees.
- 8.19.2 Each party shall provide to the other, as a condition to Closing, evidence that it has been approved by the International Registry as a Transacting User Entity and has duly registered with, is authorized to make filings with and has received all approvals from the International Registry, and has appointed an "Administrator".
- 8.19.3 Each party shall, as a condition to Closing, authorize Escrow Agent to act as, and shall designate Escrow Agent or another mutually agreed party (including as its Professional User Entity) to effect, amend, discharge and consent to registrations with respect to the Airframe and the Engines with the International Registry and filings with respect to the Airframe and Engines with the FAA Civil Aviation Registry on its behalf in accordance with this Agreement. Neither Seller nor Purchaser shall revoke such authorization until after the earlier to occur of (i) the discharge of any International Interests and registration of a Contract of Sale of the Airframe and Engines with the International Registry following the filing with the FAA Civil Aviation Registry of the FAA Bill of Sale conveying the Aircraft from Seller to Purchaser or (ii) the termination of this Agreement in accordance with its terms. Purchaser shall have no right to and hereby agrees that it will not register, consent to or allow any third party (including, without limitation, any prospective lender or assignee) to register any Contract of Sale, Prospective Sale, International Interest or Prospective International Interest with respect to the Airframe or Engines until title to the Aircraft has been conveyed to Purchaser at the Closing, and if there has been any such registration, take all necessary actions to discharge or cause to discharge such registration immediately at its sole cost and expense.
- 8.19.4 Escrow Agent shall prepare and cause to be filed with the FAA an AC Form 8050-135. Purchaser and Seller shall cooperate to cause Escrow Agent to at the time of Closing file the FAA Bill of Sale with the FAA Civil Aviation Registry and then, as a Professional User Entity, to register a Contract of Sale of the Aircraft (including the Airframe and Engines with the International Registry immediately after filing of such FAA Bill of Sale. Seller and Purchaser each hereby expressly consents to the registration in accordance with this Agreement of the Contract of Sale with the International Registry with respect to the Airframe and the Engines.
- 8.19.5 Immediately prior to Closing, the Escrow Agent shall obtain a Priority Search Certificate from the International Registry with respect to the Airframe and the Engines) confirming that no prior International Interest exists that will not be otherwise discharged at Closing with respect to the Airframe and the Engines. Any Priority Search Certificate obtained by the Escrow Agent from the

International Registry with respect to the Aircraft shall identify Purchaser and Seller as having the benefit of the search.

- 8.19.6 Notwithstanding anything in this Agreement to the contrary, Purchaser and the Escrow Agent hereby agree that in the event of termination of this Agreement for any reason whatsoever (which termination shall in no event be effective until the requirements of this Section 8.19.6 and Section 8.19.7 have been satisfied), the Escrow Agent shall not return any portion of the Deposit to Purchaser unless and until the Escrow Agent has searched the International Registry and determined that no International Interest, Prospective International Interest, Contract of Sale, Prospective Sale or other interest has been filed or registered against any portion or all of the Airframe and/or Engines as a result of the acts or omissions of Purchaser, or by Purchaser or any person claiming by, through or under Purchaser or consented to by Purchaser. Purchaser shall pay all costs and expenses to search the International Registry pursuant to this Section 8.19.6.
- 8.19.7 If, in the event of termination of this Agreement for any reason whatsoever, any International Interest, Prospective International Interest, Contract of Sale, Prospective Sale or other interest has been filed or registered against the Airframe and/or Engines as a result of the acts or omissions of Purchaser, or by Purchaser or any person claiming by, through or under Purchaser or consented to by Purchaser, Purchaser hereby irrevocably authorizes and directs the Escrow Agent to cause the discharge of any such filing or registration not later than one (1) Business Day after the Escrow Agent becomes aware of any such filing or registration. Seller shall have all of the rights available to it under law or in equity, including the right of specific performance, to enforce Purchaser's performance of its obligations under this Section 8.19.7. Notwithstanding anything in this Agreement to the contrary, Purchaser agrees to be responsible for and upon demand to indemnify Seller and to hold Seller harmless from and against any and all claims, demands, liabilities, damages, losses and judgments, including legal fees and all expenses, arising out of any breach by Purchaser of any of its obligations under Section 8.19.6 or this Section 8.19.7. Purchaser hereby authorizes and directs the Escrow Agent to apply any portion or all of the entire Deposit toward Purchaser's obligations hereunder (but Purchaser's liability for breaches of Section 8.19.6 and this Section 8.19.7 shall in no event be limited to the amount of the entire Deposit). This indemnity obligation and all of Purchaser's other obligations under Section 8.19.6 and this Section 8.19.7 shall survive the termination of this Agreement for any reason.
- 8.20 **Agreement Negotiated.** The parties to this Agreement are sophisticated and have been represented or had the opportunity to be represented in connection with the negotiation and performance of this Agreement. The parties agree that no presumptions relating to the interpretation of contracts against the drafter of any particular clause should or may be applied in this case and, therefore, waive their effects.
- 8.21 **Confidentiality.** The terms and conditions of this Agreement, and all writings, discussions, and negotiations in connection with the transaction contemplated by this Agreement (including, without limitation, the fact that discussions and negotiations have been conducted by the parties), shall remain strictly confidential and shall not be disclosed by either party, without the prior written consent of the other party, except that each party shall be entitled to disclose the terms and conditions of this Agreement (i) as may be required by law, legal process or the rules of any stock exchange; (ii) to such party's attorneys, accountants, consultants, and other advisors performing services for such party with respect to or affected by the transaction contemplated by this Agreement, including the Escrow Agent and Inspection Facility and their personnel; (iii) to each party's employees with a need to know; (iv) as may be required to permit such party to pursue all available remedies for breach of this Agreement by the other party; and (v) to any entity that may provide financing to Purchaser in connection with the acquisition of the Aircraft.
- 8.22 **Export Control.** The parties acknowledge and understand that the delivery of the Aircraft to Purchaser may be subject to regulation by governmental agencies, including the United States Department of State and Department of Commerce, and/or any foreign government or regulatory body, which prohibit export or diversion of certain technical products, data or services ("**Controlled Technologies**") to certain individuals or countries. This prohibition includes providing or giving access to such Controlled Technologies (including without limitation such items that have been identified by the United States Export

Administration Regulations and the International Traffic in Arms Regulations). The parties acknowledge that providing Controlled Technologies to certain foreign nationals located in the United States may be deemed by the United States Government as equivalent to exporting Controlled Technologies to a foreign country, including embargoed or restricted countries. The parties shall comply in all respects with all export restrictions applicable to this Agreement.

8.23 **No Marketing.** Upon execution of this Agreement and until such time as the Aircraft is rejected by Purchaser or this Agreement is otherwise terminated in accordance with the terms contained herein, neither Seller nor its agents shall (i) solicit or encourage any offers to purchase the Aircraft or (ii) accept or negotiate the terms of any offer or agreement with respect to the sale or other transfer of the Aircraft whatsoever. The parties acknowledge that certain advertising remains in place for the Aircraft and that Seller may receive unsolicited offers, however, Seller agrees that it and its agents will inform prospective purchasers that the Aircraft is subject to an existing contract for sale.

[The remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the undersigned parties have caused this Aircraft Sale Agreement to be executed, delivered and effective as of the date first above written.

Seller:

Purchaser:

ACTION TRANSPORT, INC.

JET SALES INTERNATIONAL, LLC

By: Ralph [Signature]

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Agreement of Escrow Agent

Purchaser and Seller hereby appoint Escrow Agent as document holder and stakeholder for the sale and purchase of the Aircraft, and Escrow Agent accepts such appointment for and in consideration of the Escrow Fee set forth below. The parties acknowledge that Escrow Agent is acting as a document holder and stakeholder only, its duties being purely ministerial, at their request and for their convenience, that Escrow Agent shall not be deemed to be the agent or trustee for either of the parties, and that Escrow Agent shall not be liable to either of the parties for any act or omission unless it involves willful misconduct or negligence on its part. Escrow Agent confirms that the Deposit is being held exclusively with respect to the sale of the Aircraft by Seller to Purchaser as contemplated by this Agreement and for no other transaction and no other person.

The undersigned does hereby consent to and join in the foregoing Agreement hereby agreeing to act as Escrow Agent in accordance with the provisions of the Agreement applicable to Escrow Agent, including, without limitation, Sections 8.19.6 and 8.19.7 hereof.

The Escrow Fees shall be a total of US\$ _____, and Purchaser and Seller shall each be responsible for one-half (1/2) of said total.

Escrow Agent:

AERO SPACE REPORTS, INC.

By: _____

Printed Name: _____

Title: _____

[SIGNATURES END]

IN WITNESS WHEREOF, the undersigned parties have caused this Aircraft Sale Agreement to be executed, delivered and effective as of the date first above written.

Seller:

Purchaser:

ACTION TRANSPORT, INC.

JET SALES INTERNATIONAL, LLC

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Agreement of Escrow Agent

Purchaser and Seller hereby appoint Escrow Agent as document holder and stakeholder for the sale and purchase of the Aircraft, and Escrow Agent accepts such appointment for and in consideration of the Escrow Fee set forth below. The parties acknowledge that Escrow Agent is acting as a document holder and stakeholder only, its duties being purely ministerial, at their request and for their convenience, that Escrow Agent shall not be deemed to be the agent or trustee for either of the parties, and that Escrow Agent shall not be liable to either of the parties for any act or omission unless it involves willful misconduct or negligence on its part. Escrow Agent confirms that the Deposit is being held exclusively with respect to the sale of the Aircraft by Seller to Purchaser as contemplated by this Agreement and for no other transaction and no other person.

The undersigned does hereby consent to and join in the foregoing Agreement hereby agreeing to act as Escrow Agent in accordance with the provisions of the Agreement applicable to Escrow Agent, including, without limitation, Sections 8.19.6 and 8.19.7 hereof.

The Escrow Fees shall be a total of US\$ _____, and Purchaser and Seller shall each be responsible for one-half (1/2) of said total.

Escrow Agent:

AERO SPACE REPORTS, INC.

By: _____

Printed Name: _____

Title: _____

[SIGNATURES END]

**EXHIBIT A
AIRCRAFT SPECIFICATIONS**

**2003 Hawker 800XP
N90FB, S/N 258613**

Airframe:

3,783 Total Airframe Hours
3,746 Total Airframe Landings

Engine Specs:

Model: Honeywell TFE 731-5BR

Left: Serial Number 107770
3,741 Hours since New
3,731 Cycles Since New

Right: Serial Number 107778
3,783 Hours since New
3,745 Cycles since New

Plan: MSP

APU Model: GTCP-36-150(W)
Serial Number 720
2,663 Hours Since New

Plan: MSP

Avionics/Radios:

Collins Proline 21 System:
Dual Collins FGC 3000 Auto Pilot
Dual Collins ADC 3000 Air Data System
Dual FMS 6000 with Dual 4000A GPS
Collins 4 Tube EFIS / MFD Displays
Collins TWR 850 Weather Radar
Dual Collins ADF 462
Dual Collins DME 442
Dual Collins VIR 432 Nav units with FM Immunity Dual
Collins VHF 422C
Collins ALT 4000 Radio Altimeter
Honeywell TCAS 4000 with Change 7
Allied Signal Mark V EGPWS
Universal 120 minute Cockpit Voice Recorder
Collins HF 9000 with SELCAL
Allied Signal AFIS w/ PDC, METAR & TAF information
Dual CDU 6200 w/ Weather Graphics

Additional Equipment:

HBC Winglets installed 2011
RVSM
DVD/CD player
15" Monitor Cabin Display with Airshow capability
Long Range O2
Magnastar C-2000 Flight Phone

Maintenance Status:

No items due until Oct. 2013 (150 hr. inspection)
May 2014 – E, F Due
Landing Gear due March 2015
X-ray due May 2015 CAMP Enrolled (read-only access is accessible)
Professionally flown by same flight department since 2006.

Year Painted:

2011

Exterior:

Matterhorn White with Vendetta Red, Las Vegas Gold and Black striping.

Year Interior:

2003

Interior:

Eight (8) passenger interior. The cabin interior includes a forward left hand galley with microwave oven and coffee pot. The forward cabin consists of four (4) club seats with fold out card tables; aft cabin consists of three (3) additional forward facing seats. The belted lavatory is located in the aft cabin.

EXHIBIT B
TECHNICAL ACCEPTANCE/REJECTION LETTER

Date: _____

Action Transport, Inc.
Tax Department, 7th Floor
1 North Brentwood Blvd.
Saint Louis, Missouri 63105-3925

Re: Completion of Pre-Purchase Inspection

Gentlemen:

Pursuant to that certain Aircraft Sale Agreement (the “**Agreement**”) dated as of November 14, 2013, by and between Jet Sales International, LLC (“**Purchaser**”) and Action Transport, Inc. (“**Seller**”), pertaining to that certain Raytheon Aircraft Company model Hawker 800XP aircraft, manufacturer’s serial number 258613 (the “**Aircraft**”), this letter confirms that Purchaser has completed its Inspection (as such term is defined in the Agreement) of the Aircraft. (Capitalized terms used but not defined in this Technical Acceptance/Rejection Letter shall have the meanings ascribed to them in the Agreement.)

CHECK ONE:

- _____ Subject to correction or repair of all Airworthiness Inspection Discrepancies (as such term is defined in the Agreement) listed on Annex “A” hereto and those identified during any test flight, which shall cause a reduction in the Purchase Price of the Aircraft, pursuant to 3.6 of the Agreement, the technical condition of the Aircraft is hereby accepted in accordance with the terms of the Agreement, and the Deposit is hereby non-refundable except as otherwise set forth in the Agreement. Further, the Aircraft Documents currently in the custody of the Inspection Facility fully comply with the requirements of the Agreement except as otherwise set forth on Annex “A” hereto.

- _____ The technical condition of the Aircraft is hereby rejected in accordance with Section 3.4.2 of the Agreement. Escrow Agent is hereby instructed to confirm that the Inspection Facility has received full payment of all sums due from Purchaser, reimburse Seller on for the Re-Positioning Costs to return the Aircraft from the Inspection Facility to its home base, then refund the balance of the Deposit to Purchaser.

Purchaser:

JET SALES INTERNATIONAL, LLC

By: _____
Name: _____
Title: _____

cc: Aero-Space Reports, Inc.

ANNEX "A"
TO
TECHNICAL ACCEPTANCE/REJECTION LETTER

Airworthiness Inspection Discrepancy

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____

EXHIBIT C
AIRCRAFT DELIVERY RECEIPT

Jet Sales International, LLC (“**Purchaser**”) hereby acknowledges acceptance of delivery of that certain Raytheon Aircraft Company model Hawker 800XP aircraft bearing manufacturer’s serial number 258613, registration mark N90FB (the “**Aircraft**”) from Action Transport, Inc. (“**Seller**”), at _____ o’clock (am / pm) local time on the ____ day of _____, 2013, at _____, _____, _____, pursuant to the terms and conditions of the Aircraft Purchase Agreement dated as of November 14, 2013, between Purchaser and Seller (the “**Agreement**”). Purchaser hereby acknowledges that the Aircraft satisfies all of the requirements, terms and conditions of the Purchase Agreement. By reason of the execution and delivery by Purchaser of this Aircraft Delivery Receipt, it is conclusively presumed that (1) Purchaser has approved and accepted the Aircraft “**as is, where is**” in its then-current technical condition and state of repair, with all faults, limitations and defects (whether hidden or apparent), regardless of cause; (2) the Aircraft satisfies all of the delivery conditions and all of the other requirements, terms and conditions of the Agreement; (3) all of the conditions specified in the Agreement (including, but not limited to, those in Section 3.1 and Section 4.3) have been satisfied, waived or expired and are of no further force or effect; and Purchaser shall have no claim against Seller for breach of any covenant, agreement, representation or warranty regarding the Aircraft, whether express or implied, other than the representation regarding title set forth in Section 5.1.5 of the Agreement and in the Warranty Bill of Sale. Except for the representation regarding title set forth in Section 5.1.5 of the Agreement and in the Warranty Bill of Sale, Seller has not made with respect to the condition of the Aircraft any representation, warranty or guaranty of any kind, express or implied, whether arising in law, in equity, in contract, or in tort, including, without limitation, any implied warranty of merchantability, airworthiness, design, condition, or fitness for a particular purpose.

TOTAL TIME AIRFRAME AT DELIVERY: _____ hours / _____ cycles

TOTAL TIME ENGINES AT DELIVERY:

Engine P113169: _____ hours _____ cycles

Engine P113170: _____ hours _____ cycles

TOTAL TIME APU AT DELIVERY: _____ hours _____ starts

Purchaser:

JET SALES INTERNATIONAL, LLC

By: _____

Name: _____

Title: _____

EXHIBIT D

WARRANTY BILL OF SALE

KNOW ALL PERSONS BY THESE PRESENTS:

THAT ACTION TRANSPORT, INC. (“**Seller**”) is the lawful owner of the full legal and beneficial title to the following tangible personal property:

(i) that certain Raytheon Aircraft Company model Hawker 800XP aircraft (described on the International Registry drop-down menu as a Hawker 800XP airframe), manufacturer’s serial number 258613, bearing U.S. registration mark N90FB (the “**Airframe**”), together with two (2) installed Honeywell model TFE731-5BR engines, manufacturer’s serial numbers P107778 and P107770 (the “**Engines**”, which Engines are described on the International Registry drop-down menu as Honeywell TFE731 series engines), (ii) the Honeywell GTCP-36-150W auxiliary power unit, serial number P-720 (the “**APU**”); (iii) all appurtenances, appliances, parts, avionics, instruments, components, accessions, furnishings, items of equipment and accessories installed thereon and (iv) loose equipment normally a part of the Aircraft and specifically included on the Aircraft Specifications (upon verification) and (v) all Aircraft Documents as defined below (collectively, the “**Aircraft**”); and

all documents and records relating to or required to be maintained with respect to the Aircraft, including, without limitation, a current and valid Airworthiness Certificate, all Airframe, Engine, APU and accessory logbooks, manuals, weight and balance manuals, tags, technical records, traceability records, information, overhaul records, maintenance records, wiring diagrams, drawings, data, completion manuals and all issued FAA Form 337’s in Seller’s possession and delivered with the Aircraft to the Inspection Facility (collectively, the “**Aircraft Documents**”).

THAT, for \$1.00 and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Seller does as of the date provided below, grant, convey, transfer, deliver and set over all right, title and interest in and to the Aircraft and the Aircraft Documents unto **JET SALES INTERNATIONAL, LLC** (“**Purchaser**”), and unto Purchaser’s successors and assigns forever.

THAT, Seller hereby warrants to Purchaser, its successors and assigns, that there is hereby conveyed to Purchaser on the date hereof good and marketable title to the Aircraft and the Aircraft Documents free and clear of any and all mortgages, liens, claims, international interests, encumbrances and rights of others, excluding any arising out of the acts or omissions of Purchaser or asserted by Purchaser or any person claiming by, through or under Purchaser, or consented to by Purchaser.

THAT, THE AIRCRAFT IS A USED AIRCRAFT AND THEREFORE THE AIRCRAFT AND EACH PART THEREOF IS BEING SOLD AND DELIVERED TO PURCHASER ON THE DATE HEREOF IN “AS IS, WHERE IS, WITH ALL FAULTS” CONDITION, WITH ALL FAULTS LIMITATIONS AND DEFECTS, WHETHER HIDDEN OR APPARENT, REGARDLESS OF CAUSE, AND WITHOUT ANY REPRESENTATION, WARRANTY OR GUARANTY OF ANY KIND OR NATURE BEING MADE OR GIVEN BY SELLER, ITS SHAREHOLDERS, MEMBERS, DIRECTORS, OFFICERS, MANAGERS, AGENTS, EMPLOYEES OR ATTORNEYS, EXPRESS OR IMPLIED, WHETHER ARISING BY LAW OR OTHERWISE AND SELLER DISCLAIMS AND PURCHASER KNOWINGLY AND VOLUNTARILY RENOUNCES ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, GUARANTIES AND REPRESENTATIONS REGARDING THE AIRCRAFT OR ANY ASPECT THEREOF WHETHER ARISING IN LAW, IN EQUITY, IN CONTRACT, OR IN TORT, FROM COURSE OF PERFORMANCE, COURSE OF DEALING, USAGE OF TRADE OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY WITH RESPECT TO IMPLIED WARRANTY OF MERCHANTABILITY, MATERIALS, MANUFACTURE, WORKMANSHIP, AIRWORTHINESS, DESIGN, CONDITION, FITNESS FOR ANY PARTICULAR PURPOSE, VALUE, DESIGN, CONDITION, SAFETY, OPERATION, PERFORMANCE OR CONFORMITY TO ANY OF THE REQUIREMENTS, TERMS AND CONDITIONS OF THE AGREEMENT. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, SELLER SHALL NOT

BE LIABLE OR RESPONSIBLE TO PURCHASER FOR ANY DEFECTS, EITHER PATENT OR LATENT IN THE AIRCRAFT OR FOR ANY DIRECT OR INDIRECT DAMAGE TO PERSONS OR PROPERTIES RESULTING THEREFROM OR FOR PURCHASER'S LOSS OF USE OF OR A DIMINUTION IN VALUE OF THE AIRCRAFT OR FOR ANY INTERRUPTION IN PURCHASER'S BUSINESS CAUSED BY PURCHASER'S INABILITY TO USE THE AIRCRAFT FOR ANY REASON WHATSOEVER.

IN WITNESS WHEREOF, Seller has caused this Warranty Bill of Sale to be executed and delivered by its duly authorized signatory as of _____, 2013.

ACTION TRANSPORT, INC.

By: _____

Name: _____

Title: _____

Exhibit E

ASSIGNMENT OF WARRANTIES

Pursuant to the Aircraft Purchase Agreement (the “**Agreement**”) dated as of November 14, 2013, by and between Action Transport, Inc. (“**Seller**”) and Jet Sales International, LLC (“**Purchaser**”), Seller, without representation or warranty, hereby assigns to Purchaser such rights if any, as Seller may have under (i) any warranty (express or implied) with respect to that certain Raytheon Aircraft Company model Hawker 800XP airframe, manufacturer’s serial number 258613, bearing U.S. registration mark N90FB (the “**Airframe**”), together with two (2) installed Honeywell model TFE731-5BR engines, manufacturer’s serial numbers P107778 and P107770 and one (1) Honeywell GTCP-36-150W auxiliary power unit, serial number P-720 (collectively, the “**Aircraft**”); and (ii) any service policies, maintenance plans and programs or product agreements with respect to the Aircraft, in each case to the extent the same exist in favor of Seller and are capable of being assigned by Seller or otherwise available to Purchaser (collectively, the “**Assigned Rights**”).

Purchaser acknowledges that it shall be solely responsible for any fees, charges, costs and expenses with respect to the transfer of the Assigned Rights and the processing of any claims or services thereunder.

Seller hereby acknowledges Purchaser’s right to enforce in its own name such Assigned Rights as Seller may have with respect to the Aircraft to the extent assigned to Purchaser by Seller hereunder.

Capitalized terms used herein and not otherwise defined herein shall have the meaning ascribed to such terms in the Agreement. This Assignment of Warranties may be executed in counterpart.

IN WITNESS WHEREOF, Seller and Purchaser have caused this instrument to be executed by their duly authorized officer this _____ day of _____, 2013.

Seller:
Action Transport, Inc.

Purchaser:
Jet Sales International, LLC

By: _____
Print: _____
Title: _____

By: _____
Print: _____
Title: _____

EXHIBIT C

Proposed Order (blacklined against version annexed to Motion)

**IN THE UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

----- X
In re: : **Chapter 11**
:
FURNITURE BRANDS : **Case No. 13-12329 (CSS)**
INTERNATIONAL, INC., et al., :
: **Jointly Administered**
Debtors.¹ :
: **RE: Docket No. [__]**
----- X

**ORDER PURSUANT TO BANKRUPTCY CODE SECTIONS 105(a) AND 363,
BANKRUPTCY RULES 2002, 6004, AND 9014, AND LOCAL RULE 6004-1:
(I) AUTHORIZING PRIVATE SALE OF AIRCRAFT; (II) AUTHORIZING
ENTRY INTO PURCHASE AND SALE AGREEMENT; (III) AUTHORIZING
PAYMENT TO BROKER; AND (IV) GRANTING RELATED RELIEF**

Upon the motion ([as supplemented](#), the “Motion”)² of Action Transport Inc. (“Action Transport”), one of the above-captioned debtors and debtors in possession (collectively, the “Debtors”), for entry of an order, pursuant to sections 105 and 363 of title 11 of the United States Code (the “Bankruptcy Code”), Rules 2002, 6004, and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule 6004-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”): (i) authorizing the private sale of the Aircraft and certain related assets free and clear of all liens, claims, interests, and encumbrances on the terms and conditions set forth in the Offer to Purchase ~~(the “Aircraft Sale”)~~, attached to the Motion as Exhibit B (the “Offer to Purchase”); (ii)

¹ The debtors in these chapter 11 cases, along with the last four digits of each debtor’s tax identification number, as applicable, are: Furniture Brands International, Inc. (7683); Action Transport, Inc. (7587); Broyhill Furniture Industries, Inc. (3217); Broyhill Home Furnishings, Inc. (8844); Broyhill Retail, Inc. (8843); Broyhill Transport, Inc. (1721); Furniture Brands Holdings, Inc. (2837); Furniture Brands Operations, Inc. (4908); Furniture Brands Resource Company, Inc. (1288); HDM Furniture Industries, Inc. (7484); HDM Retail, Inc. (6125); HDM Transport, Inc. (4378); Lane Furniture Industries, Inc. (5064); Lane Home Furnishings Retail, Inc. (9085); Laneventure, Inc. (8434); Maitland-Smith Furniture Industries, Inc. (7486); Thomasville Furniture Industries, Inc. (6574); Thomasville Home Furnishings, Inc. (3139); Thomasville Retail, Inc. (f/k/a Classic Design Furnishings, Inc.) (6174). The Debtors’ corporate headquarters is located at 1 N. Brentwood Blvd., St. Louis, Missouri 63105.

² All capitalized terms used but not defined herein shall have the meaning ascribed in the Motion [and the Supplement \(as applicable\)](#).

authorizing Action Transport to enter into a definitive purchase and sale agreement on terms consistent with the Offer to Purchase; (iii) authorizing certain payments to the sales broker in connection with the marketing and sale of the aircraft; and (iv) waiving the stay of order under Bankruptcy Rule 6004(h), all as more fully set forth in the Motion; and upon the declarations annexed to the Motion; [and the Supplement to the Motion \(the "Supplement"\)](#); and the Court having determined that the relief requested in the Motion is in the best interests of Action Transport, its estate, creditors and other parties-in-interest; and due and proper notice of the Motion [and the Supplement](#) having been provided under the particular circumstances, and it appearing that no other or further notice need be provided; and upon all of the proceedings had before this Court and after due deliberation and sufficient cause appearing therefor, it is hereby FOUND AND DETERMINED THAT:

A. The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014.

B. This Court has jurisdiction over the Motion and the transactions contemplated by the ~~Offer to Purchase~~ [Sale Agreement](#) pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District of Delaware, dated as of February 29, 2012, and this matter is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue in this District is proper under 28 U.S.C. §§ 1408 and 1409.

C. A sound business purpose justifies the sale of the Aircraft outside of the ordinary course of business.

D. Good and sufficient notice of the Motion, [the Supplement](#), and the relief sought therein has been given and no other or further notice is required. A reasonable opportunity to

object or be heard regarding the relief requested in the Motion has been afforded to parties in interest.

E. Action Transport has obtained a fair and reasonable price for the sale of the Aircraft.

F. The ~~Buyer's~~ offer of Jet Sales International, LLC (the "Buyer") for the Aircraft, as embodied in the ~~Offer to Purchase~~Sale Agreement, is the highest or best offer received by Action Transport therefor.

G. Consummation of the Aircraft Sale on the terms set forth in the ~~Offer to Purchase~~Sale Agreement will provide the highest or otherwise best value for the Aircraft and is in the best interests of Action Transport and its estate.

H. The ~~Offer to Purchase~~Sale Agreement has been negotiated by Action Transport and the Buyer in good faith and at arm's-length.

I. The Buyer is a "good faith purchaser" entitled to the benefits and protections of section 363(m) of the Bankruptcy Code.

J. Action Transport and the Buyer have not engaged in any conduct that would permit the Aircraft Sale, as contemplated in the ~~Offer to Purchase~~Sale Agreement, to be avoided under section 363(n) of the Bankruptcy Code.

K. The consideration to be provided by the Buyer in the Aircraft Sale, as set forth in the ~~Offer to Purchase~~Sale Agreement: (i) is fair and reasonable; (ii) is the highest or otherwise best offer for the Aircraft; and (iii) constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code.

L. The legal and factual bases set forth in the Motion establish just cause for the relief granted herein.

M. The relief requested in the Motion is an exercise of Action Transport's sound business judgment and is in the best interest of Action Transport and its estate and creditors.

N. The entry of this Order is in the best interests of Action Transport, its estate, its creditors, and other parties in interest.

NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. The Motion is granted as set forth herein.

2. All objections and responses to the Motion or the relief provided herein that have not been overruled, withdrawn, waived, settled, or resolved, and all reservations of rights included therein, are hereby overruled and denied on the merits.

3. The ~~Aircraft Sales~~sale contemplated by the ~~Offer to Purchase~~Sale Agreement annexed hereto as Exhibit 1 (the "Aircraft Sale") is hereby approved pursuant to sections 105(a) and 363(b) of the Bankruptcy Code and Action Transport is authorized to consummate and perform all of its obligations under the ~~Aircraft Sale contemplated in the Offer to Purchase~~Sale Agreement and to execute such other documents, ~~including a definitive purchase and sale agreement (the "Purchase and Sale Agreement")~~ consistent with the ~~terms of the Offer to Purchase~~Sale Agreement, and take such other actions as are necessary or appropriate to effectuate the Aircraft Sale.

4. Pursuant to section 363(f) of the Bankruptcy Code, the Aircraft may be sold and transferred free and clear of all liens, claims, interests, and encumbrances (collectively, "Liens") except as otherwise provided in the ~~Purchase and~~ Sale Agreement, with any and all such Liens to attach to proceeds of such sale with the same validity, priority, force, and effect such Liens had on the Aircraft immediately prior to the sale and subject to the rights, claims, defenses, and

objections, if any, of Action Transport and all interested parties with respect to any such asserted Liens.

5. Action Transport is authorized, but not directed, to satisfy any such valid Liens from the proceeds of the Aircraft Sale.

6. Pursuant to sections 105(a) and 363(b) of the Bankruptcy Code, the sale of the Aircraft by Action Transport to the Buyer and the transactions related thereto, upon the closing under the ~~Purchase and~~ Sale Agreement, are authorized and approved in all respects.

7. The Buyer is a good faith purchaser entitled to the benefits and protections afforded by section 363(m) of the Bankruptcy Code.

8. The consideration provided by the Buyer for the Aircraft under the Aircraft Sale is fair and reasonable, and the sale pursuant to the Purchase and Sale Agreement may not be avoided under section 363(n) of the Bankruptcy Code.

9. The terms of the ~~Offer to Purchase, the Purchase and~~ Sale Agreement, and this Order shall be binding in all respects upon, and shall survive and shall inure to the benefit of the Debtors, their estates, any trustee under any chapter of the Bankruptcy Code, the Buyer and its affiliates, predecessors, successors, and permitted assigns, and any affected third parties, notwithstanding any subsequent dismissal or conversion of these chapter 11 cases or the appointment of a trustee under any chapter of the Bankruptcy Code.

10. With respect to the transactions consummated pursuant to this Order, upon the closing of the Aircraft Sale, this Order shall be sole and sufficient evidence of the transfer of title to any particular purchaser, and the sale transaction consummated pursuant to this Order shall be binding upon and shall govern the acts of all persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record

or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any of the property sold pursuant to this Order, including, without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, administrative agencies, governmental departments, secretaries of state, and federal, state, and local officials, and each of such persons and entities is hereby directed to accept this Order as sole and sufficient evidence of such transfer of title and shall rely upon this Order in consummating the transactions contemplated hereby.

11. Action Transport is hereby authorized to pay the sales commission to the Broker and reimburse the Broker's expenses in accordance with and pursuant to the terms of the Brokerage Agreement.

12. This Court retains jurisdiction to interpret, implement, and enforce the provisions of, and resolve any disputes arising under or related to, this Order and the Offer to Purchase, the ~~Purchase and~~ Sale Agreement, all amendments thereto, any waivers and consents thereunder, and each of the agreements executed in connection therewith.

13. To the extent of any inconsistency between the provisions of this Order, on the one hand, and the Offer to Purchase, the ~~Purchase and~~ Sale Agreement, or any documents executed in connection therewith, on the other hand, the provisions contained in this Order shall govern.

14. The stay provided for in Bankruptcy Rules 6004(h) is hereby waived and this Order shall be effective immediately upon its entry.

Dated: Wilmington, Delaware
~~November~~ December ____, 2013

Christopher S. Sontchi
United States Bankruptcy Judge