

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM  
3.36  
(ID # 10563)

**MEETING DATE:**

Tuesday, August 6, 2019

**FROM:** SHERIFF-CORONER-PA:

**SUBJECT:** SHERIFF-CORONER-PA: Approve the purchase of One (1) H145 Helicopter and approve the Purchase Agreement with Airbus Helicopters, Inc, for a total purchase cost of \$12,528,093. [Districts All]; [Total Cost: \$12,528,093; up to \$375,843 in additional compensation]; 100% General Fund financed over 10 years

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve the purchase of one (1) Airbus H145 helicopter, plus the communication equipment and installation service for an amount of \$12,528,093 in which this amount includes an increase of \$1,028,093 from \$11,500,000 to \$12,528,093; and,
2. Approve the Purchase Agreement with Airbus Helicopters, Inc. in the amount of \$11,627,000 and authorize the Chairman of the Board to sign the Agreement on behalf of the County; and,
3. Authorize the Purchasing Agent, in accordance with Ordinance 459, based on the availability of fiscal funding and as approved by County Counsel to sign amendments that exercise the options of the agreement including modifications of the statement of work that stay within the intent of the Agreement and sign amendments to the compensation provisions that do not exceed the sum total of three percent (3%) of the total purchase amount; and,
4. Authorize the Purchasing Agent to take all steps necessary to implement the purchasing and financing of one (1) Airbus H145 Helicopter including, but not limited to, signing subsequent essential and relevant documents and executing any non-substantive amendments, subject to approval by County Counsel.

**ACTION:Policy**

  
Will Taylor, Director of Administration 8/1/2019

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Spiegel, seconded by Supervisor Perez and duly carried, IT WAS ORDERED that the above matter is approved as amended to add the sales tax to the down payment to ensure it is not financed.

Ayes: Spiegel, Washington and Perez  
Nays: Jeffries  
Absent: Hewitt  
Date: August 6, 2019  
xc: Sheriff, Purchasing

Kecia R. Harper  
Clerk of the Board

By:   
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

| <b>FINANCIAL DATA</b>                                            | <b>Current Fiscal Year:</b> | <b>Next Fiscal Year:</b> | <b>Total Cost:</b>            | <b>Ongoing Cost</b> |
|------------------------------------------------------------------|-----------------------------|--------------------------|-------------------------------|---------------------|
| <b>COST</b>                                                      | \$ 12,528,093               | \$ 0                     | \$ 12,903,936                 | \$ 0                |
| <b>NET COUNTY COST</b>                                           | \$ 12,528,093               | \$ 0                     | \$ 12,903,936                 | \$ 0                |
| <b>SOURCE OF FUNDS:</b> 100% General Fund financed over 10 years |                             |                          | <b>Budget Adjustment:</b> No  |                     |
|                                                                  |                             |                          | <b>For Fiscal Year:</b> 19/20 |                     |

**C.E.O. RECOMMENDATION:** Approve

(BR# 20-2015)

**BACKGROUND:**

**Summary**

On June 25, 2019 (Agenda 3.55), the Board approved the purchase and finance of one (1) twin engine helicopter for an amount not to exceed \$11,500,000. The Sheriff's Department will be purchasing an Airbus H145 twin engine aircraft to add to their fleet of single engine aircrafts to provide better air support for search and rescue (SAR) missions. The decision to select Airbus resulted from years of research by the Sheriff's Aviation Team looking into several aircraft manufactures such as Bell, MD Helicopters, Leonardo (previously Augusta Westland), and Airbus. The features and functionalities they considered were the ease of use, ability to fly high altitude and operate in extreme heat for SAR needs, carry extra personnel and/or equipment, and the use of similar tooling our department mechanics currently use. Some of helicopters selected were flown and some, due to their obvious deficiencies, were not as they were too big and couldn't get into some of the canyons or forests in our county, which would not work for SAR missions. Some aircrafts that were tested did not have the power or performance we require to complete the mission, while some were just too expensive and had more features than we needed, and they would require a whole new training program and retooling for our mechanics.

As a result of our market research, the Department selected the Airbus H145 as their choice for their twin-engine aircraft. Our decision was based on operational needs and cost saving initiatives. The Department's fleet of helicopter is comprised on the Airbus H125s, and the pilots are familiar with the control panel, equipment and performance of the aircraft, and maintaining the same type of fleet is advantageous especially when the pilot needs to make a quick decision during an emergency. For instance, since the pilots fly Airbus aircraft a majority of the time, transitioning to a different aircraft for short periods could be problematic if they found themselves in an emergency situation and relied on "muscle memory" to maneuver to keep the helicopter from crashing. The ability to make critical decisions and input control information at a moment notice is vital and can be lifesaving. Additionally, the Department has invested substantially in Airbus inventory parts to keep their Airbus fleet in operation and staying with the same manufacture will allow the Department to utilize the same inventory. Lastly, many of our

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mechanics are trained and certified to perform routine maintenance on our current Airbus fleet, and this is another cost saving factor in our decision-making process. By selecting a different manufacturer, the Department anticipates spending approximately \$250,000 more annually to have eight pilots complete their recurrency, and emergency procedures trainings, as well as have our mechanics to train on the airframe, power plant and other required trainings.

**Impact on Residents and Businesses**

Sheriff's Aviation is the mandated first responder for search and rescue missions, and the twin-engine aircraft will allow the Sheriff's Department the ability to extend their field vision by covering large distance during search and rescue missions without delays. The ability to fly in different weather conditions and respond quickly to emergencies is vital to everyday law enforcement operations as our mission is to provide public safety and support services to the communities we serve while ensuring the safety of both responding officers and the public. In addition, the twin-engine helicopter can seat up to eight people versus four people with the single engine helicopter. This additional capability will allow the pilot to transport the rescue team and carry multiple passengers in fewer trips, which will reduce the cost for fuel, flight time, and other operating cost.

**Contract History and Price Reasonableness**

The total purchase cost of the Airbus H145 helicopter, including tax is \$12,528,093 (helicopter before tax \$11,627,000; tax is \$901,093). This pricing includes the negotiated pricing in which the vendor provided a discount of \$272,044. In addition, there are legal fees in an amount of up to \$5K to cover the costs of additional documentation and filing fees relating to this helicopter financing. The department will pay that fee directly. And although the Board agreed to finance the purchase amount of \$11.5M over ten (10) years, the Sheriff's Department is requesting to finance the entire amount of \$12,528,093 over 10 years. In addition, the department is requesting for a 3% contingency to account for all cost contingencies related to the helicopter procurement.

**Additional Fiscal Information**

The purchase agreement with Airbus Helicopters, Inc. does not include sales tax, as the county will be remitting use tax in the amount of \$901,093, which is equal to 7.75%, directly to the State of California. It is included in the amount to be financed. Coordination of payment will be handled with the Auditor-Controller's office.

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Teresa Summers, Director of Purchasing 7/29/2019

  
Ryan Carter, Principal Management Analyst 8/1/2019

  
Gregory V. Priamos, Director County Counsel 7/31/2019

  
Gregory V. Priamos, Director County Counsel 7/31/2019

# AIRBUS



## H145

Riverside County  
Sheriff's Department

The helicopter shown is for illustrative purposes only and may not be an exact representation of the product defined in the Purchase Agreement.

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## PURCHASE AGREEMENT

2701 n forum drive, grand prairie, texas 75052

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| <b>Customer:</b><br>Riverside County Sheriff's Department<br>4850 W. Stetson Avenue<br>Hemet, CA 92545 |          | <b>Phone:</b> 951-925-9591                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>Date Prepared:</b> 31 July 2019<br>Revision V |                       |
|--------------------------------------------------------------------------------------------------------|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|-----------------------|
|                                                                                                        |          | <b>Contact:</b> Curtis Bright                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>Contract N°:</b> V-7104                       |                       |
| Item N°                                                                                                | Quantity | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Unit Price                                       | Total                 |
| 1                                                                                                      | 1        | New, H145 DP/SP IFR, S/N 20280, to include:<br>3-COLOR EXTERIOR PAINT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 9,082,361                                        | US FUNDS<br>9,082,361 |
| 2                                                                                                      | 1        | <b>STANDARD DP/SP IFR EQUIPMENT:</b> <i>Factory Installed</i><br>4-AXIS AUTOMATIC FLIGHT CONTROL SYSTEM<br>BLEED AIR HEATING<br>VENTILATION FOR AVIONICS DECK<br>2ND PORTABLE FIRE EXTINGUISHER<br>COPILOT FLIGHT CONTROLS<br>INSTRUMENT PANEL EXTENSION ON COPILOT SIDE<br>BATTERY TYPE SAFT 40AH - FIXED PARTS<br>S/L LIGHT LED; WITH IR MODE<br>SLANT PANEL<br>VECTOR MAST MOMENT SYSTEM                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | INCL                                             | INCL                  |
| 3                                                                                                      | 1        | <b>AIRFRAME EQUIPMENT:</b> <i>Factory Installed</i><br>ACTIVE VIBRATION CONTROL SYSTEM (AVCS)<br>ADDITIONAL ELECTRICAL UNIT<br>AIR CONDITIONING SYSTEM (ACS)<br>CABLE CUTTER SYSTEM, FIXED PROVISIONS<br>COLLECTIVE CONTROL GUARD, PILOT/COPILOT<br>ELECTRICAL HEATING SYSTEM<br>ENGINE COMPRESSOR WASH KIT<br>ENVIRONMENTAL CONTROL SYSTEM (ECS)<br>FUEL MANAGEMENT SYSTEM (FUEL FLOW METERS)<br>FUZZ BURNER FOR ENGINES, MAIN TRANSMISSION AND FENESTRON® GEARBOX<br>STANDARD PILOT SEAT<br>STANDARD COPILOT SEAT<br>IMPROVED HEAT PROTECTION FOR ENGINE COWLING LH & RH<br>INLET BARRIER FILTER SYSTEM<br>MAP CASE IN COPILOT DOOR<br>MAP CASE ON INSTRUMENT PANEL GLARE SHIELD<br>PASSENGER SEATING, 8 CLUB SEATS (STANDARD ARRANGEMENT)<br>PEDAL COVER FOR COPILOT FLIGHT CONTROLS<br>SLIDING DOOR FASTENER, INTERMEDIATE AND MAX POSITION, RH & LH<br>STANDARD COCKPIT, CABIN AND CARGO COMPARTMENT - NVG COMPATIBLE<br>SOUNDPROOFING KIT<br>TINTED SUN SHADES FOR COCKPIT WINDSHIELD ROOF SECTION                                                                      | INCL                                             | INCL                  |
| 4                                                                                                      | 1        | <b>STANDARD AVIONICS:</b> <i>Factory Installed</i><br>AVIONICS PACKAGE DP IFR GTN 750<br>DIGITAL VOICE CONTROL SYSTEM (DVCS 6100), INC. ACU 6100 (BECKER), PILOT & COPILOT<br>AVIONICS PACKAGE DP IFR GTN 750 INTERCONNECTION / WIRING<br>DISTANCE MEASURING EQUIPMENT DME-4000 (ROCKWELL COLLINS)<br>FLIGHT DISPLAY SUBSYSTEM (FDS), COPILOT<br>GPS/NAV/COM GTN 750 (GARMIN), COPILOT, INTERFACED WITH FDS<br>GPS/NAV/COM GTN 750 (GARMIN), PILOT, INTERFACED WITH FDS<br>MARKER BEACON RECEIVER MKR3300-1 (BECKER)<br>TRANSPONDER (MODE S) GTX 335R (GARMIN)<br>RADAR ALTIMETER<br>COCKPIT VOICE AND FLIGHT DATA RECORDER (CVFDR), FIXED PROVISIONS<br>EMERGENCY LOCATOR TRANSMITTER (ELT)<br>HEADSET ADAPTER CABLE CREW GLENAIR/U92, (2 EA)<br>HEADSET ELECTRICAL POWER SUPPLY (28 VDC), FIXED PROVISIONS<br>HELICOPTER TERRAIN AWARENESS AND WARNING SYSTEM (H-TAWS) HELIONIX<br>LIGHTWEIGHT AIRCRAFT RECORDING SYSTEM (LARS) ALERTS VISION 1000 (APPAREO)<br>SBAS RNP APPROACH CAPABILITY<br>SYNTHETIC VISION SYSTEM (SVS)<br>TRAFFIC ADVISORY SYSTEM TAS 620A / AVIDYNE | INCL                                             | INCL                  |
| 5                                                                                                      | 1        | <b>ADDITIONAL AIRFRAME OPTIONS:</b> <i>AHD INSTALLED</i><br>CABLE CUTTER SYSTEM, DETACHABLE PARTS<br>HEALTH MONITORING SYSTEM (HMS), FIXED PROVISIONS<br>PROFESSIONAL GROUND STATION (PGS) VISION SYSTEM<br>LAPTOP FOR PROFESSIONAL GROUND STATION (PGS) VISION SYSTEM<br>JETTISONABLE COCKPIT DOORS<br>JETTISONABLE SLIDING DOORS<br>LASHING POINTS - 60 KTS<br>MAP CASES IN SLIDING DOORS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | INCL                                             | INCL                  |
| SEE PAGE THREE FOR TOTALS                                                                              |          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                  |                       |

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2701 n forum drive, grand prairie, texas 75052

## PURCHASE AGREEMENT

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| <b>Customer:</b><br>Riverside County Sheriff's Department<br>4850 W. Stetson Avenue<br>Hemet, CA 92545 | <b>Phone:</b> 951-925-9591<br><br><b>Contact:</b> Curtis Bright | <b>Date Prepared:</b> 31 July 2019<br><b>Revision</b> V<br><br><b>Contract N°:</b> V-7104 |
|--------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|-------------------------------------------------------------------------------------------|

| Item N°                   | Quantity | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Unit Price | Total     |
|---------------------------|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-----------|
| 5                         |          | <b>ADDITIONAL AIRFRAME OPTIONS: AHD INSTALLED Continued</b><br>TINTED PUSH-OUT CABIN WINDOWS<br>TINTED WINDOWS IN SLIDING DOORS<br>TINTED WINDOW IN CABIN                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |            |           |
| 6                         | 1        | <b>ADDITIONAL AIRFRAME OPTIONS: AHI INSTALLED</b><br>BATTERY - LEAD ACID, RG-380E/44 - AHI/CONCORDE STC(SR09298RC-D)<br>INTERIOR - LONCOIN FLOORING IN COCKPIT & CABIN                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | INCL       | INCL      |
| 7                         | 1        | <b>ADDITIONAL AVIONICS OPTIONS: AHI INSTALLED</b><br>HELIONIX LAPTOP<br>BOSE HEADSETS JACKS / 323172-0010 / NEXUS<br>VIDEO INPUTS FOR HELIONIX CONFIGURATION FILE TURNED ON FOR ADDITIONAL CAMERA INPUTS<br>AND/OR RADAR FEEDS - SHORTAGE AT DELIVERY, PROVIDED AFTER VENDOR COMPLETION<br>ENGINEERING AND INDUSTRY SUPPORT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | INCL       | INCL      |
| 8                         | 1        | <b>ADDITIONAL FACTORY EQUIPMENT: AHI INSTALLED</b><br>MULTI-PURPOSE FITTINGS IN CABIN - RH<br>MULTI-PURPOSE FITTINGS IN CABIN - LH<br>MULTI-PURPOSE FITTINGS IN CABIN - FWD RH<br>MULTI-PURPOSE FITTINGS IN CABIN - FWD RH<br>ATTACHMENT RING IN CEILING, LH<br>ATTACHMENT RING IN CEILING, RH<br>SPOILER FOR COCKPIT DOORS<br>EXTERNAL MULTIPURPOSE CAMERA ON TAILBOOM<br>EXTERNAL REAR-VIEW CAMERA<br>DOUBLE CARGO HOOK - FIXED PROVISIONS<br>DOUBLE CARGO HOOK - DETACHABLE PARTS<br>DUAL CARGO HOOK WEIGHING SYSTEM, FIXED PROVISIONS<br>DUAL CARGO HOOK WEIGHING SYSTEM, DETACHABLE PARTS<br>SEPARATION CURTAIN FOR COCKPIT/CABIN, FIXED PROVISIONS<br>SEPARATION CURTAIN FOR COCKPIT/CABIN, REMOVABLE PARTS<br>EXTERNAL HOIST - LH SIDE FIXED PROVISIONS<br>EXTERNAL HOIST (WITHOUT HOOK), DETACHABLE PARTS<br>EXTERNAL HOIST HOOK AND STANDARD DAMPER<br>EXTERNAL HOIST OBSERVATION LIGHT, LH FIXED PROVISIONS<br>EXTERNAL HOIST OBSERVATION LIGHT, DETACHABLE PARTS<br>TEFLON COATING FOR CABLE DEFLECTOR ON LH LANDING GEAR<br>TEFLON COATING FOR CABLE DEFLECTOR ON RH LANDING GEAR<br>EXTERNAL ROPE DOWN DEVICE, RH FIXED PROVISIONS<br>EXTERNAL ROPE DOWN DEVICE FOR 2/1 PERSONS, DETACHABLE PARTS<br>MOVING MAP - HELIONIX (DMAO)<br>PCF FILE<br>NAME PLATES<br>HI-VIS PAINT ON MAIN ROTOR BLADES | 1,382,667  | 1,382,667 |
| 9                         | 1        | <b>MANAGED COMPLETION: HANGAR ONE</b><br>REAR ACU-6100 AUDIO MIXER PANEL, W/ TRANSMIT ON LH/RH OUTBOARD STATIONS. HEADSET JACKS<br>AT PAX LOCATIONS & NEAR CLAMSHELL DOORS - TJ120 MIXER PANEL WILL BE ADDED TO EXISTING<br>BECKER DVS SYS.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 36,587     | 1,248,753 |
|                           | 1        | MAINTENANCE COIL CORD COMM INNOVATIONS (25FT EACH) - QTY (2) / CIX211L/50-74M                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 1,974      |           |
|                           | 1        | COMM INNOVATIONS CORD ASSEMBLIES - QTY (8) / CIX414HK3-6P                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 7,435      |           |
|                           | 1        | COPILOT FOOT SWITCH - LINE MASTER / M8805/55-01                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 6,748      |           |
|                           | 1        | GARMIN GTX-345 ADSB IN / OUT TRANSPONDER W/ VERTICAL MOUNTING TRAY, INTERFACED TO GTN'S                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 25,933     |           |
|                           | 1        | TDFM-9300 RADIO / 111267-2-93-A41-A32-T1-P93003                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 165,338    |           |
|                           | 1        | FOXTRONICS VHF LO BAND ANTENNA TUNER WITH ROD. / FLX-3050B                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 26,335     |           |
|                           | 1        | (4) ANTENNAS FOR TDFM-9300 RADIO.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 20,127     |           |
|                           | 1        | AFT CROSSTUBE SCENE LIGHTS (MIMIC LVMPD)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 24,031     |           |
|                           | 1        | AERO DYNAMIX COCKPIT NVG STC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 82,023     |           |
|                           | 1        | BAMBI BUCKET ELECTRICAL PROVISIONS ONLY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 18,270     |           |
|                           | 1        | FLIR 380HDC FIXED ELECTRICAL PROVISIONS (LH FWD MOUNTED) ONLY.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 93,415     |           |
|                           | 1        | TRAKKA A800 SYSTEM MOUNTED RH FWD WITH DOVETAIL MOUNT UPPER.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 171,848    |           |
|                           | 1        | HOIST LIPSTICK CAMERA (DOWN FACING)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 20,740     |           |
|                           | 1        | AEM LS600 PA SYSTEM W/ DUAL HORNS AND AEM CONTROLLER. INCL AMP AND AIRFILM PA BRACKET.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 58,967     |           |
|                           | 1        | AIRFILM STEP MOUNT LH AND RH - QTY (2)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 53,069     |           |
|                           | 1        | AIRFILM PAYLOAD MOUNTS WITH DOVETAIL SETS (FLIR, PA, SEARCHLIGHT) - QTY (3)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 41,131     |           |
|                           | 1        | AEROCOMPUTERS UC6000 MAPPING COMPUTER WITH RHOTHEA INTERFACE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 221,544    |           |
|                           | 1        | INSTRUMENT PANEL MODIFICATION TO ACCOMMODATE A STOWABLE 12" MACRO BLUE MONITOR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 32,701     |           |
|                           | 1        | MACRO BLUE MB12W MONITOR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 35,883     |           |
|                           | 1        | COPILOT XMT/ICS SWITCH                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 6,081      |           |
| SEE PAGE THREE FOR TOTALS |          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |            |           |

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2701 n forum drive, grand prairie, texas 75052

## PURCHASE AGREEMENT

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|-------------------------------------------------------------------------------------------------|-----------------------------------------------|-------------------------------------------------------------------------------|
| Customer:<br>Riverside County Sheriff's Department<br>4850 W. Stetson Avenue<br>Hemet, CA 92545 | Phone: 951-925-9591<br>Contact: Curtis Bright | Date Prepared: 31 July 2019<br>Revision V<br>Contract N <sup>o</sup> : V-7104 |
|-------------------------------------------------------------------------------------------------|-----------------------------------------------|-------------------------------------------------------------------------------|

| Item N <sup>o</sup>                                                                                                                                                                                                                                                                                                                      | Quantity | Description                                                                                                                                                                                                                          | Unit Price | Total     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-----------|
| 9                                                                                                                                                                                                                                                                                                                                        |          | <b>MANAGED COMPLETION: HANGAR ONE</b> <i>Continued</i>                                                                                                                                                                               |            |           |
|                                                                                                                                                                                                                                                                                                                                          | 1        | TIS AUDIO ON/OFF SWITCH                                                                                                                                                                                                              | 6,081      |           |
|                                                                                                                                                                                                                                                                                                                                          | 1        | ICS JACKS - QTY (9)                                                                                                                                                                                                                  | 12,045     |           |
|                                                                                                                                                                                                                                                                                                                                          | 1        | INCANDESCENT LANDING / TAXI LIGHTS INCANDESCENT. REMOVE STD. BULBS GIVE CUSTOMER. - QTY (                                                                                                                                            | 1,317      |           |
|                                                                                                                                                                                                                                                                                                                                          | 1        | CUSTOMER SUPPLIED 800MHZ MOTOROLA MOBILE RADIO SYSTEM                                                                                                                                                                                | 35,747     |           |
|                                                                                                                                                                                                                                                                                                                                          | 1        | CUSTOMER SUPPLIED AVL TRACKING SYSTEM                                                                                                                                                                                                | 14,833     |           |
|                                                                                                                                                                                                                                                                                                                                          | 1        | TOUCH UP PAINT AFTER COMPLETION                                                                                                                                                                                                      | 7,049      |           |
|                                                                                                                                                                                                                                                                                                                                          | 1        | FERRY AIRCRAFT FROM AHI TO HANGAR ONE                                                                                                                                                                                                | 21,501     |           |
| 10                                                                                                                                                                                                                                                                                                                                       |          | <b>ADDITIONAL PROVISIONS: CUSTOMIZED TRAINING PROGRAM</b>                                                                                                                                                                            |            | 65,417    |
|                                                                                                                                                                                                                                                                                                                                          | 1        | CREDIT STANDARD TRAINING                                                                                                                                                                                                             | (79,150)   |           |
|                                                                                                                                                                                                                                                                                                                                          | 1        | <b>PILOT TRAINING:</b><br>FOUR (4) H145 INITIAL PILOT TRANSITION COURSES, GROUND SCHOOL IN GRAND PRAIRIE, TX<br>WITH FLIGHT TRAINING IN CUSTOMER AIRCRAFT. MINIMUM OF TWO (2) STUDENTS PER CLASS.<br>MUST ATTEND A SCHEDULED COURSE. | 98,880     |           |
|                                                                                                                                                                                                                                                                                                                                          | 1        | <b>MAINTENANCE TRAINING:</b><br>TWO (2) H145 FIELD MAINTENANCE COURSES IN GRAND PRAIRIE, TX. MUST ATTEND A<br>SCHEDULED COURSE.                                                                                                      | 23,278     |           |
|                                                                                                                                                                                                                                                                                                                                          | 1        | <b>AVIONICS COURSE:</b><br>TWO (2) H145 AVIONICS COURSES IN GRAND PRAIRIE, TX. MUST ATTEND A SCHEDULED COURSE.                                                                                                                       | 17,613     |           |
|                                                                                                                                                                                                                                                                                                                                          | 1        | <b>ENGINE TRAINING:</b><br>TWO (2) ARRIEL FIELD MAINTENANCE LEVEL 1 COURSES IN GRAND PRAIRIE, TX. MUST ATTEND A<br>SCHEDULED COURSE.<br><b>NOTE: CUSTOMER IS RESPONSIBLE FOR ALL TRAVEL EXPENSES FOR THE ABOVE TRAINING.</b>         | 4,796      |           |
| 11                                                                                                                                                                                                                                                                                                                                       | 1        | <b>SPECIAL CONSIDERATION DISCOUNT</b>                                                                                                                                                                                                | (152,198)  | (152,198) |
| <b>NOTE: California Sales Tax is to be paid directly to the State by the County of Riverside</b>                                                                                                                                                                                                                                         |          |                                                                                                                                                                                                                                      |            |           |
| <i>The offer herein is subject to and contingent upon Buyer being cleared in Seller's Anti-Money Laundering/Know Your Customer (AML/KYC) process. Seller will not sign this Purchase Agreement unless and until this AML/KYC clearance is obtained, and failure to obtain such clearance will render the offer herein null and void.</i> |          |                                                                                                                                                                                                                                      |            |           |

NOTE: WARRANTY APPLICABLE IS SET FORTH IN PARAGRAPH 4  
OF TERMS AND CONDITIONS HEREOF.

|                                                                                                                  |                                                                                                                                                                           |                                  |              |
|------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|--------------|
| Delivery Schedule:<br><b>November 2020</b>                                                                       | Method of Delivery: FCA Carlsbad, CA                                                                                                                                      | Total Price                      | \$11,627,000 |
| Type of Payment:<br>COD                                                                                          | Delivery date and price will be firm provided deposit is received and<br>Buyer accepts / returns this document by: 15-AUG-2019<br><b>FIRST COME, FIRST SERVE AIRCRAFT</b> | 1st Deposit 20%<br>Due 16-Aug-19 | (2,325,400)  |
| This order is subject to the terms and conditions set forth<br>on the attached hereof except as modified hereon. |                                                                                                                                                                           | 2nd Deposit<br>Due 16-Sep-19     | (6,756,961)  |
|                                                                                                                  |                                                                                                                                                                           | Balance Due<br>At Delivery       | \$2,544,639  |

|                                                                                                                                                                        |                                                                                                                                                                          |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Accepted and Confirmed:<br>on this <u>31<sup>st</sup></u> day of <u>July</u> , 2019<br>By: <u>[Signature]</u><br>Airbus Helicopters, Inc.<br>Authorized Representative | Date Accepted:<br>Buyer:<br><u>Riverside County Sheriff's Department</u><br>Ordered By: <u>[Signature]</u><br>Title: <u>KEVIN JEFFRIES</u> CHAIRMAN BOARD OF SUPERVISORS |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

PREPARED BY: Kim Ford

DATE: 31 July 2019

FORM APPROVED COUNTY COUNSEL

BY: [Signature]  
DAVID M. MCCARTHY

DATE

By: [Signature]  
DEPUTY





2701 n forum drive, grand prairie, texas 75052

## PURCHASE AGREEMENT

Page Three of Three

|                                                                                                 |                                               |                                                                  |
|-------------------------------------------------------------------------------------------------|-----------------------------------------------|------------------------------------------------------------------|
| Customer:<br>Riverside County Sheriff's Department<br>4850 W. Stetson Avenue<br>Hemet, CA 92545 | Phone: 951-925-9591<br>Contact: Curtis Bright | Date Prepared: 31 July 2019<br>Revision V<br>Contract N#: V-7104 |
|-------------------------------------------------------------------------------------------------|-----------------------------------------------|------------------------------------------------------------------|

| Item N°                                                                                                                                                                                                                                                                                                                                  | Quantity | Description                                                                                                                                                                                                                          | Unit Price | Total     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-----------|
| 9                                                                                                                                                                                                                                                                                                                                        |          | <b>MANAGED COMPLETION: HANGAR ONE Continued</b>                                                                                                                                                                                      |            |           |
|                                                                                                                                                                                                                                                                                                                                          | 1        | TIS AUDIO ON/OFF SWITCH                                                                                                                                                                                                              | 6,081      |           |
|                                                                                                                                                                                                                                                                                                                                          | 1        | ICS JACKS - QTY (9)                                                                                                                                                                                                                  | 12,045     |           |
|                                                                                                                                                                                                                                                                                                                                          | 1        | INCANDESCENT LANDING / TAXI LIGHTS INCANDESCENT. REMOVE STD. BULBS GIVE CUSTOMER. - QTY (                                                                                                                                            | 1,317      |           |
|                                                                                                                                                                                                                                                                                                                                          | 1        | CUSTOMER SUPPLIED 800MHZ MOTOROLA MOBILE RADIO SYSTEM                                                                                                                                                                                | 35,747     |           |
|                                                                                                                                                                                                                                                                                                                                          | 1        | CUSTOMER SUPPLIED AVL TRACKING SYSTEM                                                                                                                                                                                                | 14,833     |           |
|                                                                                                                                                                                                                                                                                                                                          | 1        | TOUCH UP PAINT AFTER COMPLETION                                                                                                                                                                                                      | 7,049      |           |
|                                                                                                                                                                                                                                                                                                                                          | 1        | FERRY AIRCRAFT FROM AHI TO HANGAR ONE                                                                                                                                                                                                | 21,501     |           |
| 10                                                                                                                                                                                                                                                                                                                                       |          | <b>ADDITIONAL PROVISIONS: CUSTOMIZED TRAINING PROGRAM</b>                                                                                                                                                                            |            | 65,417    |
|                                                                                                                                                                                                                                                                                                                                          | 1        | CREDIT STANDARD TRAINING                                                                                                                                                                                                             | (79,150)   |           |
|                                                                                                                                                                                                                                                                                                                                          | 1        | <b>PILOT TRAINING:</b><br>FOUR (4) H145 INITIAL PILOT TRANSITION COURSES, GROUND SCHOOL IN GRAND PRAIRIE, TX<br>WITH FLIGHT TRAINING IN CUSTOMER AIRCRAFT. MINIMUM OF TWO (2) STUDENTS PER CLASS,<br>MUST ATTEND A SCHEDULED COURSE. | 98,880     |           |
|                                                                                                                                                                                                                                                                                                                                          | 1        | <b>MAINTENANCE TRAINING:</b><br>TWO (2) H145 FIELD MAINTENANCE COURSES IN GRAND PRAIRIE, TX. MUST ATTEND A<br>SCHEDULED COURSE.                                                                                                      | 23,278     |           |
|                                                                                                                                                                                                                                                                                                                                          | 1        | <b>AVIONICS COURSE:</b><br>TWO (2) H145 AVIONICS COURSES IN GRAND PRAIRIE, TX. MUST ATTEND A SCHEDULED COURSE.                                                                                                                       | 17,613     |           |
|                                                                                                                                                                                                                                                                                                                                          | 1        | <b>ENGINE TRAINING:</b><br>TWO (2) ARRIEL FIELD MAINTENANCE LEVEL 1 COURSES IN GRAND PRAIRIE, TX. MUST ATTEND A<br>SCHEDULED COURSE.<br><b>NOTE: CUSTOMER IS RESPONSIBLE FOR ALL TRAVEL EXPENSES FOR THE ABOVE TRAINING.</b>         | 4,796      |           |
| 11                                                                                                                                                                                                                                                                                                                                       | 1        | <b>SPECIAL CONSIDERATION DISCOUNT</b>                                                                                                                                                                                                | (152,198)  | (152,198) |
| <b>NOTE: California Sales Tax is to be paid directly to the State by the County of Riverside</b>                                                                                                                                                                                                                                         |          |                                                                                                                                                                                                                                      |            |           |
| <i>The offer herein is subject to and contingent upon Buyer being cleared in Seller's Anti-Money Laundering/Know Your Customer (AML/KYC) process. Seller will not sign this Purchase Agreement unless and until this AML/KYC clearance is obtained, and failure to obtain such clearance will render the offer herein null and void.</i> |          |                                                                                                                                                                                                                                      |            |           |

NOTE: WARRANTY APPLICABLE IS SET FORTH IN PARAGRAPH 4  
OF TERMS AND CONDITIONS HEREOF.

|                                                                                                                                                                                                                          |                                                                                                                                                                    |                                                                                                |                                           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|-------------------------------------------|
| Delivery Schedule:<br>November 2020                                                                                                                                                                                      | Method of Delivery: FCA Carlsbad, CA                                                                                                                               | Total Price                                                                                    | \$11,627,000                              |
| Type of Payment:<br>COD                                                                                                                                                                                                  | Delivery date and price will be firm provided deposit is received and<br>Buyer accepts / returns this document by: 15-AUG-2019<br>FIRST COME, FIRST SERVE AIRCRAFT | 1st Deposit 20%<br>Due 15-Aug-19<br>2nd Deposit<br>Due 16-Sep-19<br>Balance Due<br>At Delivery | (2,325,400)<br>(6,756,964)<br>\$2,544,639 |
| This order is subject to the terms and conditions set forth<br>on the attached hereof except as modified hereon.                                                                                                         |                                                                                                                                                                    |                                                                                                |                                           |
| Accepted and Confirmed:<br>on this 31 <sup>st</sup> day of July 2019<br>By: <br>Airbus Helicopters, Inc.<br>Authorized Representative | Date Accepted:                                                                                                                                                     | Buyer:<br>Riverside County Sheriff's Department                                                |                                           |
|                                                                                                                                                                                                                          | Ordered By:                                                                                                                                                        |                                                                                                |                                           |
|                                                                                                                                                                                                                          | Title:                                                                                                                                                             |                                                                                                |                                           |

PREPARED BY: Kim Ford

DATE: 31 JUL 19; File: 1587 Rev II

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## TERMS AND CONDITIONS

### 1- PRICES AND TERMS OF PAYMENT

- (a) Prices shown on the Purchase Agreement (this "Purchase Agreement") are in U.S. dollars for Products F.A.F. (fly away from factory) Seller's facility or F.O.B. to a common carrier at Seller's facility and do not include packaging and crating charges, federal, state or local taxes, excise tariffs or charges, custom duties or other levies, applicable to the manufacture or sale of the Products (as hereinafter defined), which charges, taxes, tariffs or other levies will be added by Seller to the purchase price and will be paid by Buyer.
- (b) Unless otherwise specified in this Purchase Agreement, Buyer shall pay the total unpaid purchase price, plus all applicable packing and crating charges, taxes, tariffs, customs duties and charges, at the time of delivery of the Products. In the event Buyer claims sales tax exemption for purposes of this delivery which is subsequently found non-exempt by the applicable taxing authority, then Buyer agrees to reimburse Seller for any unpaid taxes, interest and penalties assessed against the aircraft purchase by the taxing authority. The term "Products" as used herein shall include helicopters, parts, spare parts, tools, and other miscellaneous equipment and services that may be deliverable hereunder. All other defined terms used herein and not otherwise defined shall have the meanings assigned to those terms as set forth in the Maintenance Manual and Flight Manual (as such manuals are revised and amended from time to time) provided by Seller with each new helicopter sold by Seller, copies of which have been supplied to Buyer.
- (c) All payments shall be made at Seller's offices in Grand Prairie, Texas, without setoff.

### 2- DELIVERY AND ACCEPTANCE

- (a) The Products shall be delivered F.A.F. Seller's facility or F.O.B., to a common carrier at Seller's facility for shipment at Buyer's expense to destinations designated by Buyer. Title to and risk of loss for Products shall pass to Buyer upon delivery thereof to Buyer at Seller's facility or upon delivery thereof to a common carrier for shipment to Buyer unless otherwise specified on the face of this Purchase Agreement.
- (b) The Products shall be accepted by Buyer by an authorized and qualified representative of Buyer after inspection and, in the case of helicopters, flight test at Seller's facility in Grand Prairie, Texas, or at such other location previously approved by Seller.
- (c) Buyer agrees to accept delivery of the Products in accordance with paragraph 2(b) hereof within ten (10) days after the delivery date set forth on the purchase agreement or, in the event delivery of the Products has been delayed by Seller, within ten (10) days after Seller shall have notified Buyer that the Products are ready for delivery.
- (d) In the event Buyer fails to accept delivery of the Products as provided herein, or fails to make any payments that may be due to Seller prior to or at delivery of any Products, or breaches any of the terms of provisions hereof, Seller may cancel this Purchase Agreement and retain all payments, including all deposits and/or down payments, theretofore made by Buyer to Seller, whether pursuant to this Purchase Agreement or otherwise, in satisfaction of any indebtedness of Buyer hereunder, and the retention by Seller of any such payments shall not preclude Seller from seeking additional or further damages from and against Buyer as Seller may elect.
- (e) Upon delivery of the Products to Buyer, Buyer shall immediately inspect the Products at its own cost and, if the Products are found not to conform to the published specifications for such Products, shall give written notice to

Seller of any claim to that effect within ten (10) days after arrival, setting forth in reasonable detail the manner in which the Products do not conform. If Buyer retains the Products after delivery without giving Seller such notice as required, such failure shall constitute an irrevocable acceptance of the Products by Buyer except with respect to defects not reasonably discoverable by such inspection.

- (f) After delivery of the helicopter, should Buyer delay flyaway from Seller's facility, Seller shall provide hangar keepers care and charge Buyer accordingly to prevailing rates. In the event Seller provides Buyer a Ferry Pak at delivery, Buyer agrees to return the Ferry Pak within 30 days from delivery date or Seller will have the right to charge Buyer accordingly for the Ferry Pak.
- (g) Seller will comply with all mandatory service bulletins and airworthiness directive prior to delivery. In the event an aircraft is delivered without final paint, it shall be delivered with a special flight permit and shall be fully capable of receiving an FAA Certificate of Airworthiness in the Standard category, with the exception of outstanding items to be completed by Buyer. In such case it will be Buyer's, or its designated completion centers, responsibility to satisfy outstanding exceptions and obtain the Certificate of Airworthiness.

### 3- DELAYS

- (a) Seller shall not be responsible for, or liable to Buyer for any damages or expenses incurred by Buyer from any failure to perform or delay in performance by Seller due, in whole or in part, to "excusable delays." An "excusable delay" is any failure to perform or delay in performance that is due to causes beyond Seller's control including, but not limited to, acts of God, earthquakes, hurricanes, tornadoes or other acts of nature, fire, explosion, acts of the public enemy, war, insurrection, sabotage, labor disputes (regardless of the reasonableness of demands of labor), shortage of labor, fuel, power or materials, or other industrial disturbances, systemic electrical, telecommunications or other utility failures failure or delays in transportation, equipment or machinery breakdown, failure or delay of Seller's sources of supplies, acts, orders or priorities (whether compliance therewith is mandatory or voluntary) of any government, state, or political subdivision or agency thereof or judicial action, embargoes, riots, acts or orders of government,. In such excusable delay event whereby Seller shall be rendered unable wholly or in part to carry out its obligations under this Agreement, then except as otherwise expressly provided in this Agreement, Seller shall give notice and reasonable details of such excusable delay in writing to the Buyer within a reasonable time after occurrence of the event. To the extent the Supplier is affected by such excusable delay, its obligations shall be suspended for a period of time equal to the time of continuance of such excusable delay event and Seller shall endeavor to remove or overcome the impact of such event with all commercially reasonable efforts.
- (b) Buyer's failure to provide, not less than 90 days prior to the scheduled delivery date, complete materials, equipment, instructions and authorizations to Seller for installation of Customer Furnished Equipment (CFE) during the assembly process, which failure causes the Product to be nonconforming at the delivery date, shall not be cause for delay in delivery acceptance pursuant to paragraphs 2(c) and 2(e) above or in payment. Any additional costs incurred by Seller as a result of having to work around or reschedule the installation of Customer Furnished Equipment (CFE) due to Buyer's failure to deliver Customer Furnished Equipment

(CFE) in a timely manner as provided above shall be invoiced to Buyer and paid by Buyer over and above the price on the Purchase Agreement at delivery. Buyer further shall provide to Seller at least 90 days prior to the scheduled delivery date a final paint scheme in order for Seller to schedule a paint booth slot, and any delay in delivery date due to Buyer's failure to provide Seller with a timely paint scheme may result in delays. Seller reserves the right to charge any additional costs incurred by Seller due to such delay.

- (c) Furthermore, any changes request(s) by the Buyer may extend the delivery date or require an adjustment to the purchase price. In order not to impact delivery schedules, the parties agree to freeze the configuration at least ninety (90) days prior to scheduled delivery date unless mutually agreed by the parties. Any configuration change request from Buyer within 90 days of delivery date will not affect aircraft delivery, and the parties will execute a separate retrofit agreement for the additional scope of work. Seller is authorized to send the Buyer an electronic sequential Confirmation Notice of Change Order by Buyer setting out the configuration change or contract revision, the adjusted purchase price, if any, and the revised delivery date. Buyer may reject, in writing or electronically, any Confirmation Notice that is unacceptable within five days of receipt of a Confirmation Notice from Seller. If timely rejected by Buyer, the Purchase Agreement, as amended, will remain in effect and the change order will lapse and not become a part of this agreement. Buyer's failure to respond timely to any Confirmation Notice will be deemed acceptance of the change order by Buyer, which will become part of the contract, as amended.

#### 4- LIMITED WARRANTY

- (a) Seller warrants each new helicopter and parts manufactured by Airbus Helicopters S.A.S. (herein referred to as the "Helicopter Manufacturer") purchased under this agreement to be free from defects in material and workmanship under normal use and service. Seller's obligation under this warranty is limited to replacing or repairing parts or tools that have been returned to Seller's facility and, at the time of any repair or replacement, shall have been recognized by Seller, in its sole discretion, as subject to this warranty. In the event a part or tool returned to Seller's facility and subject to the warranty as defined herein, is unable to be repaired then such part or tool shall be replaced with a new part or tool. To be eligible for repair or replacement under this warranty, the alleged failure must have occurred, as determined by Seller, within the following time limits:
- (1) With respect to helicopters and optional equipment manufactured by the Helicopter Manufacturer: 2000 flying hours or -36- months after they are delivered to Buyer, whichever occurs first.  
Seller agrees to credit Buyer for reasonable labor costs solely related to direct removal and re-installation incurred for approved warranty claims during the first year of warranty coverage only. The credit will be subject to prior investigation and acceptance by Seller and will be credited to Buyer's trade account for future spares orders only. All credits must be used within 1 year of issue. All compensation for labor rates will be credited at \$190/hour.
  - (2) With respect to new spare parts, the earlier of: (i) 1000 flying hours; (ii) 12 months after installation; or (iii) 24 months after delivery to Buyer; and
  - (3) With respect to tools manufactured by the Helicopter Manufacturer, 24 months after the tool is delivered to Buyer.
- (b) The warranty period on the repaired or replacement part is the warranty period that was remaining on the defective part.
- (c) As soon as possible, but no later than fifteen (15) calendar days after the discovery of a defect, the Buyer shall furnish

to the Seller, by using a warranty claim form provided by the Seller, the full details of its claim and the basis thereof. As soon as it receives the said form, the Seller will forward to the Buyer a warranty claim acknowledgment and a Return Material Authorization ("RMA") number. Within thirty (30) calendar days following the receipt of such documents the Buyer shall return the allegedly defective Parts to the Seller. If the Buyer fails to return the allegedly defective Parts in due time, the Seller reserves the right to invoice the replacement Parts which have been ordered or produced for the Buyer at the price stated in the relevant Seller's price list in force, or in the relevant quotation. Risk of loss for transportation of parts to Seller shall be borne entirely by Buyer. Upon return of parts from Seller to Buyer, the risk of loss for transportation shall be borne entirely by Seller. Other than shipping costs from AHI to Buyer, any insurance, customs expenses and other charges, as well as the expenses incurred by Buyer for the removal, re-installation and related costs and expenses with respect to such part or parts, shall be borne by Buyer. With AHI approval by Warranty Administrator, selected parts may be retained at Buyer's site to be scrapped locally. Claims will not be processed until a completed claim by Buyer has been approved in writing by a Technical Representative of AHI and forwarded to and received by the AHI Warranty office, Grand Prairie, Texas.

**Note: Parts/Components ordered as replacement parts must be acknowledged as "warranty replacements" at the time of order.**

- (d) This warranty shall apply only to the extent the helicopter and the parts installed therein are operated and maintained in accordance with the instructions contained in the Flight Manual, the airframe or component Maintenance Manual (whichever is applicable), the Helicopter Manufacturer's and/or Seller's service bulletins, service letters or telexes, alert telexes, and maintenance notices, any other technical documentation or service information supplied by Seller to Buyer, and any revisions to any of the foregoing. This warranty shall apply to spares only to the extent they are properly stored and installed, operated, and maintained in accordance with the instructions contained in the Flight Manual, the airframe or component Maintenance Manual (whichever is applicable), the Helicopter Manufacturer's and/or Seller's service bulletins, service letters or telexes, alert telexes, and maintenance notices, any other technical documentation or service information supplied by Seller to Buyer, and any revisions to any of the foregoing. Seller's warranty shall not be enlarged, diminished, or affected by, and no obligation or liability shall arise out of, Seller's rendering technical advice, assistance or service in connection with the products purchased hereunder.
- (e) If Buyer modifies any helicopter or part sold hereunder in any manner for which Buyer has not received the prior written approval of Seller, such modification shall cause this warranty to terminate and be of no further force and effect.
- (f) This warranty shall not apply to any helicopter or part which has been repaired or altered outside Seller's factory in any way so as, in Seller's sole discretion, to affect its stability, safety or reliability, or which has been subject to misuse, common neglect, abuse, negligence or accident.
- (g) The word "part" as used in this Agreement means "a detail part with reference to a part number shown on a drawing parts list provided" by the Helicopter Manufacturer.
- (h) This warranty may not be extended, altered or varied unless a prior written agreement is signed between Buyer and Seller. This warranty is granted to Buyer personally and shall not be assigned by Buyer without Seller's prior written consent.
- (i) **SELLER AND THE HELICOPTER MANUFACTURER DISCLAIM AND EXCLUDE FROM THIS AGREEMENT ALL OTHER WARRANTIES, INCLUDING, BUT NOT LIMITED TO, STATUTORY WARRANTIES, OTHER EXPRESS WARRANTIES, AND ANY IMPLIED WARRANTIES, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF**

**MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.** THE EXPRESS WARRANTY SET FORTH ABOVE IS GIVEN IN LIEU OF: (i) ALL OTHER WARRANTIES AND (ii) ANY OBLIGATION OR LIABILITY OF, RIGHT OR CLAIM AGAINST, OR REMEDY FROM SELLER OR THE HELICOPTER MANUFACTURER, IN CONTRACT OR IN TORT, INCLUDING PRODUCTS LIABILITY BASED ON SELLER'S OR THE HELICOPTER MANUFACTURER'S STRICT LIABILITY OR SELLER'S OR THE HELICOPTER MANUFACTURER'S NEGLIGENCE. THE RIGHTS AND REMEDIES PROVIDED IN THIS AGREEMENT ARE EXCLUSIVE IN CONNECTION WITH THE SALE OF THE HELICOPTER MANUFACTURER'S AND SELLER'S PRODUCT(S). THE STATED EXPRESS WARRANTY PROVIDED HEREIN IS IN LIEU OF ANY AND ALL LIABILITIES OR OBLIGATIONS OF THE HELICOPTER MANUFACTURER OR OF SELLER FOR ANY INJURIES, BODILY HARM, OR DAMAGES OF ANY TYPE, INCLUDING, BUT NOT LIMITED TO, ALL INCIDENTAL OR CONSEQUENTIAL DAMAGES, ALL LOSS, DAMAGE OR EXPENSE ARISING OUT OF OR IN CONNECTION WITH THE USE, LOSS OF USE, PERFORMANCE, OR NON-PERFORMANCE OF THE HELICOPTER MANUFACTURER'S AND/OR SELLER'S PRODUCTS, AND DAMAGES FROM ANY OTHER CAUSE.

THE HELICOPTER MANUFACTURER AND SELLER MAKE NO WARRANTY WITH RESPECT TO TURBINE ENGINES OR AVIONICS EQUIPMENT. FOR WARRANTY ON THESE EXCLUDED PARTS, BUYER MUST LOOK TO THE ORIGINAL MANUFACTURER. AT BUYER'S WRITTEN REQUEST, SELLER WILL ASSIGN TO BUYER ANY WARRANTY RIGHTS IT MAY HAVE RECEIVED WITH RESPECT TO SUCH ITEMS OR PARTS TO THE EXTENT SUCH RIGHTS ARE ASSIGNABLE. NORMAL WEAR AND TEAR OF PARTS SUCH AS SEALS, TIRES, INNER TUBES, BULBS, LEAD-ACID BATTERIES, PACKINGS, AND SIMILAR CONSUMABLE PARTS, AS WELL AS THOSE PARTS WHOSE LIST PRICE IS \$50.00 OR LESS, ARE EXCLUDED FROM COVERAGE UNDER THIS WARRANTY.

### 5- TECHNICAL PUBLICATIONS

- (a) Seller shall supply at no additional cost to Buyer:
  - (1) One interactive electronic support O.R.I.O.N (Optimized Reader for Internet and Other Networks) with the documentation necessary for the maintenance and for the identification of parts for operation and routine servicing, for each helicopter delivered. The Buyer has access through e-TechPub on Keycopter to:
    - o O.R.I.O.N Full Online for reading only
    - o O.R.I.O.N Light Online for download
  - (2) One Hard Copy of
    - o The Flight Manual, for each of Buyer's helicopter. The Flight Manual will be customized to Buyer's specific configuration at delivery.
  - (3) Access to Technical Information Publication on Internet (T.I.P.I.) for:
    - o The Service Bulletins and their subsequent updates;
    - o The Master Servicing Manual.
  - (4) At no additional cost for three (3) years:
    - o One (1) electronic support (EVIDOC CMM) with the documentation necessary for the maintenance of the components installed on the helicopter, and for which the suppliers have granted copyrights to Airbus Helicopters, for each helicopter purchased. The Buyer has access to the technical publication through e-TechPub on Keycopter.

- (5) The technical publication is initially provided at the latest available revision level.
- (6) Seller shall supply at no additional cost and as long as the helicopter is in operation, the updated of O.R.I.O.N and of the Flight Manual. The Master Servicing Manual and the Service Bulletins will be updated on T.I.P.I.

### 6- TRAINING

- (a) **Pilot Training**
  - (1) Seller shall provide at its facilities in Grand Prairie, Texas, transition training for -4- of Buyer's pilots who are proficient in helicopter flying for each new helicopter purchased hereunder provided i) such training is commenced within one (1) year of the delivery date hereunder, and ii) all pilots attend a scheduled ground school course. Separate ground schools are subject to additional pricing. Such flight training for each pilot shall be performed in the helicopter(s) purchased by Buyer hereunder after transfer of title to the helicopter(s) to Buyer, unless the parties specifically agree otherwise. Transition training shall consist of flight training with up to eight (8) flight hours per pilot (depending on proficiency of the pilot) with formal ground school. Seller reserves the right to set minimum competency requirements for any pilot to be trained hereunder and to refuse to train any pilot not meeting those requirements.
  - (2) Buyer may elect to have more than -4- of his qualified pilots trained hereunder. Buyer shall be charged at the prevailing rate established by Seller for each additional pilot to be trained.
  - (3) Buyer acknowledges that the transition procedures include, in addition to standard flight operations, the actual performance of emergency flight procedures simulating non-standard flight conditions. Buyer hereby accepts the risk of injury, loss, and damage associated with instruction in emergency flight procedures.
  - (4) Buyer hereby assumes all risk of loss, injury and damage to Buyer's helicopter(s), employees, representatives or agents during any training including without limitation, consequential or incidental damages, loss of use or injury, regardless of cause or fault, and Buyer waives all right of recovery and subrogation against Seller, and its employees and agents for any such damage, injury or loss so sustained; provided, however, that this waiver and assumption of risk shall only apply to losses other than Product failures for which Seller may be responsible under the warranty provisions of this purchase agreement, in which case Seller's liability to Buyer, if any, shall be limited in accordance with the terms of that warranty. Buyer hereby warrants that Buyer's hull insurer has acknowledged this waiver of subrogation.
- (b) **Maintenance Training**
  - (1) For each new helicopter purchased hereunder, Seller will provide, in the Dallas/Fort Worth area, a ground course covering field maintenance on the engine and airframe. Buyer may elect to send up to -2- of its qualified mechanics to any scheduled Airframe Field Maintenance courses during the 6 months prior to delivery or up to 1 year after delivery. Buyer may elect to send up to -2- of its qualified mechanics to any scheduled Avionics courses during the 6 months prior to delivery or up to 1 year after delivery. Seller reserves the right to set minimum competency requirements for any mechanic to be trained hereunder and to refuse to train any mechanic not meeting those requirements.
  - (2) Buyer may elect to have more than -2- of his qualified mechanics trained hereunder. Buyer shall be charged at the prevailing rate established by Seller for each additional mechanic to be trained.

(c) **General**

- (1) Buyer shall be responsible for loss or injury to Buyer's property, employees, representatives or agents at all times while at Seller's facilities when conversion or maintenance training is a reason for such time spent at Seller's facilities. Furthermore, Buyer shall hold Seller, its employees and agents harmless for any such loss or injury to the extent not caused directly and solely by Seller's gross negligence or willful misconduct.
- (2) All expenses and liabilities of Buyer or Buyer's personnel for travel to and from, and stay in, the Dallas/Fort Worth, Texas area shall be borne by Buyer. Seller reserves the right to refuse to provide training to any pilot or mechanic at its sole discretion.
- (3) The training and technical assistance provided for herein applies only to the original purchase of a new helicopter and is not transferable.

### 7- PRICE ADJUSTMENT AND PRODUCT SPECIFICATION CHANGE

- (a) Pursuant to new manufacturing or engineering requirements, obsolescence or new regulations, the Seller shall be entitled to carry out modifications without the consent of the Customer, provided such modifications do not affect the specification, performance of the Product, Services or delivery time. Should the requirements affect specification, performance of the Product and/or Services, related costs and/or delivery time, the Seller and the Customer shall mutually agree in writing to an equitable adjustment in the price and/or schedule to reflect the contractual consequences.
- (b) Any Customer requested changes which result in an impact to cost and/or schedule require prior written agreement of the Seller and the Customer to an equitable adjustment in price and/or schedule to reflect the contractual consequences.

### 8- DELIVERY AND ACCEPTANCE OF TRADE-IN AIRCRAFT

- (a) Buyer must tender trade-in aircraft for acceptance by Seller in an airworthy condition and must satisfy all of the following conditions:
  - (1) trade-in aircraft's engine(s) must pass power assurance checks conducted by Seller in its acceptance inspection of the aircraft;
  - (2) Buyer must deliver to Seller complete and accurate airframe and engine records showing compliance with all airworthiness directives and mandatory service bulletins applicable to trade-in aircraft;
  - (3) Buyer must deliver to Seller a complete set of updated maintenance manuals for trade-in aircraft unless originally delivered by CD ROM;
  - (4) trade-in aircraft must have no damage history or corrosion, unless acknowledged and accepted by Seller;
  - (5) Buyer must convey title to the trade-in aircraft free and clear of any liens, claims, security interests, charges or encumbrances of any kind;
  - (6) Buyer must deliver to Seller all standard ground handling equipment and protective covers for the trade-in aircraft;
  - (7) all equipment and systems installed on the trade-in aircraft at the time of the detailed inspection by Seller, which is provided for in paragraph 8(b) below, must be installed and fully operational and, if no detailed inspection is conducted, then all equipment and systems installed on the trade-in aircraft at the acceptance inspection by Seller, which is provided for in paragraph 8(b) below, must be installed and fully operational;

- (8) no life-limited component installed on the aircraft at the time of the detailed inspection by Seller (provided for in paragraph 8(b) below) can be replaced thereafter unless required for the aircraft to remain airworthy, in which case the replacement component must have a time remaining value equal to, or greater than, the unit being replaced; and
- (9) annual and/or other periodic inspection(s) as specified by Seller must be completed within the period(s) specified by Seller.

Seller will accept title to trade-in aircraft upon Buyer's compliance with all of the conditions enumerated above.

- (b) Seller shall be entitled to conduct a detailed inspection of the trade-in aircraft at Buyer's facility at a mutually agreeable time following execution of the Purchase Agreement by both parties. Seller shall be entitled to conduct an acceptance inspection of trade-in aircraft at Buyer's facility within a specified period of time acceptable to Seller following the date on which Buyer tenders the trade-in for acceptance by Seller by giving notice of tender in accordance with the notice provisions herein. The delivery date for Buyer to tender the trade-in to Seller for acceptance is specified on the face of this Purchase Agreement.
- (c) Any trade-in amount set forth in this Purchase Agreement will be contingent upon and subject to AHL's acceptance of the applicable trade-in aircraft. If Buyer fails to comply with any of the conditions in paragraph 8(a), all costs necessary to correct the deficiencies, if correctable, will be borne by Buyer and all such deficiencies must be corrected to Seller's satisfaction before it shall be obligated to accept title to the trade-in aircraft. If Buyer fails to comply with any condition in paragraph 8(a) as of the delivery date specified herein for the trade-in aircraft, Seller, in its sole discretion, may specify, then or at any time thereafter, a period of time by which Buyer must cure the deficiencies to Seller's satisfaction; however, Seller is not obligated to allow Buyer any period of time to cure any such deficiencies. If Buyer fails to comply with paragraph 8(a), Seller may elect not to accept the trade-in aircraft, in which case the net purchase price owing by Buyer shall be adjusted accordingly. Any amount owing to Seller as a result of any such adjustment shall be due from and payable by Buyer on the payment terms specified on the face of this Purchase Agreement unless otherwise specified herein. Seller, at its option, shall be entitled to hold back \$0.00 at time of delivery until such time as it can conduct a detailed inspection of the trade-in aircraft. Seller will return the holdback to Buyer, or any portion owing thereof, within thirty (30) days of the delivery date provided the trade-in aircraft requires no maintenance actions under paragraph 8(a), normal wear and tear excepted.
- (d) Buyer represents and warrants that when it conveys title to the trade-in aircraft to Seller:
  - (1) Buyer will have good and marketable title to said aircraft;
  - (2) Buyer will be the sole owner of said aircraft; and
  - (3) Buyer will be duly authorized and entitled to sell, transfer, convey, and assign all of its right, title and interest in and to said aircraft and will not violate any agreement or provision thereof by doing so.
- (e) In the event Seller shall acquire title to trade-in aircraft subject to any liens, claims, security interests, charges or encumbrances, Buyer shall promptly cause any such liens, claims, security interests, charges or encumbrances to be terminated, released, or otherwise discharged and shall hold Seller harmless against any liability arising from, relating to, or based upon any such lien, claim, security interest, charge, or encumbrance.

### 9- GENERAL

- (a) This Purchase Agreement and the rights of the parties hereto shall in every respect be governed by and construed in accordance with the substantive laws of the State of

California without reference to the laws of any other state or jurisdiction. Buyer hereby irrevocably consents and agrees that any legal proceeding arising out of or in connection with this Agreement or the rights of the parties hereto may be commenced and prosecuted to conclusion in Riverside County, California.

- (b) Buyer shall neither assign any rights nor delegate any duty under this Purchase Agreement without the prior written consent of Seller.
- (c) The undersigned signatory for Buyer hereby represents that he/she is Buyer's authorized representative and that Buyer is fully authorized and empowered to enter into this Purchase Agreement and has full authority to perform the terms and conditions hereof. This Purchase Agreement may be executed in multiple counterparts which together shall constitute the original hereof. The signature of either party exchanged by facsimile transmission or electronically via email shall be binding to the same extent, and have the same force and effect, as the exchange of an original written signature.
- (d) The language of each provision of this Purchase Agreement shall be construed as it relates to the entire agreement and accorded its fair meaning without regard to the person who drafted all or any part of this Purchase Agreement.
- (e) If any part of this Purchase Agreement shall be held by any court of competent jurisdiction to be illegal or unenforceable, the rest of this Purchase Agreement shall not be affected and shall remain in full force and effect.
- (f) Nothing in this Purchase Agreement shall constitute or create a joint venture, partnership, agency, or any similar relationship between Buyer and Seller. Buyer agrees to take such other action and to execute and deliver such agreements or other documents as may be reasonably necessary or desirable to carry out the purposes of the provisions of this Purchase Agreement.
- (g) This Purchase Agreement may be executed and delivered by electronic means and upon such delivery the electronic signature shall constitute effective execution and is fully binding between the parties for all purposes.

### 10- NOTICES

All notices, requests, and other communications hereunder shall be in writing and shall be deemed to be given and received (a) when personally delivered by hand to the recipient or (b) three (3) days after deposit in registered or certified first class U.S. mail (or comparable national postal system, if appropriate), postage prepaid, or (c) transmitted by facsimile or electronically via email to the recipient at the address set forth under such recipient's name on the first page of this Purchase Agreement.

### 11- MODIFICATIONS

This Purchase Agreement constitutes the final written expression of all the terms of this Purchase Agreement and is the complete and exclusive statement of those terms. No modification or amendment, except for approved change order, made to the printed terms and conditions of this Purchase Agreement shall be effective until both parties shall have signified their acceptance thereto by separately initialing each modification or amendment. Any subsequent modification, amendment, or waiver to this Purchase Agreement must be in writing and signified by both Buyer and Seller. In the event of any contradictions and/or discrepancies between the parts of the Contract, precedence shall be given in the following decreasing order:

1. Purchase Agreement
2. Terms and Conditions of the Contract
3. Any other Annexes and /or appendices in their order of appearance

### 12- IMPORT/EXPORT ACKNOWLEDGEMENT

The Goods, Parts, Tooling, and Data covered by this Agreement may be subject to governmental rules and regulations including but not limited to the provisions of US Customs and Border Protection laws (Title 19 of the US Code) and regulations (Title 19 of the Code of Federal Regulations), the Export Administration Act of 1979 (50 USC 2401 et seq.), the Export Administration Regulations (EAR) promulgated thereunder (15 CFR 768-799), the US Arms Export Control Act (22 USC 2778 et seq.), the International Traffic in Arms Regulations (ITAR) (22 CFR 120-128 and 130), and non-U.S. export laws and regulations.

Buyer acknowledges that (1) these US statutes and regulations impose restrictions on the import from and export to countries outside the US of certain categories of goods, and data, (2) licenses from the US Department of State and/or the US Department of Commerce may be required before such goods, and data can be exported and in some cases, imported, (3) these licenses may impose additional restrictions on use and further disclosure of such goods and data, and (4) the export or disclosure of such goods and data to foreign persons is subject to these statutes, regulations, license requirements and restrictions regardless of whether the export occurs in the US or abroad. Notwithstanding the foregoing, the obligation to comply with such regulation shall survive any novation, assignment, or transfer of obligation between the parties.





**WIRE TRANSFER**  
**Submission Instructions**

REQUIREMENTS RE: SUBMISSION OF US FUNDS TO AHI VIA WIRE TRANSFER

AIRBUS HELICOPTERS, INC.  
C/O BANK OF AMERICA  
115 WEST 42<sup>ND</sup> STREET  
NEW YORK, NY 10036  
ACH/EFT ABA# 111000012  
Wire ABA # 026009593  
AHI Account # 4427299827

Fed ID#: 75-2416720

**PLEASE REFERENCE THE FOLLOWING IDENTIFYING DETAILS: INVOICE #, AIRCRAFT MODEL  
& SERIAL NUMBER, PURCHASE AGREEMENT NUMBER**

A handwritten signature, possibly reading 'LB', is located in the bottom right corner of the page.

# AIRBUS



## H145

Riverside County  
Sheriff's Department

The helicopter shown is for illustrative purposes only and may not be an exact representation of the product defined in this Purchase Agreement.

AUG 08 2015

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|--------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| <b>Customer:</b><br>Riverside County Sheriff's Department<br>4850 W. Stetson Avenue<br>Hemet, CA 92545 | <b>Phone:</b> 951-925-9591<br><br><b>Contact:</b> Curtis Bright | <b>Date Prepared:</b> 31 July 2019<br><b>Revision</b> V<br><br><b>Contract N°:</b> V-7104 |
|--------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|-------------------------------------------------------------------------------------------|

| Item N°                   | Quantity | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Unit Price | Total                               |
|---------------------------|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-------------------------------------|
| 1                         | 1        | <b>New, H145 DP/SP IFR, S/N 20280, to include:</b><br>3-COLOR EXTERIOR PAINT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 9,082,361  | <b>US FUNDS</b><br><b>9,082,361</b> |
| 2                         | 1        | <b>STANDARD DP/SP IFR EQUIPMENT: Factory Installed</b><br>4-AXIS AUTOMATIC FLIGHT CONTROL SYSTEM<br>BLEED AIR HEATING<br>VENTILATION FOR AVIONICS DECK<br>2ND PORTABLE FIRE EXTINGUISHER<br>COPILOT FLIGHT CONTROLS<br>INSTRUMENT PANEL EXTENSION ON COPILOT SIDE<br>BATTERY TYPE SAFT 40AH - FIXED PARTS<br>S/L LIGHT LED; WITH IR MODE<br>SLANT PANEL<br>VECTOR MAST MOMENT SYSTEM                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | INCL       | INCL                                |
| 3                         | 1        | <b>AIRFRAME EQUIPMENT: Factory Installed</b><br>ACTIVE VIBRATION CONTROL SYSTEM (AVCS)<br>ADDITIONAL ELECTRICAL UNIT<br>AIR CONDITIONING SYSTEM (ACS)<br>CABLE CUTTER SYSTEM, FIXED PROVISIONS<br>COLLECTIVE CONTROL GUARD, PILOT/COPILOT<br>ELECTRICAL HEATING SYSTEM<br>ENGINE COMPRESSOR WASH KIT<br>ENVIRONMENTAL CONTROL SYSTEM (ECS)<br>FUEL MANAGEMENT SYSTEM (FUEL FLOW METERS)<br>FUZZ BURNER FOR ENGINES, MAIN TRANSMISSION AND FENESTRON® GEARBOX<br>STANDARD PILOT SEAT<br>STANDARD COPILOT SEAT<br>IMPROVED HEAT PROTECTION FOR ENGINE COWLING LH & RH<br>INLET BARRIER FILTER SYSTEM<br>MAP CASE IN COPILOT DOOR<br>MAP CASE ON INSTRUMENT PANEL GLARE SHIELD<br>PASSENGER SEATING, 8 CLUB SEATS (STANDARD ARRANGEMENT)<br>PEDAL COVER FOR COPILOT FLIGHT CONTROLS<br>SLIDING DOOR FASTENER, INTERMEDIATE AND MAX POSITION, RH & LH<br>STANDARD COCKPIT, CABIN AND CARGO COMPARTMENT - NVG COMPATIBLE<br>SOUNDPROOFING KIT<br>TINTED SUN SHADES FOR COCKPIT WINDSHIELD ROOF SECTION                                                                      | INCL       | INCL                                |
| 4                         | 1        | <b>STANDARD AVIONICS: Factory Installed</b><br>AVIONICS PACKAGE DP IFR GTN 750<br>DIGITAL VOICE CONTROL SYSTEM (DVCS 6100), INC. ACU 6100 (BECKER), PILOT & COPILOT<br>AVIONICS PACKAGE DP IFR GTN 750 INTERCONNECTION / WIRING<br>DISTANCE MEASURING EQUIPMENT DME-4000 (ROCKWELL COLLINS)<br>FLIGHT DISPLAY SUBSYSTEM (FDS), COPILOT<br>GPS/NAV/COM GTN 750 (GARMIN), COPILOT, INTERFACED WITH FDS<br>GPS/NAV/COM GTN 750 (GARMIN), PILOT, INTERFACED WITH FDS<br>MARKER BEACON RECEIVER MKR3300-1 (BECKER)<br>TRANSPONDER (MODE S) GTX 335R (GARMIN)<br>RADAR ALTIMETER<br>COCKPIT VOICE AND FLIGHT DATA RECORDER (CVFDR), FIXED PROVISIONS<br>EMERGENCY LOCATOR TRANSMITTER (ELT)<br>HEADSET ADAPTER CABLE CREW GLENAIR/U92, (2 EA)<br>HEADSET ELECTRICAL POWER SUPPLY (28 VDC), FIXED PROVISIONS<br>HELICOPTER TERRAIN AWARENESS AND WARNING SYSTEM (H-TAWS) HELIONIX<br>LIGHTWEIGHT AIRCRAFT RECORDING SYSTEM (LARS) ALERTS VISION 1000 (APPAREO)<br>SBAS RNP APPROACH CAPABILITY<br>SYNTHETIC VISION SYSTEM (SVS)<br>TRAFFIC ADVISORY SYSTEM TAS 620A / AVIDYNE | INCL       | INCL                                |
| 5                         | 1        | <b>ADDITIONAL AIRFRAME OPTIONS: AHD INSTALLED</b><br>CABLE CUTTER SYSTEM, DETACHABLE PARTS<br>HEALTH MONITORING SYSTEM (HMS), FIXED PROVISIONS<br>PROFESSIONAL GROUND STATION (PGS) VISION SYSTEM<br>LAPTOP FOR PROFESSIONAL GROUND STATION (PGS) VISION SYSTEM<br>JETTISONABLE COCKPIT DOORS<br>JETTISONABLE SLIDING DOORS<br>LASHING POINTS - 60 KTS<br>MAP CASES IN SLIDING DOORS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | INCL       | INCL                                |
| SEE PAGE THREE FOR TOTALS |          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |            |                                     |

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| Customer:<br>Riverside County Sheriff's Department<br>4850 W. Stetson Avenue<br>Hemet, CA 92545 |  | Phone: 951-925-9591    | Date Prepared: 31 July 2019<br>Revision V |
|                                                                                                 |  | Contact: Curtis Bright | Contract N°: V-7104                       |

| Item N°                   | Quantity | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Unit Price | Total     |
|---------------------------|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-----------|
| 5                         |          | <b>ADDITIONAL AIRFRAME OPTIONS: AHD INSTALLED Continued</b><br>TINTED PUSH-OUT CABIN WINDOWS<br>TINTED WINDOWS IN SLIDING DOORS<br>TINTED WINDOW IN CABIN                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |            |           |
| 6                         | 1        | <b>ADDITIONAL AIRFRAME OPTIONS: AHI INSTALLED</b><br>BATTERY - LEAD ACID, RG-380E/44 - AHI/CONCORDE STC[SR09298RC-D]<br>INTERIOR - LONCOIN FLOORING IN COCKPIT & CABIN                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | INCL       | INCL      |
| 7                         | 1        | <b>ADDITIONAL AVIONICS OPTIONS: AHI INSTALLED</b><br>HELIONIX LAPTOP<br>BOSE HEADSETS JACKS / 323172-0010 / NEXUS<br>VIDEO INPUTS FOR HELIONIX CONFIGURATION FILE TURNED ON FOR ADDITIONAL CAMERA INPUTS<br>AND/OR RADAR FEEDS - <b>SHORTAGE AT DELIVERY, PROVIDED AFTER VENDOR COMPLETION</b><br>ENGINEERING AND INDUSTRY SUPPORT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | INCL       | INCL      |
| 8                         | 1        | <b>ADDITIONAL FACTORY EQUIPMENT: AHI INSTALLED</b><br>MULTI-PURPOSE FITTINGS IN CABIN - RH<br>MULTI-PURPOSE FITTINGS IN CABIN - LH<br>MULTI-PURPOSE FITTINGS IN CABIN - FWD RH<br>MULTI-PURPOSE FITTINGS IN CABIN - FWD LH<br>ATTACHMENT RING IN CEILING, LH<br>ATTACHMENT RING IN CEILING, RH<br>SPOILER FOR COCKPIT DOORS<br>EXTERNAL MULTIPURPOSE CAMERA ON TAILBOOM<br>EXTERNAL REAR-VIEW CAMERA<br>DOUBLE CARGO HOOK - FIXED PROVISIONS<br>DOUBLE CARGO HOOK - DETACHABLE PARTS<br>DUAL CARGO HOOK WEIGHING SYSTEM, FIXED PROVISIONS<br>DUAL CARGO HOOK WEIGHING SYSTEM, DETACHABLE PARTS<br>SEPARATION CURTAIN FOR COCKPIT/CABIN, FIXED PROVISIONS<br>SEPARATION CURTAIN FOR COCKPIT/CABIN, REMOVABLE PARTS<br>EXTERNAL HOIST - LH SIDE FIXED PROVISIONS<br>EXTERNAL HOIST (WITHOUT HOOK), DETACHABLE PARTS<br>EXTERNAL HOIST HOOK AND STANDARD DAMPER<br>EXTERNAL HOIST OBSERVATION LIGHT, LH FIXED PROVISIONS<br>EXTERNAL HOIST OBSERVATION LIGHT, DETACHABLE PARTS<br>TEFLON COATING FOR CABLE DEFLECTOR ON LH LANDING GEAR<br>TEFLON COATING FOR CABLE DEFLECTOR ON RH LANDING GEAR<br>EXTERNAL ROPE DOWN DEVICE, RH FIXED PROVISIONS<br>EXTERNAL ROPE DOWN DEVICE FOR 2/1 PERSONS, DETACHABLE PARTS<br>MOVING MAP - HELIONIX (DMAO)<br>PCF FILE<br>NAME PLATES<br>HI-VIS PAINT ON MAIN ROTOR BLADES | 1,382,667  | 1,382,667 |
| 9                         | 1        | <b>MANAGED COMPLETION: HANGAR ONE</b><br>REAR ACU-6100 AUDIO MIXER PANEL, W/ TRANSMIT ON LH/RH OUTBOARD STATIONS. HEADSET JACKS<br>AT PAX LOCATIONS & NEAR CLAMSHELL DOORS - TJ120 MIXER PANEL WILL BE ADDED TO EXISTING<br>BECKER DVS SYS.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 36,587     | 1,248,753 |
|                           | 1        | MAINTENANCE COIL CORD COMM INNOVATIONS (25FT EACH) - QTY (2) / CIX211L/50-74M                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 1,974      |           |
|                           | 1        | COMM INNOVATIONS CORD ASSEMBLIES - QTY (8) / CIX414HK3-6P                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 7,435      |           |
|                           | 1        | COPILOT FOOT SWITCH - LINE MASTER / M8805/55-01                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 6,748      |           |
|                           | 1        | GARMIN GTX-345 ADSB IN / OUT TRANSPONDER W/ VERTICAL MOUNTING TRAY, INTERFACED TO GTN'S                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 25,933     |           |
|                           | 1        | TDFM-9300 RADIO / 111267-2-93-A41-A32-T1-P93003                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 165,338    |           |
|                           | 1        | FOXTRONICS VHF LO BAND ANTENNA TUNER WITH ROD. / FLX-3050B                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 26,335     |           |
|                           | 1        | (4) ANTENNAS FOR TDFM-9300 RADIO.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 20,127     |           |
|                           | 1        | AFT CROSSTUBE SCENE LIGHTS (MIMIC LVMPD)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 24,031     |           |
|                           | 1        | AERO DYNAMIX COCKPIT NVG STC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 82,023     |           |
|                           | 1        | BAMBI BUCKET ELECTRICAL PROVISIONS ONLY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 18,270     |           |
|                           | 1        | FLIR 380HDC FIXED ELECTRICAL PROVISIONS (LH FWD MOUNTED) ONLY.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 93,415     |           |
|                           | 1        | TRAKKA A800 SYSTEM MOUNTED RH FWD WITH DOVETAIL MOUNT UPPER.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 171,848    |           |
|                           | 1        | HOIST LIPSTICK CAMERA (DOWN FACING)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 20,740     |           |
|                           | 1        | AEM LS600 PA SYSTEM W/ DUAL HORNS AND AEM CONTROLLER. INCL AMP AND AIRFILM PA BRACKET.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 58,967     |           |
|                           | 1        | AIRFILM STEP MOUNT LH AND RH - QTY (2)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 53,069     |           |
|                           | 1        | AIRFILM PAYLOAD MOUNTS WITH DOVETAIL SETS (FLIR, PA, SEARCHLIGHT) - QTY (3)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 41,131     |           |
|                           | 1        | AEROCOMPUTERS UC6000 MAPPING COMPUTER WITH RHOTHEA INTERFACE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 221,544    |           |
|                           | 1        | INSTRUMENT PANEL MODIFICATION TO ACCOMMODATE A STOWABLE 12" MACRO BLUE MONITOR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 32,701     |           |
|                           | 1        | MACRO BLUE MB12W MONITOR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 35,883     |           |
|                           | 1        | COPILOT XMT/ICS SWITCH                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 6,081      |           |
| SEE PAGE THREE FOR TOTALS |          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |            |           |

|                                                                                                 |                                               |                                                                  |
|-------------------------------------------------------------------------------------------------|-----------------------------------------------|------------------------------------------------------------------|
| Customer:<br>Riverside County Sheriff's Department<br>4850 W. Stetson Avenue<br>Hemet, CA 92545 | Phone: 951-925-9591<br>Contact: Curtis Bright | Date Prepared: 31 July 2019<br>Revision V<br>Contract N°: V-7104 |
|-------------------------------------------------------------------------------------------------|-----------------------------------------------|------------------------------------------------------------------|

| Item N°                                                                                                                                                                                                                                                                                                                           | Quantity | Description                                                                                                                                                                                                                          | Unit Price | Total     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-----------|
| 9                                                                                                                                                                                                                                                                                                                                 |          | <b>MANAGED COMPLETION: HANGAR ONE Continued</b>                                                                                                                                                                                      |            |           |
|                                                                                                                                                                                                                                                                                                                                   | 1        | TIS AUDIO ON/OFF SWITCH                                                                                                                                                                                                              | 6,081      |           |
|                                                                                                                                                                                                                                                                                                                                   | 1        | ICS JACKS - QTY (9)                                                                                                                                                                                                                  | 12,045     |           |
|                                                                                                                                                                                                                                                                                                                                   | 1        | INCANDESCENT LANDING / TAXI LIGHTS INCANDESCENT. REMOVE STD. BULBS GIVE CUSTOMER. - QTY (                                                                                                                                            | 1,317      |           |
|                                                                                                                                                                                                                                                                                                                                   | 1        | CUSTOMER SUPPLIED 800MHZ MOTOROLA MOBILE RADIO SYSTEM                                                                                                                                                                                | 35,747     |           |
|                                                                                                                                                                                                                                                                                                                                   | 1        | CUSTOMER SUPPLIED AVL TRACKING SYSTEM                                                                                                                                                                                                | 14,833     |           |
|                                                                                                                                                                                                                                                                                                                                   | 1        | TOUCH UP PAINT AFTER COMPLETION                                                                                                                                                                                                      | 7,049      |           |
|                                                                                                                                                                                                                                                                                                                                   | 1        | FERRY AIRCRAFT FROM AHI TO HANGAR ONE                                                                                                                                                                                                | 21,501     |           |
| 10                                                                                                                                                                                                                                                                                                                                |          | <b>ADDITIONAL PROVISIONS: CUSTOMIZED TRAINING PROGRAM</b>                                                                                                                                                                            |            | 65,417    |
|                                                                                                                                                                                                                                                                                                                                   | 1        | CREDIT STANDARD TRAINING                                                                                                                                                                                                             | (79,150)   |           |
|                                                                                                                                                                                                                                                                                                                                   | 1        | <b>PILOT TRAINING:</b><br>FOUR (4) H145 INITIAL PILOT TRANSITION COURSES, GROUND SCHOOL IN GRAND PRAIRIE, TX<br>WITH FLIGHT TRAINING IN CUSTOMER AIRCRAFT. MINIMUM OF TWO (2) STUDENTS PER CLASS,<br>MUST ATTEND A SCHEDULED COURSE. | 98,880     |           |
|                                                                                                                                                                                                                                                                                                                                   | 1        | <b>MAINTENANCE TRAINING:</b><br>TWO (2) H145 FIELD MAINTENANCE COURSES IN GRAND PRAIRIE, TX. MUST ATTEND A<br>SCHEDULED COURSE.                                                                                                      | 23,278     |           |
|                                                                                                                                                                                                                                                                                                                                   | 1        | <b>AVIONICS COURSE:</b><br>TWO (2) H145 AVIONICS COURSES IN GRAND PRAIRIE, TX. MUST ATTEND A SCHEDULED COURSE.                                                                                                                       | 17,613     |           |
|                                                                                                                                                                                                                                                                                                                                   | 1        | <b>ENGINE TRAINING:</b><br>TWO (2) ARRIEL FIELD MAINTENANCE LEVEL 1 COURSES IN GRAND PRAIRIE, TX. MUST ATTEND A<br>SCHEDULED COURSE.<br><b>NOTE: CUSTOMER IS RESPONSIBLE FOR ALL TRAVEL EXPENSES FOR THE ABOVE TRAINING.</b>         | 4,796      |           |
| 11                                                                                                                                                                                                                                                                                                                                | 1        | <b>SPECIAL CONSIDERATION DISCOUNT</b>                                                                                                                                                                                                | (152,198)  | (152,198) |
| <b>NOTE: California Sales Tax is to be paid directly to the State by the County of Riverside</b>                                                                                                                                                                                                                                  |          |                                                                                                                                                                                                                                      |            |           |
| The offer herein is subject to and contingent upon Buyer being cleared in Seller's Anti-Money Laundering/Know Your Customer (AML/KYC) process. Seller will not sign this Purchase Agreement unless and until this AML/KYC clearance is obtained, and failure to obtain such clearance will render the offer herein null and void. |          |                                                                                                                                                                                                                                      |            |           |

**NOTE: WARRANTY APPLICABLE IS SET FORTH IN PARAGRAPH 4 OF TERMS AND CONDITIONS HEREOF.**

|                                                                                                               |                                                                                                                                                                        |                                                                                                |                                           |
|---------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|-------------------------------------------|
| Delivery Schedule:<br><b>November 2020</b>                                                                    | Method of Delivery: FCA Carlsbad, CA                                                                                                                                   | Total Price                                                                                    | \$11,627,000                              |
| Type of Payment:<br>COD                                                                                       | Delivery date and price will be firm provided deposit is received and Buyer accepts / returns this document by: 15-AUG-2019<br><b>FIRST COME, FIRST SERVE AIRCRAFT</b> | 1st Deposit 20%<br>Due 15-Aug-19<br>2nd Deposit<br>Due 16-Sep-19<br>Balance Due<br>At Delivery | (2,325,400)<br>(6,756,961)<br>\$2,544,639 |
| This order is subject to the terms and conditions set forth on the attached hereof except as modified hereon. |                                                                                                                                                                        |                                                                                                |                                           |

|                                                                                                                                                                      |                                                                                                                                                                                      |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Accepted and Confirmed:<br>on this <u>31<sup>st</sup></u> day of <u>July</u> 2019<br>By: <u>[Signature]</u><br>Airbus Helicopters, Inc.<br>Authorized Representative | Date Accepted: <u>8/6/19</u><br>Buyer: <u>Riverside County Sheriff's Department</u><br>Ordered By: <u>[Signature]</u><br>Title: <u>KEVIN JEFFRIES CHAIRMAN, BOARD OF SUPERVISORS</u> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

PREPARED BY: Kim Ford

DATE: 31 JUL 19; File: 1587 Rev II

**FORM APPROVED COUNTY COUNSEL**

BY: [Signature] 2 August 2019  
DAVID M. MCCARTHY DATE

**ATTEST:**  
KECIA R. HARPER, Clerk  
By: [Signature]  
DEPUTY



## TERMS AND CONDITIONS

### 1- PRICES AND TERMS OF PAYMENT

- (a) Prices shown on the Purchase Agreement (this "Purchase Agreement") are in U.S. dollars for Products F.A.F. (fly away from factory) Seller's facility or F.O.B. to a common carrier at Seller's facility and do not include packaging and crating charges, federal, state or local taxes, excise tariffs or charges, custom duties or other levies, applicable to the manufacture or sale of the Products (as hereinafter defined), which charges, taxes, tariffs or other levies will be added by Seller to the purchase price and will be paid by Buyer.
- (b) Unless otherwise specified in this Purchase Agreement, Buyer shall pay the total unpaid purchase price, plus all applicable packing and crating charges, taxes, tariffs, customs duties and charges, at the time of delivery of the Products. In the event Buyer claims sales tax exemption for purposes of this delivery which is subsequently found non-exempt by the applicable taxing authority, then Buyer agrees to reimburse Seller for any unpaid taxes, interest and penalties assessed against the aircraft purchase by the taxing authority. The term "Products" as used herein shall include helicopters, parts, spare parts, tools, and other miscellaneous equipment and services that may be deliverable hereunder. All other defined terms used herein and not otherwise defined shall have the meanings assigned to those terms as set forth in the Maintenance Manual and Flight Manual (as such manuals are revised and amended from time to time) provided by Seller with each new helicopter sold by Seller, copies of which have been supplied to Buyer.
- (c) All payments shall be made at Seller's offices in Grand Prairie, Texas, without setoff.

### 2- DELIVERY AND ACCEPTANCE

- (a) The Products shall be delivered F.A.F. Seller's facility or F.O.B., to a common carrier at Seller's facility for shipment at Buyer's expense to destinations designated by Buyer. Title to and risk of loss for Products shall pass to Buyer upon delivery thereof to Buyer at Seller's facility or upon delivery thereof to a common carrier for shipment to Buyer unless otherwise specified on the face of this Purchase Agreement.
- (b) The Products shall be accepted by Buyer by an authorized and qualified representative of Buyer after inspection and, in the case of helicopters, flight test at Seller's facility in Grand Prairie, Texas, or at such other location previously approved by Seller.
- (c) Buyer agrees to accept delivery of the Products in accordance with paragraph 2(b) hereof within ten (10) days after the delivery date set forth on the purchase agreement or, in the event delivery of the Products has been delayed by Seller, within ten (10) days after Seller shall have notified Buyer that the Products are ready for delivery.
- (d) In the event Buyer fails to accept delivery of the Products as provided herein, or fails to make any payments that may be due to Seller prior to or at delivery of any Products, or breaches any of the terms of provisions hereof, Seller may cancel this Purchase Agreement and retain all payments, including all deposits and/or down payments, theretofore made by Buyer to Seller, whether pursuant to this Purchase Agreement or otherwise, in satisfaction of any indebtedness of Buyer hereunder, and the retention by Seller of any such payments shall not preclude Seller from seeking additional or further damages from and against Buyer as Seller may elect.
- (e) Upon delivery of the Products to Buyer, Buyer shall immediately inspect the Products at its own cost and, if the Products are found not to conform to the published specifications for such Products, shall give written notice to

Seller of any claim to that effect within ten (10) days after arrival, setting forth in reasonable detail the manner in which the Products do not conform. If Buyer retains the Products after delivery without giving Seller such notice as required, such failure shall constitute an irrevocable acceptance of the Products by Buyer except with respect to defects not reasonably discoverable by such inspection.

- (f) After delivery of the helicopter, should Buyer delay flyaway from Seller's facility, Seller shall provide hangar keepers care and charge Buyer accordingly to prevailing rates. In the event Seller provides Buyer a Ferry Pak at delivery, Buyer agrees to return the Ferry Pak within 30 days from delivery date or Seller will have the right to charge Buyer accordingly for the Ferry Pak.
- (g) Seller will comply with all mandatory service bulletins and airworthiness directive prior to delivery. In the event an aircraft is delivered without final paint, it shall be delivered with a special flight permit and shall be fully capable of receiving an FAA Certificate of Airworthiness in the Standard category, with the exception of outstanding items to be completed by Buyer. In such case it will be Buyer's, or its designated completion centers, responsibility to satisfy outstanding exceptions and obtain the Certificate of Airworthiness.

### 3- DELAYS

- (a) Seller shall not be responsible for, or liable to Buyer for any damages or expenses incurred by Buyer from any failure to perform or delay in performance by Seller due, in whole or in part, to "excusable delays." An "excusable delay" is any failure to perform or delay in performance that is due to causes beyond Seller's control including, but not limited to, acts of God, earthquakes, hurricanes, tornadoes or other acts of nature, fire, explosion, acts of the public enemy, war, insurrection, sabotage, labor disputes (regardless of the reasonableness of demands of labor), shortage of labor, fuel, power or materials, or other industrial disturbances, systemic electrical, telecommunications or other utility failures failure or delays in transportation, equipment or machinery breakdown, failure or delay of Seller's sources of supplies, acts, orders or priorities (whether compliance therewith is mandatory or voluntary) of any government, state, or political subdivision or agency thereof or judicial action, embargoes, riots, acts or orders of government. In such excusable delay event whereby Seller shall be rendered unable wholly or in part to carry out its obligations under this Agreement, then except as otherwise expressly provided in this Agreement, Seller shall give notice and reasonable details of such excusable delay in writing to the Buyer within a reasonable time after occurrence of the event. To the extent the Supplier is affected by such excusable delay, its obligations shall be suspended for a period of time equal to the time of continuance of such excusable delay event and Seller shall endeavor to remove or overcome the impact of such event with all commercially reasonable efforts.
- (b) Buyer's failure to provide, not less than 90 days prior to the scheduled delivery date, complete materials, equipment, instructions and authorizations to Seller for installation of Customer Furnished Equipment (CFE) during the assembly process, which failure causes the Product to be nonconforming at the delivery date, shall not be cause for delay in delivery acceptance pursuant to paragraphs 2(c) and 2(e) above or in payment. Any additional costs incurred by Seller as a result of having to work around or reschedule the installation of Customer Furnished Equipment (CFE) due to Buyer's failure to deliver Customer Furnished Equipment



(CFE) in a timely manner as provided above shall be invoiced to Buyer and paid by Buyer over and above the price on the Purchase Agreement at delivery. Buyer further shall provide to Seller at least 90 days prior to the scheduled delivery date a final paint scheme in order for Seller to schedule a paint booth slot, and any delay in delivery date due to Buyer's failure to provide Seller with a timely paint scheme may result in delays. Seller reserves the right to charge any additional costs incurred by Seller due to such delay.

- (c) Furthermore, any changes request(s) by the Buyer may extend the delivery date or require an adjustment to the purchase price. In order not to impact delivery schedules, the parties agree to freeze the configuration at least ninety (90) days prior to scheduled delivery date unless mutually agreed by the parties. Any configuration change request from Buyer within 90 days of delivery date will not affect aircraft delivery, and the parties will execute a separate retrofit agreement for the additional scope of work. Seller is authorized to send the Buyer an electronic sequential Confirmation Notice of Change Order by Buyer setting out the configuration change or contract revision, the adjusted purchase price, if any, and the revised delivery date. Buyer may reject, in writing or electronically, any Confirmation Notice that is unacceptable within five days of receipt of a Confirmation Notice from Seller. If timely rejected by Buyer, the Purchase Agreement, as amended, will remain in effect and the change order will lapse and not become a part of this agreement. Buyer's failure to respond timely to any Confirmation Notice will be deemed acceptance of the change order by Buyer, which will become part of the contract, as amended.

#### 4- LIMITED WARRANTY

- (a) Seller warrants each new helicopter and parts manufactured by Airbus Helicopters S.A.S. (herein referred to as the "Helicopter Manufacturer") purchased under this agreement to be free from defects in material and workmanship under normal use and service. Seller's obligation under this warranty is limited to replacing or repairing parts or tools that have been returned to Seller's facility and, at the time of any repair or replacement, shall have been recognized by Seller, in its sole discretion, as subject to this warranty. In the event a part or tool returned to Seller's facility and subject to the warranty as defined herein, is unable to be repaired then such part or tool shall be replaced with a new part or tool. To be eligible for repair or replacement under this warranty, the alleged failure must have occurred, as determined by Seller, within the following time limits:
- (1) With respect to helicopters and optional equipment manufactured by the Helicopter Manufacturer: 2000 flying hours or -36- months after they are delivered to Buyer, whichever occurs first.  
Seller agrees to credit Buyer for reasonable labor costs solely related to direct removal and re-installation incurred for approved warranty claims during the first year of warranty coverage only. The credit will be subject to prior investigation and acceptance by Seller and will be credited to Buyer's trade account for future spares orders only. All credits must be used within 1 year of issue. All compensation for labor rates will be credited at \$190/hour.
  - (2) With respect to new spare parts, the earlier of: (i) 1000 flying hours; (ii) 12 months after installation; or (iii) 24 months after delivery to Buyer; and
  - (3) With respect to tools manufactured by the Helicopter Manufacturer, 24 months after the tool is delivered to Buyer.
- (b) The warranty period on the repaired or replacement part is the warranty period that was remaining on the defective part.
- (c) As soon as possible, but no later than fifteen (15) calendar days after the discovery of a defect, the Buyer shall furnish

to the Seller, by using a warranty claim form provided by the Seller, the full details of its claim and the basis thereof. As soon as it receives the said form, the Seller will forward to the Buyer a warranty claim acknowledgment and a Return Material Authorization ("RMA") number. Within thirty (30) calendar days following the receipt of such documents the Buyer shall return the allegedly defective Parts to the Seller. If the Buyer fails to return the allegedly defective Parts in due time, the Seller reserves the right to invoice the replacement Parts which have been ordered or produced for the Buyer at the price stated in the relevant Seller's price list in force, or in the relevant quotation. Risk of loss for transportation of parts to Seller shall be borne entirely by Buyer. Upon return of parts from Seller to Buyer, the risk of loss for transportation shall be borne entirely by Seller. Other than shipping costs from AHI to Buyer, any insurance, customs expenses and other charges, as well as the expenses incurred by Buyer for the removal, re-installation and related costs and expenses with respect to such part or parts, shall be borne by Buyer. With AHI approval by Warranty Administrator, selected parts may be retained at Buyer's site to be scrapped locally. Claims will not be processed until a completed claim by Buyer has been approved in writing by a Technical Representative of AHI and forwarded to and received by the AHI Warranty office, Grand Prairie, Texas.

**Note: Parts/Components ordered as replacement parts must be acknowledged as "warranty replacements" at the time of order.**

- (d) This warranty shall apply only to the extent the helicopter and the parts installed therein are operated and maintained in accordance with the instructions contained in the Flight Manual, the airframe or component Maintenance Manual (whichever is applicable), the Helicopter Manufacturer's and/or Seller's service bulletins, service letters or telexes, alert telexes, and maintenance notices, any other technical documentation or service information supplied by Seller to Buyer, and any revisions to any of the foregoing. This warranty shall apply to spares only to the extent they are properly stored and installed, operated, and maintained in accordance with the instructions contained in the Flight Manual, the airframe or component Maintenance Manual (whichever is applicable), the Helicopter Manufacturer's and/or Seller's service bulletins, service letters or telexes, alert telexes, and maintenance notices, any other technical documentation or service information supplied by Seller to Buyer, and any revisions to any of the foregoing. Seller's warranty shall not be enlarged, diminished, or affected by, and no obligation or liability shall arise out of, Seller's rendering technical advice, assistance or service in connection with the products purchased hereunder.
- (e) If Buyer modifies any helicopter or part sold hereunder in any manner for which Buyer has not received the prior written approval of Seller, such modification shall cause this warranty to terminate and be of no further force and effect.
- (f) This warranty shall not apply to any helicopter or part which has been repaired or altered outside Seller's factory in any way so as, in Seller's sole discretion, to affect its stability, safety or reliability, or which has been subject to misuse, common neglect, abuse, negligence or accident.
- (g) The word "part" as used in this Agreement means "a detail part with reference to a part number shown on a drawing parts list provided" by the Helicopter Manufacturer.
- (h) This warranty may not be extended, altered or varied unless a prior written agreement is signed between Buyer and Seller. This warranty is granted to Buyer personally and shall not be assigned by Buyer without Seller's prior written consent.
- (i) **SELLER AND THE HELICOPTER MANUFACTURER DISCLAIM AND EXCLUDE FROM THIS AGREEMENT ALL OTHER WARRANTIES, INCLUDING, BUT NOT LIMITED TO, STATUTORY WARRANTIES, OTHER EXPRESS WARRANTIES, AND ANY IMPLIED WARRANTIES, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF**

MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE EXPRESS WARRANTY SET FORTH ABOVE IS GIVEN IN LIEU OF: (i) ALL OTHER WARRANTIES AND (ii) ANY OBLIGATION OR LIABILITY OF, RIGHT OR CLAIM AGAINST, OR REMEDY FROM SELLER OR THE HELICOPTER MANUFACTURER, IN CONTRACT OR IN TORT, INCLUDING PRODUCTS LIABILITY BASED ON SELLER'S OR THE HELICOPTER MANUFACTURER'S STRICT LIABILITY OR SELLER'S OR THE HELICOPTER MANUFACTURER'S NEGLIGENCE. THE RIGHTS AND REMEDIES PROVIDED IN THIS AGREEMENT ARE EXCLUSIVE IN CONNECTION WITH THE SALE OF THE HELICOPTER MANUFACTURER'S AND SELLER'S PRODUCT(S). THE STATED EXPRESS WARRANTY PROVIDED HEREIN IS IN LIEU OF ANY AND ALL LIABILITIES OR OBLIGATIONS OF THE HELICOPTER MANUFACTURER OR OF SELLER FOR ANY INJURIES, BODILY HARM, OR DAMAGES OF ANY TYPE, INCLUDING, BUT NOT LIMITED TO, ALL INCIDENTAL OR CONSEQUENTIAL DAMAGES, ALL LOSS, DAMAGE OR EXPENSE ARISING OUT OF OR IN CONNECTION WITH THE USE, LOSS OF USE, PERFORMANCE, OR NON-PERFORMANCE OF THE HELICOPTER MANUFACTURER'S AND/OR SELLER'S PRODUCTS, AND DAMAGES FROM ANY OTHER CAUSE.

THE HELICOPTER MANUFACTURER AND SELLER MAKE NO WARRANTY WITH RESPECT TO TURBINE ENGINES OR AVIONICS EQUIPMENT. FOR WARRANTY ON THESE EXCLUDED PARTS, BUYER MUST LOOK TO THE ORIGINAL MANUFACTURER. AT BUYER'S WRITTEN REQUEST, SELLER WILL ASSIGN TO BUYER ANY WARRANTY RIGHTS IT MAY HAVE RECEIVED WITH RESPECT TO SUCH ITEMS OR PARTS TO THE EXTENT SUCH RIGHTS ARE ASSIGNABLE. NORMAL WEAR AND TEAR OF PARTS SUCH AS SEALS, TIRES, INNER TUBES, BULBS, LEAD-ACID BATTERIES, PACKINGS, AND SIMILAR CONSUMABLE PARTS, AS WELL AS THOSE PARTS WHOSE LIST PRICE IS \$50.00 OR LESS, ARE EXCLUDED FROM COVERAGE UNDER THIS WARRANTY.

### 5- TECHNICAL PUBLICATIONS

- (a) Seller shall supply at no additional cost to Buyer:
  - (1) One interactive electronic support O.R.I.O.N (Optimized Reader for Internet and Other Networks) with the documentation necessary for the maintenance and for the identification of parts for operation and routine servicing, for each helicopter delivered. The Buyer has access through e-TechPub on Keycopter to:
    - o O.R.I.O.N Full Online for reading only
    - o O.R.I.O.N Light Online for download
  - (2) One Hard Copy of
    - o The Flight Manual, for each of Buyer's helicopter. The Flight Manual will be customized to Buyer's specific configuration at delivery.
  - (3) Access to Technical Information Publication on Internet (T.I.P.I.) for:
    - o The Service Bulletins and their subsequent updates;
    - o The Master Servicing Manual.
  - (4) At no additional cost for three (3) years:
    - o One (1) electronic support (EVIDOC CMM) with the documentation necessary for the maintenance of the components installed on the helicopter, and for which the suppliers have granted copyrights to Airbus Helicopters, for each helicopter purchased. The Buyer has access to the technical publication through e-TechPub on Keycopter.

- (5) The technical publication is initially provided at the latest available revision level.
- (6) Seller shall supply at no additional cost and as long as the helicopter is in operation, the updated of O.R.I.O.N and of the Flight Manual. The Master Servicing Manual and the Service Bulletins will be updated on T.I.P.I.

### 6- TRAINING

- (a) **Pilot Training**
  - (1) Seller shall provide at its facilities in Grand Prairie, Texas, transition training for -4- of Buyer's pilots who are proficient in helicopter flying for each new helicopter purchased hereunder provided i) such training is commenced within one (1) year of the delivery date hereunder, and ii) all pilots attend a scheduled ground school course. Separate ground schools are subject to additional pricing. Such flight training for each pilot shall be performed in the helicopter(s) purchased by Buyer hereunder after transfer of title to the helicopter(s) to Buyer, unless the parties specifically agree otherwise. Transition training shall consist of flight training with up to eight (8) flight hours per pilot (depending on proficiency of the pilot) with formal ground school. Seller reserves the right to set minimum competency requirements for any pilot to be trained hereunder and to refuse to train any pilot not meeting those requirements.
  - (2) Buyer may elect to have more than -4- of his qualified pilots trained hereunder. Buyer shall be charged at the prevailing rate established by Seller for each additional pilot to be trained.
  - (3) Buyer acknowledges that the transition procedures include, in addition to standard flight operations, the actual performance of emergency flight procedures simulating non-standard flight conditions. Buyer hereby accepts the risk of injury, loss, and damage associated with instruction in emergency flight procedures.
  - (4) Buyer hereby assumes all risk of loss, injury and damage to Buyer's helicopter(s), employees, representatives or agents during any training including without limitation, consequential or incidental damages, loss of use or injury, regardless of cause or fault, and Buyer waives all right of recovery and subrogation against Seller, and its employees and agents for any such damage, injury or loss so sustained; provided, however, that this waiver and assumption of risk shall only apply to losses other than Product failures for which Seller may be responsible under the warranty provisions of this purchase agreement, in which case Seller's liability to Buyer, if any, shall be limited in accordance with the terms of that warranty. Buyer hereby warrants that Buyer's hull insurer has acknowledged this waiver of subrogation.
- (b) **Maintenance Training**
  - (1) For each new helicopter purchased hereunder, Seller will provide, in the Dallas/Fort Worth area, a ground course covering field maintenance on the engine and airframe. Buyer may elect to send up to -2- of its qualified mechanics to any scheduled Airframe Field Maintenance courses during the 6 months prior to delivery or up to 1 year after delivery. Buyer may elect to send up to -2- of its qualified mechanics to any scheduled Avionics courses during the 6 months prior to delivery or up to 1 year after delivery. Seller reserves the right to set minimum competency requirements for any mechanic to be trained hereunder and to refuse to train any mechanic not meeting those requirements.
  - (2) Buyer may elect to have more than -2- of his qualified mechanics trained hereunder. Buyer shall be charged at the prevailing rate established by Seller for each additional mechanic to be trained.

(c) **General**

- (1) Buyer shall be responsible for loss or injury to Buyer's property, employees, representatives or agents at all times while at Seller's facilities when conversion or maintenance training is a reason for such time spent at Seller's facilities. Furthermore, Buyer shall hold Seller, its employees and agents harmless for any such loss or injury to the extent not caused directly and solely by Seller's gross negligence or willful misconduct.
- (2) All expenses and liabilities of Buyer or Buyer's personnel for travel to and from, and stay in, the Dallas/Fort Worth, Texas area shall be borne by Buyer. Seller reserves the right to refuse to provide training to any pilot or mechanic at its sole discretion.
- (3) The training and technical assistance provided for herein applies only to the original purchase of a new helicopter and is not transferable.

## 7- PRICE ADJUSTMENT AND PRODUCT SPECIFICATION CHANGE

- (a) Pursuant to new manufacturing or engineering requirements, obsolescence or new regulations, the Seller shall be entitled to carry out modifications without the consent of the Customer, provided such modifications do not affect the specification, performance of the Product, Services or delivery time. Should the requirements affect specification, performance of the Product and/or Services, related costs and/or delivery time, the Seller and the Customer shall mutually agree in writing to an equitable adjustment in the price and/or schedule to reflect the contractual consequences.
- (b) Any Customer requested changes which result in an impact to cost and/or schedule require prior written agreement of the Seller and the Customer to an equitable adjustment in price and/or schedule to reflect the contractual consequences.

## 8- DELIVERY AND ACCEPTANCE OF TRADE-IN AIRCRAFT

- (a) Buyer must tender trade-in aircraft for acceptance by Seller in an airworthy condition and must satisfy all of the following conditions:
  - (1) trade-in aircraft's engine(s) must pass power assurance checks conducted by Seller in its acceptance inspection of the aircraft;
  - (2) Buyer must deliver to Seller complete and accurate airframe and engine records showing compliance with all airworthiness directives and mandatory service bulletins applicable to trade-in aircraft;
  - (3) Buyer must deliver to Seller a complete set of updated maintenance manuals for trade-in aircraft unless originally delivered by CD ROM;
  - (4) trade-in aircraft must have no damage history or corrosion, unless acknowledged and accepted by Seller;
  - (5) Buyer must convey title to the trade-in aircraft free and clear of any liens, claims, security interests, charges or encumbrances of any kind;
  - (6) Buyer must deliver to Seller all standard ground handling equipment and protective covers for the trade-in aircraft;
  - (7) all equipment and systems installed on the trade-in aircraft at the time of the detailed inspection by Seller, which is provided for in paragraph 8(b) below, must be installed and fully operational and, if no detailed inspection is conducted, then all equipment and systems installed on the trade-in aircraft at the acceptance inspection by Seller, which is provided for in paragraph 8(b) below, must be installed and fully operational;

- (8) no life-limited component installed on the aircraft at the time of the detailed inspection by Seller (provided for in paragraph 8(b) below) can be replaced thereafter unless required for the aircraft to remain airworthy, in which case the replacement component must have a time remaining value equal to, or greater than, the unit being replaced; and

- (9) annual and/or other periodic inspection(s) as specified by Seller must be completed within the period(s) specified by Seller.

Seller will accept title to trade-in aircraft upon Buyer's compliance with all of the conditions enumerated above.

- (b) Seller shall be entitled to conduct a detailed inspection of the trade-in aircraft at Buyer's facility at a mutually agreeable time following execution of the Purchase Agreement by both parties. Seller shall be entitled to conduct an acceptance inspection of trade-in aircraft at Buyer's facility within a specified period of time acceptable to Seller following the date on which Buyer tenders the trade-in for acceptance by Seller by giving notice of tender in accordance with the notice provisions herein. The delivery date for Buyer to tender the trade-in to Seller for acceptance is specified on the face of this Purchase Agreement.
- (c) Any trade-in amount set forth in this Purchase Agreement will be contingent upon and subject to AHJ's acceptance of the applicable trade-in aircraft. If Buyer fails to comply with any of the conditions in paragraph 8(a), all costs necessary to correct the deficiencies, if correctable, will be borne by Buyer and all such deficiencies must be corrected to Seller's satisfaction before it shall be obligated to accept title to the trade-in aircraft. If Buyer fails to comply with any condition in paragraph 8(a) as of the delivery date specified herein for the trade-in aircraft, Seller, in its sole discretion, may specify, then or at any time thereafter, a period of time by which Buyer must cure the deficiencies to Seller's satisfaction; however, Seller is not obligated to allow Buyer any period of time to cure any such deficiencies. If Buyer fails to comply with paragraph 8(a), Seller may elect not to accept the trade-in aircraft, in which case the net purchase price owing by Buyer shall be adjusted accordingly. Any amount owing to Seller as a result of any such adjustment shall be due from and payable by Buyer on the payment terms specified on the face of this Purchase Agreement unless otherwise specified herein. Seller, at its option, shall be entitled to hold back \$0.00 at time of delivery until such time as it can conduct a detailed inspection of the trade-in aircraft. Seller will return the holdback to Buyer, or any portion owing thereof, within thirty (30) days of the delivery date provided the trade-in aircraft requires no maintenance actions under paragraph 8(a), normal wear and tear excepted.
- (d) Buyer represents and warrants that when it conveys title to the trade-in aircraft to Seller:
  - (1) Buyer will have good and marketable title to said aircraft;
  - (2) Buyer will be the sole owner of said aircraft; and
  - (3) Buyer will be duly authorized and entitled to sell, transfer, convey, and assign all of its right, title and interest in and to said aircraft and will not violate any agreement or provision thereof by doing so.
- (e) In the event Seller shall acquire title to trade-in aircraft subject to any liens, claims, security interests, charges or encumbrances, Buyer shall promptly cause any such liens, claims, security interests, charges or encumbrances to be terminated, released, or otherwise discharged and shall hold Seller harmless against any liability arising from, relating to, or based upon any such lien, claim, security interest, charge, or encumbrance.

## 9- GENERAL

- (a) This Purchase Agreement and the rights of the parties hereto shall in every respect be governed by and construed in accordance with the substantive laws of the State of

California without reference to the laws of any other state or jurisdiction. Buyer hereby irrevocably consents and agrees that any legal proceeding arising out of or in connection with this Agreement or the rights of the parties hereto may be commenced and prosecuted to conclusion Riverside County, California.

- (b) Buyer shall neither assign any rights nor delegate any duty under this Purchase Agreement without the prior written consent of Seller.
- (c) The undersigned signatory for Buyer hereby represents that he/she is Buyer's authorized representative and that Buyer is fully authorized and empowered to enter into this Purchase Agreement and has full authority to perform the terms and conditions hereof. This Purchase Agreement may be executed in multiple counterparts which together shall constitute the original hereof. The signature of either party exchanged by facsimile transmission or electronically via email shall be binding to the same extent, and have the same force and effect, as the exchange of an original written signature.
- (d) The language of each provision of this Purchase Agreement shall be construed as it relates to the entire agreement and accorded its fair meaning without regard to the person who drafted all or any part of this Purchase Agreement.
- (e) If any part of this Purchase Agreement shall be held by any court of competent jurisdiction to be illegal or unenforceable, the rest of this Purchase Agreement shall not be affected and shall remain in full force and effect.
- (f) Nothing in this Purchase Agreement shall constitute or create a joint venture, partnership, agency, or any similar relationship between Buyer and Seller. Buyer agrees to take such other action and to execute and deliver such agreements or other documents as may be reasonably necessary or desirable to carry out the purposes of the provisions of this Purchase Agreement.
- (g) This Purchase Agreement may be executed and delivered by electronic means and upon such delivery the electronic signature shall constitute effective execution and is fully binding between the parties for all purposes.

### 10- NOTICES

All notices, requests, and other communications hereunder shall be in writing and shall be deemed to be given and received (a) when personally delivered by hand to the recipient or (b) three (3) days after deposit in registered or certified first class U.S. mail (or comparable national postal system, if appropriate), postage prepaid, or (c) transmitted by facsimile or electronically via email to the recipient at the address set forth under such recipient's name on the first page of this Purchase Agreement.

### 11- MODIFICATIONS

This Purchase Agreement constitutes the final written expression of all the terms of this Purchase Agreement and is the complete and exclusive statement of those terms. No modification or amendment, except for approved change order, made to the printed terms and conditions of this Purchase Agreement shall be effective until both parties shall have signified their acceptance thereto by separately initialing each modification or amendment. Any subsequent modification, amendment, or waiver to this Purchase Agreement must be in writing and signified by both Buyer and Seller. In the event of any contradictions and/or discrepancies between the parts of the Contract, precedence shall be given in the following decreasing order:

1. Purchase Agreement
2. Terms and Conditions of the Contract
3. Any other Annexes and /or appendices in their order of appearance

### 12- IMPORT/EXPORT ACKNOWLEDGEMENT

The Goods, Parts, Tooling, and Data covered by this Agreement may be subject to governmental rules and regulations including but not limited to the provisions of US Customs and Border Protection laws (Title 19 of the US Code) and regulations (Title 19 of the Code of Federal Regulations), the Export Administration Act of 1979 (50 USC 2401 et seq.), the Export Administration Regulations (EAR) promulgated thereunder (15 CFR 768-799), the US Arms Export Control Act (22 USC 2778 et seq.), the International Traffic in Arms Regulations (ITAR) (22 CFR 120-128 and 130), and non-U.S. export laws and regulations.

Buyer acknowledges that (1) these US statutes and regulations impose restrictions on the import from and export to countries outside the US of certain categories of goods, and data, (2) licenses from the US Department of State and/or the US Department of Commerce may be required before such goods, and data can be exported and in some cases, imported, (3) these licenses may impose additional restrictions on use and further disclosure of such goods and data, and (4) the export or disclosure of such goods and data to foreign persons is subject to these statutes, regulations, license requirements and restrictions regardless of whether the export occurs in the US or abroad. Notwithstanding the foregoing, the obligation to comply with such regulation shall survive any novation, assignment, or transfer of obligation between the parties.



**WIRE TRANSFER**  
**Submission Instructions**

REQUIREMENTS RE: SUBMISSION OF US FUNDS TO AHI VIA WIRE TRANSFER

AIRBUS HELICOPTERS, INC.  
C/O BANK OF AMERICA  
115 WEST 42<sup>ND</sup> STREET  
NEW YORK, NY 10036  
ACH/EFT ABA# 111000012  
Wire ABA # 026009593  
AHI Account # 4427299827

Fed ID#: 75-2416720

**PLEASE REFERENCE THE FOLLOWING IDENTIFYING DETAILS: INVOICE #, AIRCRAFT MODEL  
& SERIAL NUMBER, PURCHASE AGREEMENT NUMBER**

## INCUMBENCY AND AUTHORIZATION CERTIFICATE FOR DISBURSEMENT REQUESTS

The undersigned, a duly elected and acting County Clerk of County of Riverside ("Lessee") certifies as follows:

A. The following listed persons are duly elected or appointed and acting officials of Lessee (the "Officials") in the capacity set forth opposite their respective names below and that the facsimile signatures are true and correct as of the date hereof;

B. The Officials are duly authorized, on behalf of Lessee, to execute and deliver Disbursement Requests pursuant to the Escrow and Account Control Agreement dated as of August 7, 2019 by and among Banc of America Public Capital Corp, Lessee and Bank of America, National Association, as Escrow Agent.

| Name of Official      | Title                | Signature          |
|-----------------------|----------------------|--------------------|
| <u>CHAD BIANCO</u>    | <u>SHERIFF</u>       | <u>[Signature]</u> |
| <u>DENNIS VROOMAN</u> | <u>ASST. SHERIFF</u> | <u>[Signature]</u> |
| <u>ROBERT GUNZEL</u>  | <u>ASST. SHERIFF</u> | <u>[Signature]</u> |

Dated: 8/1/19

By: [Signature]

Name: ANTONIO SALDANA

Title: DEPUTY DIRECTOR

(The signer of this Certificate cannot be listed above as authorized to execute the Disbursement Requests.)

Dated: 8/6/2019

By: [Signature]

Name: KECIA R. HARPER

Title: CLERK OF THE BOARD



CLERK'S COPY

to Riverside County Clerk of the Board, Stop 1010

Post Office Box 1147, Riverside, Ca 92507-1147

Thank you.

**Aircraft Security Agreement**

|                |                                                                                                                                                                                    |
|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SECURED PARTY: | BANC OF AMERICA PUBLIC CAPITAL CORP (the " <b>Secured Party</b> ")<br>555 California Street, 4 <sup>th</sup> Floor<br>San Francisco, CA 94104<br>Telephone: 602-542-3154           |
| DEBTOR:        | COUNTY OF RIVERSIDE, CALIFORNIA (referred to herein as the " <b>Debtor</b> ")<br>Address:<br>2980 Washington Street<br>Riverside, California 92504-4647<br>Telephone: 951-925-9591 |
| DATED:         | August 7, 2019                                                                                                                                                                     |

Debtor grants to Secured Party, for the benefit of Secured Party and its successors and assigns, a security interest and International Interest constituting a first lien, in all of Borrower's respective right, title and interest in and to the property described on the attached Exhibit A, now or hereafter arising or acquired, wherever located, together with any and all additions, accessions, parts, accessories, modifications, substitutions and replacements thereof, now or hereafter installed in, affixed to or used in connection with said property (the "**Property**"), in all proceeds thereof, cash and non-cash (collectively the "**Collateral**").

The security interest created in favor of the Secured Party in the above described Collateral secures the payment and performance obligations of Debtor under the Schedule of Property No. 16-18, dated August 7, 2019, to Master Equipment Lease/Purchase Agreement, dated as of July 31, 2018, as amended by the Aircraft Addendum, dated as of August 7, 2019, thereto (collectively, the "**Agreement**"), among Secured Party, as lessor, and Debtor, as lessee. The total principal component of the payment obligation under the Agreement is the Payment Obligation set forth on Exhibit A. The final payment date under the Agreement for the payment obligation is August 20, 2029.


Debtor hereby declares and warrants to Secured Party that they are the absolute owner of the legal and beneficial title to the Equipment and in possession thereof, and the same is clear of all liens, encumbrances and adverse claims whatsoever, except for the security interest granted herein in favor of Secured Party.

This Security Agreement is subject to the provisions set forth in the Agreement, including but not limited to remedies upon default and provisions with respect to nonappropriation.

It is the intention of the parties to deliver this instrument in the State of California.

[Execution page follows.]

IN WITNESS WHEREOF, Debtor has caused this Security Agreement to be executed in its name by its duly authorized representatives as of the date first above written.

|                                                                                        |
|----------------------------------------------------------------------------------------|
| COUNTY OF RIVERSIDE, CALIFORNIA                                                        |
| By:  |
| Name: TERESA SUMMERS                                                                   |
| Title: DIRECTOR, PURCHASING<br>+ FLEET SERVICES.                                       |

FORM APPROVED COUNTY COUNSEL

BY:  5 August 2019  
DAVID M. MCCARTHY DATE

## EXHIBIT A

### Property Description

The Property is as follows:

Airframe Make/Model: AIRBUS HELICOPTERS, INC. Model H145  
Year: 2020 [confirm]  
Airframe Serial No.: 20280  
U.S. Identification No.: \_\_\_\_\_  
Engines: Safran Helicopter Engines S.A. Model Arriel 2E  
Two total: 1. Serial No. \_\_\_\_\_  
2. Serial No. \_\_\_\_\_ and \_\_\_\_\_  
Main Rotor Assembly: Manufacturer: AIRBUS HELICOPTERS, INC.  
Main Rotor Gear Box: Serial No.: \_\_\_\_\_  
Main Rotor Blades: AIRBUS HELICOPTERS, INC.  
Part Number: \_\_\_\_\_  
Three total: 1. Serial No.: \_\_\_\_\_  
2. Serial No.: \_\_\_\_\_  
3. Serial No.: \_\_\_\_\_  
4. Serial No.: \_\_\_\_\_  
Tail Rotor Assembly: Manufacturer: AIRBUS HELICOPTERS, INC.  
Tail Rotor Gear Box: Serial No.: \_\_\_\_\_  
Tail Rotor Blade: AIRBUS HELICOPTERS, INC.  
Part Number: \_\_\_\_\_  
One total [confirm]: 1. Serial No.: \_\_\_\_\_

The Airframe is type certified by the FAA to transport at least five people (including crew) or goods in excess of 450 kilograms.

Each of the Engines has at least 550 rated takeoff shaft horsepower or the equivalent of such horsepower.

Together with all engines, propellers, avionics, communication equipment, navigation equipment, instruments, accessories, attachments, parts, appurtenances, accessions, furnishings and other equipment attached to, installed in or relating to any of the foregoing property and all maintenance and service logs and records relating to the foregoing property.

#### PROPERTY LOCATION:

2100 Palomar Airport Road, Ste 211  
Carlsbad, CA 92011

Payment Obligation: \$11,627,000.00

## Aircraft Addendum

[Title in the Lessee]

DOCUMENT IS FULLY EXECUTED RETURN  
CLERK'S COPY  
County Clerk of the Board, Stop 1010  
P.O. Box 1147, Riverside, Ca 92502-1147  
Thank you.

This Aircraft Addendum, dated as of August 7, 2019 (the "**Aircraft Addendum**"), among Banc of America Public Capital Corp, as lessor (the "**Lessor**"), and County of Riverside, California, as lessee (the "**Lessee**") is annexed to, and made a part of, the Schedule of Property No. 16-18, dated August 7, 2019 (the "**Property Schedule**"), made and entered into by Lessor and Lessee pursuant to the Master Equipment Lease/Purchase Agreement, dated as of July 31, 2018 (the "**Master Lease**"), between Lessor and Lessee (the Property Schedule as amended by this Aircraft Addendum, being referred to herein as the "**Lease**").

Unless otherwise specified herein, all capitalized terms shall have the meanings ascribed to them in the Master Lease.

Lessor and Lessee hereby agree as follows:

**I. EQUIPMENT; APPLICABILITY OF AIRCRAFT ADDENDUM.** All of the Equipment under Lease, and as set forth in the Property Schedule, as more specifically set forth in the Schedule A, hereto, consisting of Aircraft, including Airframe, Rotor Blades, Rotor Components and Engines, as defined below, and whether installed in an aircraft or not, shall be subject to the provisions set forth in this Aircraft Addendum.

**II. MODIFICATIONS TO PROPERTY SCHEDULE AND MASTER LEASE.** The Property Schedule and Master Lease shall be modified as follows:

1. Definitions. **Section 1.01. Definitions**, of the Master Lease is hereby amended to add the following text and definitions set forth below:

a. To the beginning of said Section 1.01 of the Master Lease the following shall be inserted:

Certain of the terms used in this ("**CTC Terms**") have the meaning set forth in and/or intended by the "**Cape Town Convention**", which term means, collectively, (i) the official English language text of the Convention on International Interests in Mobile Equipment, adopted on 16 November 2001 at a diplomatic conference held in Cape Town, South Africa, as the same may be amended or modified from time to time (the "**Convention**"), (ii) the official English language text of the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment, adopted on 16 November 2001 at a diplomatic conference held in Cape Town, South Africa, as the same may be amended or modified from time to time (the "**Protocol**"), and (iii) the related procedures and regulations for the International Registry of Mobile Assets located in Dublin, Ireland and established pursuant to the Cape Town Convention, along with any successor registry (the "**International Registry**"), issued by the applicable supervisory authority pursuant to the Convention and the Protocol, as the same may be amended or modified from time to time. By way of example, but not limitation, these CTC Terms include, "administrator", "associated rights", "proceeds", "international interests", "security assignment", "transfer", "working days", "consent", "final consent", "priority search certificate", "professional user entity", "transacting user entity" and "contract"; except "proceeds" shall also have the meaning set forth in the Uniform Commercial Code.

b. The following additional terms shall be added to Section 1.01 of the Master Lease in the appropriate alphabetical location and shall have the following meanings for all purposes of the Lease:

Acceptance Date shall mean the date on which Lessee irrevocably and unconditionally accepts the Aircraft for lease under the Lease as evidenced by the execution and delivery of the Acceptance

Certificate set forth as Exhibit E Acceptance Certificate to the Property Schedule.

Additions shall have the meaning set forth in Section 2.01.z of the Master Lease.

Affiliate shall mean any Person controlling, controlled by or under common control with Lessee or Lessor, as applicable.

Aircraft shall mean (i) the Airframe, (ii) the Engines, (iii) the Rotor Blades, (iv) the Rotor Components and (v) the Records.

Aircraft Addendum shall mean the Aircraft Addendum, dated August 7, 2019, entered into by the Lessor and the Lessee amending the Lease.

Airframe shall mean (i) the Aircraft described in Schedule A of the Aircraft Addendum, and shall not include the Engines, Rotor Blades or the Rotor Components, and (ii) any and all Parts from time to time incorporated in, installed on, or attached to such Aircraft and any and all Parts removed therefrom so long as title thereto shall remain vested in Lessor in accordance with the applicable terms of the Lease after removal from the Aircraft.

Alterations shall have the meaning set forth in Section 2.01.z of the Master Lease.

Applicable Law shall mean all applicable laws including all statutes, treaties, conventions, judgments, decrees, injunctions, writs and orders of any court, governmental agency or authority and rules, regulations, orders, directives, licenses and permits of any governmental body, instrumentality, agency or authority as amended and revised from time to time, and any judicial or administrative interpretation, of any of the same, including, without limitation, the airworthiness certificate issued with respect to the Aircraft, the Cape Town Convention, all FARs, airworthiness directives, and/or any of the same relating to noise, the environment, national security, public safety, exports or imports, anti-money laundering, anti-terrorism, economic sanctions or contraband.

AS-IS, WHERE-IS shall mean **“AS-IS WHERE-IS”, AND “WITH ALL FAULTS”, WITHOUT ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, OF ANY KIND WHATSOEVER, BY, OR ANY RECOURSE OF ANY KIND WHATSOEVER TO, LESSOR.**

Assignee shall be any assignee of Lessor pursuant to Section 11.01 of the Master Lease, including any subassignee of an assignee.

Assignment shall be assignment by Lessor pursuant to Section 11.01 of the Master Lease, including any subassignment by an assignee.

Business Day shall mean any day other than a Saturday, Sunday or other day on which banks located in San Francisco, California, are closed or are authorized to close.

Casualty Payment Date shall have the meaning set forth in paragraph (a) of Section 8.01(a) of the Master Lease.

Claims shall have the meaning set forth in paragraph (b) of Section 7.03 of the Master Lease.

Collateral shall have the meaning set forth in Article IV of the Aircraft Addendum.

Default shall mean an event or circumstance that, after the giving of notice or lapse of time, or both, would become an Event of Default.

Defective Registration shall mean any failure to cause the Aircraft to be effectively registered with the Registry in the name of Lessor in accordance with the applicable Registration Requirements, for any reason whatsoever, including should such registration be revoked, canceled or expired or otherwise deemed to have ended or been invalidated pursuant to the Registration Requirements.

Engine shall mean (i) each of the engines described and listed by manufacturer's serial numbers in

Schedule A of the Aircraft Addendum and currently installed on the Airframe, whether or not thereafter installed on such Airframe or any other airframe from time to time; (ii) any engine that may from time to time be substituted, pursuant to the applicable terms of the Lease, for an Engine leased thereunder; and (iii) in each case set forth in clauses (i) and (ii) hereof, with any and all Parts incorporated in or installed on or attached to such engine and any and all Parts removed therefrom so long as Lessor's security interest thereto shall remain vested in Lessor in accordance with the applicable terms of the Lease after removal from such engine. The term "Engines" means, as of any date of determination, all Engines leased under the Lease.

Event of Default shall have the meaning set forth in Section 12.01 of the Master Lease.

Event of Loss with respect to the Aircraft, the Airframe, any Rotor Blade, any Rotor Component or any Engine, shall mean any of the following events with respect to such property (i) loss of such property or the use thereof due to theft, disappearance, destruction, damage beyond repair or rendition of such property permanently unfit for normal use for any reason whatsoever; (ii) any damage to such property which results in an insurance settlement with respect to such property on the basis of a total loss or constructive total loss; (iii) the condemnation, confiscation or seizure of, or requisition of title to or use of, such property by the act of any government (foreign or domestic) or of any state or local authority or any instrumentality or agency of the foregoing ("Requisition of Use"); (iv) as a result of any rule, regulation, order or other action by any government (foreign or domestic) or governmental body (including, without limitation, the FAA or any similar foreign governmental body) having jurisdiction, the use of such property shall have been prohibited, or such property shall have been declared unfit for use, for a period of thirty (30) days; (v) with respect to an Engine, a Rotor Blade, or Rotor Component, the removal thereof from the Airframe for a period of six (6) consecutive months or longer, whether or not such Engine, Rotor Blade, or Rotor Component, as the case may be, is operational, or (unless waived by Lessor in its sole and absolute discretion) such removal shall exist on the expiration or earlier cancellation or termination of the Lease; or (vi) the Airframe, a Rotor Blade, a Rotor Component or an Engine is returned to the Manufacturer, other than for modification in the event of patent infringement or for repair or replacement (any such return being herein referred to as a "Return to Manufacturer"). The date of such Event of Loss shall be the date of such theft, disappearance, destruction, damage, Requisition of Use, prohibition, unfitness for use for the stated period, removal for the stated period or Return to Manufacturer. An Event of Loss with respect to the Aircraft shall be deemed to have occurred if an Event of Loss occurs with respect to the Airframe. An Event of Loss with respect to any Engine, Rotor Blade or Rotor Component shall not, without loss of the Airframe, be deemed an Event of Loss with respect to the Aircraft.

FAA shall mean the U.S. Federal Aviation Administration and/or the Administrator of the Federal Aviation Administration and the Department of Transportation, or any person, governmental department, bureau, authority, commission or agency succeeding to the functions of any of the foregoing, including, where applicable, the Transportation Security Administration.

FAA Counsel shall mean such counsel as Lessor may designate from time to time to assist with FAA and/or International Registry matters.

FARs shall mean the Federal Aviation Regulations and any Special Federal Aviation Regulations (Title 14 C.F.R. Part 1 *et seq.*), together with all successor regulations thereto.

Lease Documents shall mean the Lease (including the Aircraft Addendum), the Security Agreement, and all documents, instruments and agreements entered into or provided by Lessee and/or any other third parties pursuant to or in connection with the Lease, including without limiting the Supplement to Acceptance Certificate set forth as Exhibit E Acceptance Certificate to the Property Schedule.

Lessor's Liens shall mean any Liens created or granted by Lessor resulting from claims against Lessor not related to Lessor's ownership of the Aircraft or otherwise contemplated under the Lease.

Liens shall mean all liens, claims, demands, charges, security interests, leaseholds, international interests and other Registerable Interests and encumbrances of every nature and description whatever, including, without limitation, any of the same arising in connection with or created by



any rights of third parties under management, charter, pooling, interchange, sublease, timeshare, overhaul, repair or other similar agreements or arrangements, and any registrations on the International Registry, without regard to whether such registrations are valid.

Maintenance Requirements shall mean, with respect to the Airframe, any Engine, any Rotor Blade, any Rotor Component or Part, all compliance requirements set forth in or under (i) all maintenance manuals initially furnished with respect thereto, including any subsequent amendments or supplements to such manuals issued by the Manufacturer or Supplier from time to time, (ii) all mandatory service bulletins issued, supplied, or available by or through the Manufacturer of the Airframe and/or the Manufacturer of any Engine, Rotor Blade, Rotor Component or Part with respect thereto, (iii) all applicable airworthiness directives issued by the FAA or similar regulatory agency having jurisdictional authority, (iv) all conditions to the enforcement of any warranties pertaining thereto, (v) Lessee's FAA approved maintenance program with respect thereto, and (vi) any computerized maintenance monitoring program or engine maintenance program.

Manufacturer shall mean each manufacturer identified on Schedule A of the Aircraft Addendum and its successors and assigns with respect to the Airframe, Engines, Rotor Blades and Rotor Components.

Master Lease shall mean that document titled Master Equipment Lease/Purchase Agreement, dated as of July 31, 2018, between Lessor and Lessee, as amended by Amendment Number 1, dated April 30, 2019. Such term is used in the definitions for identification of location of amendments provided by the Aircraft Addendum.

Material Damage shall mean any damage: (a) required to be reported pursuant to any governmental reporting requirement, (b) with respect to which an insurance claim is being made, or (c) requiring that the Aircraft, any Rotor Blade, any Rotor Component or any Engine be taken out of service for more than one (1) day to repair.

Parts shall mean all appliances, avionics, parts, instruments, appurtenances, accessories, furnishings and other equipment or property of whatever nature (other than Additions, Rotor Blades, Rotor Components or Engines), which may from time to time be incorporated or installed in or attached to the Airframe or any Engine, any Rotor Blade or Rotor Component in accordance with the applicable terms of the Lease.

Permitted Liens shall mean (a) Lessor's Liens, and (b) Liens for taxes either not yet due or being contested by Lessee in good faith, and inchoate materialmen's, mechanic's, workmen's, repairmen's, employee's, or other like Liens arising in the ordinary course of business of Lessee for sums not yet delinquent or being contested in good faith, (and for the payment of which adequate assurances and/or security have, in Lessor's sole judgment, been provided to Lessor) with due diligence and by appropriate proceedings, if Lessor shall have determined in its sole judgment that the nonpayment of any such tax or Lien or the contest of any such payment in such proceedings does not and will not adversely affect the title, property or rights of Lessor.

Person shall mean any individual, partnership, corporation, limited liability company, trust, association, joint venture, joint stock company, or non-incorporated organization or government or any department or agency thereof, or any other entity of any kind whatsoever.

Primary Hangar Location is Hemet Ryan Airport 4710 W. Stetson Ave., Hemet, CA 92545.

Purchase Documents shall mean all fully executed purchase agreements in connection with the acquisition of the Aircraft, including the Engines, assignments of any or all of the Purchase Documents, in form and substance satisfactory to Lessor, invoices and bills of sale from Supplier, naming Lessor as purchaser and any other documents required in Article III, Section D.1.a of the Aircraft Addendum.

Purchase Price is defined in the Master Lease and the Property Schedule.

Records shall mean the original versions of any and all logs, manuals, certificates and inspection, modification, maintenance, engineering, technical, and overhaul records (whether in written or

electronic form) with respect to the Aircraft (whether in existence as of, or created at any time after, the Acceptance Date), including, without limitation, (i) all records required to be maintained by the FAA or any other governmental agency or authority having jurisdiction with respect to the Aircraft or by any Manufacturer or Supplier of the Aircraft (or any part thereof) with respect to the enforcement of warranties or otherwise, and (ii) with respect to the Airframe, any Engine, any Rotor Blade, any Rotor Component or Part, all records related to any manufacturer's maintenance service program or any computerized maintenance monitoring program or engine maintenance program, which Records shall be at all times the property of Lessor after the Acceptance Date.

Registerable Interests shall mean all existing and prospective international interests and other interests, rights and/or notices, sales and prospective sales, assignments, subordinations and discharges, in each case, susceptible to being registered at the International Registry pursuant to the Cape Town Convention.

Registration Certificate shall mean a currently effective Certificate of Aircraft Registration, AC Form 8050-3, or any other certificate issued to Lessor evidencing the currently effective registration of the Aircraft in its name, in connection with the operation of the Aircraft in the United States pursuant to the Registration Requirements, or any other document as may then be required to be maintained within the Aircraft by such Registration Requirements, either together with or in lieu of such certificate.

Registration Requirements shall mean the requirements for registering aircraft with the Registry under 49 U.S.C. 44101-44104, and 14 C.F.R. § 47 as then in effect, any successor laws, rules or regulations pertaining to applicants for and holders of a Registration Certificate, the U.S. registration number for the Aircraft, and any such other FARs and other Applicable Law, in each case as and to the extent pertaining to the registration of Lessor's ownership of the Aircraft with the Registry, including any renewal of such registration, or replacement of any such Registration Certificate.

Registry shall mean the FAA, Civil Aviation Registry, Aircraft Registration Branch, or any successor registry having an essentially similar purpose pertinent to the ownership registration of the Aircraft pursuant to the Registration Requirements.

Required Documents shall have the meaning set forth in the in Article III, Section D.1.b of the Aircraft Addendum.

Requisition of Use shall have the meaning set forth in the Event of Loss definition contained herein.

Return to Manufacturer shall have the meaning set forth in the Event of Loss definition contained herein.

Rotor Blade shall mean (i) each of the rotor blades described and listed by manufacturer's serial numbers in Schedule A of the Aircraft Addendum and currently installed on the Airframe, whether or not thereafter installed on such Airframe or any other airframe from time to time; (ii) any rotor blade that may from time to time be substituted, pursuant to the applicable terms of the Lease, for a Rotor Blade leased under the Lease; and (iii) in each case set forth in clauses (i) and (ii) hereof, with any and all Rotor Components and Parts incorporated in or installed on or attached to such rotor blade and any and all Rotor Components and Parts removed therefrom so long as Lessor's security interest thereto shall remain vested in Lessor in accordance with the applicable terms of the Lease after removal from such rotor blade. The term "Rotor Blades" means, as of any date of determination, all Rotor Blades leased under the Lease.

Rotor Component shall mean (i) each of the main rotor gear boxes, tail rotor gear boxes, combining gearboxes, transmissions, servos, main and tail rotor head components and other rotor components currently installed on the Airframe, whether or not thereafter installed on such Airframe or any other airframe from time to time; (ii) any rotor component that may from time to time be substituted, pursuant to the applicable terms of the Lease, for a Rotor Component leased under the Lease; and (iii) in each case set forth in clauses (i) and (ii) hereof, with any and all Parts incorporated in or installed on or attached to such rotor component and any and all Parts removed therefrom so long as Lessor's security interest thereto shall remain vested in Lessor in accordance

with the applicable terms of the Lease after removal from such rotor component. The term "Rotor Components" means, as of any date of determination, all Rotor Components leased under the Lease.

Security Agreement shall mean that certain Security Agreement, dated August 7, 2019, granted by Lessee as debtor, in favor of Lessor, as secured party.

Supplier shall mean the "Supplier" or "Suppliers", as the case may be, of the Equipment, and their respective successors and assigns.

Transportation Code shall mean Title 49, Subtitle VII of the United States Code, as then in effect.

UCC shall mean the Uniform Commercial Code as in effect in the applicable jurisdiction.

2. Definition of Governing Law. In addition to the matters set forth under Section 13.06 of the Master Lease concerning governing law of the Lease, the Lessee agrees that the governing law for the Aircraft shall include the Federal Aviation Act and all FAA regulations ("*FAR*"), airworthiness directives, advisory circulars and similar statutes, regulations and orders, now or hereafter enacted or promulgated from time to time, the Cape Town Convention, and any other laws and/or regulations applicable to the operation of Aircraft, Rotor Blades, Rotor Components and Engines in the jurisdiction where the Aircraft, Rotor Blades, Rotor Components and Engines are being operated. Notwithstanding anything in the foregoing to the contrary, the parties may bring a judicial proceeding against the registrar of the International Registry in the Republic of Ireland, solely with respect to matters relating to the International Registry.

3. Disclaimer of Warranties. Section 9.01 of the Master Lease is amended by adding to the end thereof the following:

**LESSOR SHALL NOT BE DEEMED TO HAVE MADE, AND HEREBY DISCLAIMS, ANY REPRESENTATION OR WARRANTY, EITHER EXPRESS OR IMPLIED, AS TO THE AIRCRAFT, INCLUDING ANY ENGINE, ROTOR BLADE, ROTOR COMPONENT, PART OR RECORD, OR ANY MATTER WHATSOEVER, INCLUDING, THE AIRCRAFT'S DESIGN, CONDITION, MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, TITLE, ABSENCE OF ANY PATENT, TRADEMARK OR COPYRIGHT INFRINGEMENT OR LATENT DEFECT (WHETHER OR NOT DISCOVERABLE BY LESSEE), COMPLIANCE OF THE AIRCRAFT WITH ANY APPLICABLE LAW, CONFORMITY OF THE AIRCRAFT TO THE PROVISIONS AND SPECIFICATIONS OF ANY PURCHASE DOCUMENT OR TO THE DESCRIPTION SET FORTH IN THIS LEASE, OR ANY INTERFERENCE OR INFRINGEMENT, OR ARISING FROM ANY DEFECTS OR FROM ANY COURSE OF DEALING, COURSE OF PERFORMANCE, OR USAGE OF TRADE, NOR SHALL LESSOR BE LIABLE, FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES OR FOR STRICT OR ABSOLUTE LIABILITY IN TORT; AND LESSEE HEREBY WAIVES ANY CLAIMS ARISING OUT OF ANY OF THE FOREGOING.** Without limiting the foregoing, Lessor will not be responsible to Lessee or any other Person with respect to, and Lessee agrees to bear sole responsibility for, any risk or other matter that is the subject of Lessor's disclaimer. So long as no Event of Default has occurred, Lessee may exercise Lessor's rights, if any, under any warranty of Manufacturer or Supplier with respect to the Aircraft. Lessee's exercise of such rights shall be at its sole cost and risk, shall not result in any prejudice to Lessor, and may be exercised only during the Lease Term.

4. Representations and Covenants of Lessee. The following shall be added to Section 2.01 of the Master Lease:

k. Good Title. Lessee will cause the Airframe and Engines to be registered in the records of the Aircraft Registry of the FAA in accordance with the Transportation Code in the name of Lessee at all times during the Lease Term. At all times during the Lease Term, the records of the Aircraft Registry of the FAA shall reflect that Lessor has a duly perfected interest in the Aircraft pursuant to the Security Agreement

free and clear of all Liens other than any Liens created in favor of Lessor under the Security Agreement.

l. No Competing Lienholders. No Lien exists, or will hereafter attach, against the Aircraft, the lease payments under the Lease or any other rights under this Lease, or any Collateral, or any interest of Lessee or Lessor therein (other than any Lessor's Liens), pursuant to any mortgage, conditional sale or security agreement or other agreement to which Lessee or any Person claiming through Lessee is a party, other than the Security Agreement, nor will any of the transactions contemplated under this Lease constitute a breach of any provision of any such agreement. No international interests have been or will be registered with the International Registry with respect to the Airframe and Engines and any associated rights thereto.

m. Rights of Lessor. Lessor's interest as secured party under the Security Agreement, has first priority over any other right or interest in or with respect to the Airframe or Engines, other than the rights and interests of Lessor under this Lease and as further contemplated therein.

n. Reserved.

o. Power to Lease. Lessee has the power to lease the Airframe, Engines, Rotor Blades and Rotor Components from Lessor pursuant to this Lease and to grant any security interests described herein.

p. Reserved.

q. Non-Consensual Liens. Lessee shall promptly cause any non-consensual lien that is filed on the International Registry with respect to the Airframe or any of the Engines to be discharged.

r. Engines. Each of the Engines has at least 550 rated takeoff shaft horsepower or the equivalent of such horsepower.

s. Airframe. The Airframe is type certified by the FAA to transport at least five people (including crew) or goods in excess of 450 kilograms.

t. Collateral Description. The information contained on Schedule A to the Aircraft Addendum (including the registration number of the Airframe, the serial numbers of the Airframe, Rotor Blades, Rotor Component and the Engines, and manufacturer and model numbers of the Airframe, Engines, Rotor Blades and Rotor Components) is true and accurate in all respects.

u. Compliance and Use. Lessee agrees to comply with all Applicable Law related to this Lease and/or the Aircraft, including its operation, maintenance and security. Lessee will operate the Aircraft under and in compliance with Part 91 of the FARs, for purposes that are incidental to Lessee's business, and in a manner that is consistent with the transactions hereunder being deemed commercial (and not consumer) transactions under Applicable Law. Unless otherwise expressly permitted hereunder, Lessee shall not operate or permit the Aircraft to be operated for air taxi operations or otherwise under Part 135 of the FARs. The Aircraft shall be used solely in a passenger configuration for which Lessee is duly authorized by the FAA. Lessee will not operate or permit the Aircraft to be operated in any manner at any time or in any geographic area when or where insurance required by the provisions hereof shall not be in effect. Unless otherwise expressly permitted by Section 12 hereof, Lessee shall (i) retain operational control of the Aircraft at all times from the Acceptance Date until returning the Aircraft in accordance with the terms of this Lease; and (ii) base the Aircraft at the Primary Hangar Location set forth in Schedule A to the Aircraft Addendum. The Aircraft will at all times be operated by duly qualified pilots having (a) the required FAA type rating for the Aircraft, (b) the required FAA pilot certificates and ratings, (c) a valid FAA Medical Certificate, (d) satisfied all security requirements imposed by any governmental authority having jurisdiction and (e) met any and all requirements established and specified by (i) the FAA, the Transportation Security Administration and any other applicable governmental authority and (ii) the insurance policies required under this Lease.

v. Use Outside of U.S. The Aircraft shall be operated, used and located solely within the Continental United States.

x. Maintenance and Operation. During the Lease Term, Lessee shall (i) maintain, inspect, service, repair, overhaul and test the Airframe, each Engine, Rotor Blade and Rotor Component in accordance with all Maintenance Requirements, all Applicable Law, and, if more stringent, prevailing

industry standards; and (ii) maintain (in the English language) all Records in accordance with Applicable Law and all Maintenance Requirements, and as required under this Lease. All maintenance procedures shall be performed in accordance with all Applicable Law and by properly trained, licensed, and certified maintenance sources and maintenance personnel utilizing replacement parts approved by the FAA and the Manufacturer, so as to keep the Airframe and each Engine, Rotor Blade and Rotor Component, and all Parts in good operating condition, ordinary wear and tear, from proper use alone, excepted, and to enable the airworthiness certificate for the Aircraft to be continually maintained. Without limiting the foregoing, Lessee shall comply with all mandatory service bulletins and airworthiness directives by causing compliance with such bulletins and/or directives to be completed through corrective modification in lieu of operating manual restrictions.

y. Loaner Engines. In the event any Engine is damaged, being inspected, repaired or overhauled and provided no Event of Default or Default then exists, Lessee, at its option, may temporarily substitute another engine of the same make and model as the Engine being repaired or overhauled (any such substitute engine being hereinafter referred to as a "Loaner Engine") during the period of such repair or overhaul; provided, further (i) the installation of the Loaner Engine is performed by a maintenance facility certified by the FAA and the manufacturer with respect to an aircraft of this type, (ii) the Loaner Engine is removed and the repaired or overhauled original Engine is reinstalled on the Airframe promptly upon completion of the repair or overhaul but in no event later than the earlier of ninety (90) days after removal, or the expiration, cancellation or earlier termination of this Lease, and (iii) the Loaner Engine is free and clear of any Lien that might impair Lessor's rights or interests in the Aircraft and is maintained in accordance herewith.

z. Additions, Alterations and Replacement Parts. Lessee may install on the Aircraft any additional accessory, device or equipment ("Additions") but only if such Additions (i) are ancillary to the Aircraft; (ii) are not required to render the Aircraft complete for its intended use by Lessee; (iii) will not impair the originally intended function or use of the Aircraft or diminish the value of the same; and (iv) can be readily removed without causing material damage to the Aircraft. Title to each Addition not removed prior to a return of the Aircraft to Lessor shall immediately vest in Lessor upon such return without any payment by, or any cost or expense to, Lessor. Lessee shall make any alteration or modification ("Alterations") to the Aircraft that may at any time during the Lease Term be required to comply with airworthiness directives or other Applicable Law. Lessee will promptly replace all Parts that become worn out, lost, stolen, taken, destroyed, damaged beyond repair, permanently rendered or declared unfit or obsolete for use for any reason whatsoever or for which their manufacturer or service provider no longer provides service or support to enable the applicable Parts to perform as originally designed and/or intended. Lessee shall repair all damage to the Aircraft resulting from the installation and removal of Additions and Alterations so as to restore the Aircraft to its condition prior to installation. Alterations and replacement parts shall be deemed accessions, and title thereto shall be immediately vested in Lessee without cost or expense to Lessor. Except as permitted under this Section 2.01.z., Lessee will not modify the Aircraft (including any change in configuration) or affix or remove any accessory to the Aircraft leased hereunder.

aa. Aircraft Marking. Lessee shall (i) prominently display on the Aircraft the FAA Registration number specified in Schedule A to the Aircraft Addendum or such other "N" number as has been approved by and exclusively reserved to Lessor in its name and duly recorded with the FAA; and (ii) notify Lessor in writing thirty (30) days prior to making any change in the appearance or coloring of the Aircraft.

bb. Security. Without limiting Lessee's indemnities and other agreements under this Lease, Lessee hereby: (i) expressly assumes sole responsibility for the determination and implementation of all security measures and systems necessary or appropriate for the proper protection of the Aircraft (whether on the ground or in flight) against theft, vandalism, hijacking, destruction, bombing, terrorism or similar acts directly or indirectly affecting the Aircraft, any part thereof, or any Persons who (whether or not on board the Aircraft) may sustain any injury or damage as a result of any such acts; (ii) agrees to provide to Lessor promptly upon request evidence of Lessee's compliance with its obligations under this paragraph bb. (but in no event shall Lessor, in its capacity as lessor, owner or otherwise, be deemed to have any duty with respect to any security measures imposed by this Lease or Applicable Law, whether or not complied with by Lessee); and (iii) acknowledges and agrees that its full and exclusive assumption of responsibility for the matters covered in this paragraph bb. are of the essence of this Lease and a condition to Lessor's participation in the transactions contemplated herein.

cc. Aircraft Registration. Concurrently with its entering into this Lease, and at all times thereafter, Lessee shall remain solely responsible to cause the Aircraft to be effectively and otherwise validly registered in Lessee's name on the Registry, and the currently assigned U.S. registration number to remain authorized for use by Lessee on the Aircraft, in each case, in accordance with the Registration Requirements; and without limiting the foregoing, or any other provision of this Lease, Lessee shall:

- (i) cause the Registration Certificate to be maintained within the Aircraft and cause the then currently assigned U.S. registration number to remain on the Aircraft; including by (A) notifying Lessor immediately of any event or circumstance with respect to which the Registration Requirements require further action by Lessee, Lessor, the Registry or any other governmental authority or other Person, (B) immediately upon receipt, placing the original, replacement or renewal Registration



Certificate on the Aircraft prior to the expiration or other invalidation of any previously issued Registration Certificate (whether the certificate or any other document constituting the Registration Certificate) under the Registration Requirements, and (C) complying with any and all of the other Registration Requirements relating to such Registration Certificate, and to the Registration Certificate replaced thereby (including any of the same relating to the destruction or return thereof, as the case may be);

(ii) with respect to any Defective Registration (and without waiving Lessee's responsibility to avoid such circumstance), at all times upon and after the operation of the Aircraft shall no longer be authorized by the Registration Requirements, Lessee shall (A) neither operate nor permit or suffer the operation of the Aircraft without a currently effective and otherwise valid Registration Certificate (and shall cause the pilots to be made aware of the Defective Registration), and otherwise comply with the FARs and other Applicable Law relating to such Defective Registration, (B) ground and store the Aircraft, and (C) inform the insurer or insurers, and obtain and maintain adjustments to the insurance coverages required pursuant to this Lease, including the Aircraft Addendum hereto, which may be necessary or desirable to Lessor so as to reflect any changes in the insurable risks relating to any Defective Registration; and

(iii) pay or reimburse Lessor upon its demand for all fees, charges, penalties, fines or other similar amounts payable or incurred in connection with any of the foregoing (whether related to the compliance or failure to comply with any of the same); and fully and timely cooperate with Lessor so as to enable Lessor to complete and file the registration, renewal and replacement applications, and any other filings, fees or other payments or undertakings as and when required by the Registration Requirements, and to take any and all of the other actions contemplated herein, as and when required by the Registration Requirements or as otherwise requested by Lessor, including with respect to any Assignment or any other disposition contemplated in the Lease Documents.

With respect to any such Defective Registration, in no event will Lessor be deemed liable to Lessee or any other Person as a result of any Defective Registration, whether by reason of Lessor's failure to accurately complete or effectively file any such registration filing or otherwise, and without regard as to whether the same constitutes a breach by Lessor, Lessee or any other Person under this Lease or any other Lease Document; and without limiting the foregoing, (i) Lessee shall remain obligated to pay and perform all of its obligations in accordance with this Lease and the other Lease Documents, and (ii) Lessee agrees that it shall pay, indemnify, defend and hold each Indemnatee harmless from and against any and all Claims in any way relating to or arising out of any Defective Registration.

dd. Citizen Representation. Lessee is and shall continue to be a "citizen of the United States", within the meaning of the Transportation Code (Title 49, Subtitle VII of the United States Code), as amended, and the regulations thereunder and is "situated" in a Contracting State within the meaning of Article 4 of the Cape Town Convention so long as any of the obligations remain due.

ee. International Registry. Lessee represents, warrants and covenants that the Aircraft will be used solely for police services and therefor is exempt from the International Registry. Should Lessee's of the Aircraft no longer be solely for police services, Lessee shall (i) provide 30 days prior written notice of such change of use to Lessor, and (ii) within 45 days of written request of Lessor, shall take such actions, at Lessee's sole expense, to register the Aircraft and the Security Agreement with the International Registry to the satisfaction of Lessor and FAA Counsel.

5. Location: Inspection. The following shall be inserted at the end of Section 5.03 of the Master Lease:

Lessor shall have the right, but not the duty, to inspect the Aircraft, any component thereof and/or the Records, at any reasonable time and from time to time, wherever located, upon reasonable prior written notice to Lessee; except that no advance notice shall be necessary prior to any inspection conducted, and such inspection may be conducted at any time, after the occurrence of a Default or an Event of Default. Upon request of Lessor, Lessee shall promptly confirm to Lessor the location of the Aircraft and/or the Records. Lessee shall be responsible for the cost of any inspection conducted after the occurrence of a Default or an Event of Default and shall pay Lessor such amount as Additional Rent.

6. Damage, Destruction and Condemnation. The following shall be inserted at the end of the Section 8.01 of the Master Lease:

(a) Event of Loss with Respect to the Aircraft. Upon the occurrence of any Event of Loss with respect to the Airframe, Engine, Rotor Blade, Rotor Component and/or Aircraft, Agency shall notify Lessor within five (5) days of the date thereof. On the next Lease Payment Date following the date of such notice, (the "Casualty Payment Date"), (i) Lessee and Lessor will cause the Net Proceeds of any insurance claim or condemnation award or sale under threat of condemnation to be applied to the prompt replacement, repair, restoration, modification or improvement of the Airframe, Engine, Rotor Blade, Rotor Component and/or Aircraft or such part thereof and any balance of the Net Proceeds remaining after such work has been completed shall be paid to Lessee or (ii) Lessee shall exercise its option to prepay the obligations under the Lease by payment to Lessor of the Purchase Price. For purposes of this subsection, the term "Net Proceeds" shall mean the amount remaining from the gross proceeds of any insurance claim or condemnation award or sale under threat of condemnation after deducting all expenses, including attorneys' fees, incurred in the collection thereof. If Lessee elects to replace the Airframe, Engine, Rotor Blade, Rotor Component and/or Aircraft subject to such Event of Loss pursuant to this paragraph, the replacement Airframe, Engine, Rotor Blade, Rotor Component and/or Aircraft (the "Replacement Equipment") shall be of new or of a quality type, utility and condition at least as good as the Replaced Equipment and shall be of equal or greater value than the Replaced Equipment. Lessee shall grant to Lessor a first priority security interest in any such Replacement Equipment and take such actions as required by Lessor to perfect such security interest.

7. Risk of Loss. The following shall be inserted at the end of the Section 7.03 of the Master Lease:

(a) Risk of Loss with Respect to the Aircraft. Lessee shall bear the risk of loss, theft, confiscation, taking, unavailability, damage or partial destruction of the Aircraft and shall not be released from its obligations hereunder in the event of any damage or Event of Loss to the Aircraft or any part thereof. Without limiting any other provision hereof, Lessee shall repair all damage to the Aircraft from any and all causes, and shall provide written notice to Lessor of any Material Damage concurrently with its report of same to the applicable governmental authority, and if no such report is required, within ten (10) days of the occurrence of such damage. The required notice must be provided together with any damage reports provided to the FAA or any other governmental authority, the insurer or Supplier, and any documents pertaining to the repair of such damage, including copies of work orders, and all invoices for related charges.

(b) Indemnity with Respect to Aircraft. To the extent permitted by law, Lessee shall indemnify, protect, save, defend and keep harmless Lessor, its agents, employees, officers, directors, shareholders, subsidiaries, affiliates and Assignees (each an "Indemnatee"), from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, demands, costs, expenses and disbursements (including legal fees and expenses) of any kind and nature whatsoever ("Claims") that may be imposed on, incurred by or asserted against any Indemnatee, whether or not such Indemnatee shall also be indemnified as to any such Claim by any other Person, in any way relating to or arising out of the Aircraft, including the assertion or enforcement of any manufacturer's, vendor's, dealer's or other supplier's warranties on the Aircraft or any part thereof, or the manufacture, inspection, construction, purchase, pooling, interchange, acceptance, rejection, ownership, titling or re-titling, delivery, lease, sublease, charter, possession, use, operation, maintenance, management, security, condition, registration or re-registration, sale, return, removal, repossession, storage or other disposition of the Aircraft or any part thereof or any accident in connection therewith, including, Claims involving or alleging environmental damage, criminal acts, hijacking, acts of terrorism or similar acts, product liability or strict or absolute liability in tort, latent and other defects (whether or not discoverable), for patent, trademark or copyright infringement and for any other risk or matter, the responsibility for which Lessee has agreed to bear in subsection (c), including any of the same that result in injuries, death, destruction, or other harm or loss to Persons or property, without regard as to who may have operational control of the Aircraft from time to time.

Notwithstanding the foregoing, Lessee shall not be required to indemnify an Indemnatee under this subsection (c) for any Claim caused solely and directly by the gross negligence or willful misconduct of such Indemnatee (except as imputed by law). Lessee's obligations under this subsection (c) shall survive any expiration, cancellation or other termination of this Lease.

If any Claim is made against Lessee or an Indemnitee, the party receiving notice of such Claim shall promptly notify the other, but the failure of the party receiving notice to so notify the other shall not relieve Lessee of any obligation hereunder.

8. The following shall be inserted at the end of Section 11.01(a) related to Assignment By Lessor to the Master Lease:

Upon the request of Lessor or any Assignee, Lessee also agrees (a) to promptly execute and deliver to Lessor or to such Assignee an acknowledgment of assignment in form and substance satisfactory to the requesting party, an insurance certificate, and such other documents and assurances reasonably requested by Lessor or Assignee, and (b) to comply with the reasonable requirements of any such Assignee in connection with any such assignment or transfer.

9. The following shall be inserted at the end of Section 11.02 related to Assignment By Lessee to the Master Lease:

Lessee shall not sell (or offer or advertise the sale of), assign, charter, sublease, timeshare, pool, interchange, convey, mortgage or otherwise transfer, encumber or otherwise dispose of this Lease, the Aircraft, including the Airframe, any Engine, any Rotor Blade, any Rotor Component or Part (including all associated rights and the related international interests), or any other Collateral, or its interest with respect thereto, and any such transfer or encumbrance, whether by operation of law or otherwise, shall be null and void, in all respects. In addition, Lessee shall not relinquish possession of the Airframe, any Engine, any Rotor Blade, any Rotor Component or Part or install any Engine, Rotor Blade, any Rotor Component or Part, or permit any Engine, Rotor Blade, Rotor Component or Part to be installed, on any airframe other than the Airframe leased hereunder except as expressly set forth herein. The foregoing shall not be deemed to prohibit the delivery of possession of the Aircraft, any Engine, any Rotor Blade, any Rotor Component or Part to another Person for testing, service, repair, maintenance, overhaul or, to the extent permitted hereby, for alteration or modification. Lessee will not create or suffer to exist any Liens on or with respect to the Aircraft, any Engine, any Rotor Blade, any Rotor Component or Part, any Collateral, or Lessee's interest therein other than Permitted Liens. Lessee will promptly take such action as directed by Lessor to duly discharge any such Lien. If Lessee fails to remove a Lien, Lessor may take such action as it deems appropriate to remove such Lien, but without waiving its other rights hereunder. Lessee shall reimburse Lessor on demand for any costs incurred by Lessor in connection with such action and such amount shall accrue interest at the Contract Rate plus 5%.

10. Insurance Provisions. In addition to the insurance required by Section 7.02 Insurance of the Master Lease, with respect to the Equipment under the Lease, Lessee shall secure and maintain in effect at its own expense throughout the Lease Term the following insurance with respect to the Aircraft, Rotor Blades, Rotor Components and Engines:

Insurance with Respect to Aircraft

- (a) Liability Insurance. Lessee shall maintain at its sole cost and expense for the entire Lease Term with insurers of recognized reputation and responsibility satisfactory to Lessor (but in no event having an A.M. Best or comparable agency rating of less than "A-") (i) comprehensive aircraft and general liability insurance against bodily injury or property damage claims, including, without limitation, contractual liability, premises damage, public liability, death and property damage liability, public and passenger legal liability coverage, and sudden and accidental pollution coverage, in an amount not less than \$75,000,000.00 (or such higher amount as may be required by Applicable Law) for each single occurrence, and (ii) personal injury liability in an amount not less than \$25,000,000.00.

(b) "All-Risk" Hull Insurance. Lessee shall maintain at its sole cost and expense for the entire Lease Term with insurers of recognized reputation and responsibility satisfactory to Lessor (but in no event having an A.M. Best or comparable agency rating of less than "A-"), "all-risk" ground, taxiing, and flight hull insurance on an agreed-value basis, covering the Aircraft, provided that such insurance shall at all times be in an amount at least equal to the greater of (i) the then applicable Purchase Price under such Lease or (ii) the replacement cost of the Equipment under the Lease.

(c) War Risk and Allied Perils. Lessee shall also maintain war risk and allied perils insurance (including confiscation, appropriation, expropriation, terrorism and hijacking insurance) in the amounts required in paragraph (a) and paragraph (b) above, as applicable.

(d) Additional Policy Requirements. Any policies of insurance carried in accordance with this Section 6 and any policies taken out in substitution or replacement of any such policies (i) shall be endorsed to name Lessor as the secured part with respect to the Aircraft and as additional insured as its interests may appear (but without responsibility for premiums), (ii) with respect to insurance carried in accordance with paragraphs (b) or (c) above, as applicable, shall provide that any amount payable thereunder shall be paid directly to Lessor as sole loss payee and not to Lessor and Lessee jointly, (iii) shall provide for thirty (30) days written notice by such insurer of cancellation, material change, or non-renewal, (iv) shall include a severability of interest clause providing that such policy shall operate in the same manner as if there were a separate policy covering each insured, (v) shall waive any right of set-off against Lessee or Lessor, and any rights of subrogation against Lessor, (vi) shall provide that in respect of the interests of Lessor in such policies, the insurance shall not be invalidated by any action or inaction of Lessee or any other Person operating or in possession of the Aircraft regardless of any breach or violation of any warranties, declarations or conditions contained in such policies by or binding upon Lessee or any other Person operating or in possession of the Aircraft, and (vii) shall be primary, not subject to any co-insurance clause and shall be without right of contribution from any other insurance. Notwithstanding clause (ii) of the preceding sentence, so long as no Event of Default has occurred and is continuing, and no Event of Default or Event of Loss with respect to the Aircraft has occurred, the amounts referred to in clause (ii) may be paid, as applicable, either (A) if \$100,000.00, or more, in the aggregate, to Lessor and Lessee, jointly, as their interests may appear, and released by Lessor to Lessee or other appropriate Persons in payment of the costs actually incurred with respect to repairs made to the Aircraft so as to restore it to the operating condition and any other applicable provision of the Lease, or shall be disbursed by Lessor as otherwise required by the Lease, or (B) if less than \$100,000.00 in the aggregate, to Lessee (and such amounts shall be applied by Lessee to pay the costs of such repairs).

(e) No Right To Self-Insure. Lessee shall not self-insure (by deductible, premium adjustment, or risk retention arrangement of any kind) the insurance required to be maintained in these Insurance with Respect to Aircraft provisions.

(f) U.S. Dollars. All insurance proceeds payable under the requisite policies shall be payable in U.S. Dollars.

(g) Adjustments to Coverage. Lessee agrees that it shall obtain and maintain such other insurance coverages, or cause adjustments to be made to the scope, amount or other aspects of the existing insurance coverages, promptly upon Lessor's request, as and when Lessor deems such additional insurance coverages or modifications to be appropriate in light of any changes in Applicable Law, prudent industry practices, the insurance market, Lessee's anticipated use of the Aircraft or other pertinent circumstances.

11. Events of Default. The following shall be added to the end of Section 12.01 of the Master Lease:

(g) failure to maintain, use, or operate the Aircraft in compliance with Applicable Law or the occurrence of any Defective Registration;

(h) any use of the Aircraft outside of the U.S. that is prohibited by this Lease, or use for any illegal purpose;

(i) failure to obtain, maintain and/or comply with all of the insurance coverages required under this Lease, including the applicable Aircraft Addendum.

In addition, an Event of Default hereunder the foregoing Events of Default constitute a default as contemplated under the Cape Town Convention.

12. Remedies on Default. The following shall be added to the end Section 12.02 of the Master Lease:

(d) Proceed at law or in equity, to enforce specifically Lessee's performance or to recover damages.

(e) To the extent permitted by Applicable Law, enter the premises where the Aircraft is located and take immediate possession of and remove (or disable in place) the Aircraft (and/or any Engine, any Rotor Blades, any Rotor Components or Part then unattached to the Aircraft) by self-help, summary proceedings or otherwise without liability

(f) Use Lessee's premises for storage as set forth in this Lease without liability.

(g) Preserve the Airframe, Engines, Rotor Blades and Rotor Components, and their respective value (but without any obligation to do so), immobilize or keep idle the Airframe, any Rotor Blade, any Rotor Component or any Engine, manage, sell, re lease or otherwise dispose of the Airframe, any Rotor Blade, any Rotor Component, any Engine, Part or other property relating to the Aircraft, whether or not in Lessor's possession, at public or private sale, with or without notice to Lessee (except as required by Applicable Law, and in furtherance thereof, Lessor agrees that it shall give Lessee no less than ten (10) working days' prior notice of any proposed sale or lease of the Airframe, any Rotor Blade, any Rotor Component or any Engine, which Lessee acknowledges as constituting "reasonable prior notice" for the purposes of the Cape Town Convention), and apply or retain the net proceeds of such disposition.

(h) Apply any deposit or other cash collateral, or collect and apply any proceeds of the Collateral, at any time to reduce any amounts due to Lessor.

(i) Demand and obtain from any court speedy relief pending final determination available at law (including, without limitation, possession, control, custody or immobilization of the Aircraft or preservation of the Aircraft or its fair market value).

(j) Procure the deregistration and/or export and physical transfer of the Aircraft from the territory in which it is then situated

(k) Exercise any and all other remedies allowed by Applicable Law, including, without limitation, the Cape Town Convention and the UCC.

13. No Remedy Exclusive. The following shall be added to the end of Section 12.03 of the Master Lease:

Lessee hereby acknowledges that none of the provisions of this Article XII, including any remedies set forth or referenced herein, is "manifestly unreasonable" for the purposes of the Cape Town Convention. Each may be used successively and cumulatively and in addition to any other right or remedy referred to above or otherwise available to Lessor at law or in equity, including, such rights and/or remedies as are provided for in the Cape Town Convention and/or the UCC, but in no event shall Lessor be entitled to recover any amount in excess of the maximum amount recoverable under Applicable Law with respect to any Event of Default. No express or implied waiver by Lessor of any Default or Event of Default hereunder shall in any way be, or be construed to be, a waiver of any future or subsequent Default or Event of Default. Other than as provided in Section 3.03, Lessee hereby waives any rights under the UCC and/or the Cape Town Convention to cancel or repudiate this Lease or any of the other Lease Documents, to reject or revoke acceptance of the Aircraft or any component thereof, to suspend performance, and to recover from Lessor any general, special, incidental or consequential damages, for any reason whatsoever. All remedies set forth in Article XII shall survive the expiration, cancellation or other termination of this Lease for any reason whatsoever.

14. Notices. The following shall be added to the end of Section 13.01 of the Master Lease:

Lessee will provide Lessor with the following in writing within the time periods specified: (i) notice of any Lien which attaches to the Aircraft, and the full particulars of the Lien, within ten (10) days after Lessee becomes aware of the Lien; (ii) notice to Lessor of any change of the Primary Hangar Location, ten (10) days prior to any such change; (iii) notice of any Event of Loss to the Aircraft in accordance with Section 8.01 hereof; (iv) notice of any accident involving the Aircraft causing bodily injury or property damage to third parties, within five (5) days of such accident; and (v) ten (10) days prior to the policy expiration date for any insurance coverage required by this Lease, evidence of the renewal or replacement of such coverage complying with the terms hereof.

Lessee will also provide Lessor with the following in writing promptly upon Lessor's request: (1) a copy of any insurance policy required by this Lease; (2) notice to Lessor of the Aircraft's location, and the location of all Records relating to the Aircraft and its use, maintenance and/or condition; (3) such information as may be necessary to enable Lessor to file any reports required by any governmental authority due to Lessor's security interest in the Aircraft; (4) copies of any manufacturer's maintenance service program contract for the Airframe, Rotor Blades, Rotor Components or Engines; (5) copies of all Records evidencing Lessee's compliance with FAA airworthiness directives and mandatory service bulletins, and any other requested Records; and (6) such other reports or information as Lessor may reasonably request.

### **III. CONDITIONS PRECEDENT TO DISBURSEMENT OF LEASE PROCEEDS.**

A. Disbursements at Time of Commencement Date. Lessor's obligations to disburse the Lease Proceeds under the Lease as provided in Section 6 of the Property Schedule and lease the Equipment to the Lessee shall be conditioned upon the satisfaction of all of the following conditions: (a) Lessor receives the Down Payment Documents, defined below, in form and substance satisfactory to Lessor, at least one (1) Business Day prior to the anticipated Commencement Date; and (b) all representations and warranties of the Lessee in the Down Payment Documents, are true and correct. Lessee acknowledges and agrees that any advance of funds by Lessor prior to the satisfaction of all of the preceding conditions shall not constitute a waiver by Lessor of any such condition.

The Down Payment Documents consist of the following:



1. All Lease Documents, including the original of the Master Lease with Lessor, two (2) originals of the Property Schedule, this Aircraft Addendum, and all schedules and exhibits to the Master Lease, Property Schedule and the Aircraft Addendum, duly executed by Lessee.

2. The Escrow Fund and Account Control Agreement among Lessor, Lessee, and Bank of America, N.A., as Acquisition Fund Custodian, dated August 7, 2019, duly executed by the parties thereto.

3. UCC assignments, releases and/or termination statements, where needed, relating to the Aircraft and the Collateral in all places that are, in Lessor's opinion, necessary or appropriate to protect Lessor's interest therein.

4. An opinion of counsel to Lessee in form and substance satisfactory to Lessor.

5. A certificate or certificates, executed by the clerk, secretary or other authorized representative of Lessee certifying: (i) that execution, delivery and performance of the Lease and the other Lease Documents and the entrance by such party into the transactions contemplated thereby have been authorized, and (ii) the name(s) of the person(s) authorized to execute and deliver such documents on behalf of such party, together with specimen signature(s) of such person(s).

6. Collateral Assignment of Purchase Agreement, dated August 7, 2019, by and among Lessor, Lessee and Airbus Helicopters Inc.

7. Such other documents, certificates and opinions, and evidence of such other matters, as Lessor, Lessor's counsel or FAA Counsel may reasonably request.

B. Disbursements from the Acquisition Fund upon for Second Progress Payment. Lessor's obligations to disburse the Lease Proceeds in the Acquisition Fund to Supplier in the amount of \$6,756,691.00 on September 16, 2019, shall be conditioned upon the satisfaction of all of the following conditions: (i) a disbursement request executed by Lessee for payment from the Acquisition Fund in form acceptable to Lessor; and (ii) all representations and warranties in the Lease, including the Aircraft Addendum, are true and correct.

C. Disbursement from the Acquisition Fund upon Acceptance. Lessor's obligations to disburse the Lease Proceeds in the Acquisition Fund to Supplier in the amount of \$2,544,639.00 upon final delivery of the Aircraft to, and acceptance thereof by, Lessee shall be conditioned upon the satisfaction of all of the following conditions: (a) Lessor receives the Required Documents and Purchase Documents, in form and substance satisfactory to Lessor, at least one (1) Business Day prior to the anticipated date of acceptance of the Equipment and final payment to the Supplier (the "Acceptance Date"); (b) all representations and warranties in the Lease, including the Aircraft Addendum, are true and correct; (c) Lessee accepts the Aircraft from Supplier, under the Purchase Documents and under this Lease, on the Acceptance Date; (d) FAA Counsel confirms to Lessor that (i) it has received all of the FAA Documents (as defined in Section B, below), and (ii) upon filing the FAA Documents, Lessor will have a perfected interest in the Airframe, Engines, Rotor Blades and Rotor Components, and the Aircraft (including the Airframe, Engines, Rotor Blades and Rotor Components) will be free and clear of all Liens, other than this Lease and the Security Agreement; (e) Lessee and Supplier each authorizes (i) the completion and release from escrow of all Required Documents and FAA Documents held by Lessor, FAA Counsel or other counsel, (ii) FAA Counsel to file the FAA Documents and to make all other filings and registrations at the FAA, the International Registry and any other applicable filing offices, and (iii) its professional user entity to consent to the registration with

the International Registry of Lessor's international interest in the Airframe and Engines, as evidenced by the Security Agreement, along with any associated rights thereto; provided, such authorization shall be deemed to have been automatically made by Lessee (whether or not so confirmed) immediately upon the receipt by Lessee, Supplier or any other Person (as directed in any pay proceeds letter executed by Lessee in connection with this Lease) of the funds constituting the Lease Proceeds. Lessee acknowledges and agrees that (i) any disbursement of funds by Lessor or the Acquisition Fund Custodian from the Acquisition Fund prior to the satisfaction of all of the preceding conditions shall not constitute a waiver by Lessor of any such condition, and (ii) Lessee shall be irrevocably obligated to satisfy all of such conditions prior to the FAA filing deadline on the day on which such funds are released.

1. Purchase and Required Documents. On or prior to the Acceptance Date and at least one full Business Day prior to closing, Lessee shall have delivered or caused to be delivered, in form acceptable to Lessor, Lessor's Counsel and FAA Counsel, the following to Lessor, as applicable:

a. "Purchase Documents" including copies of the following:

(a) All purchase and warranty agreements entered into by Lessee or any predecessors in connection with the acquisition of the Aircraft; (b) warranty and FAA bills of sale conveying title to the Aircraft, including the Engines, Rotor Blades, and Rotor Components, from Supplier to Lessee; (c) invoices in Lessee's name for the purchase of the Aircraft, including the Engines, Rotor Blades, and Rotor Components; (d) evidence of Lessee's tax exempt status for purposes of sales and use tax in form and substance satisfactory to Lessor, if applicable; and (e) all exhibits, addenda, supplements and revisions, and such other documents relating to the purchase or conveyance of title to Lessee as Lessor may request.

b. "Required Documents" shall mean the Down Payment Documents, as well as the following:

a) Evidence in form and substance satisfactory to Lessor as to the insurance coverage required under the Lease, including, but not limited to, a certificate of insurance, copies of endorsements (including a Lessor endorsement), applicable policies and written confirmation from the insurance underwriter or broker that the insurance coverage provided is in compliance with the requirements of this Aircraft Addendum.

b) If required by Lessor, an inspection report and/or appraisal satisfactory to Lessor with respect to the Aircraft prepared by inspector(s) or appraiser(s) acceptable to Lessor.

c) A disbursement request executed by Lessee for payment from the Acquisition Fund in form acceptable to Lessor.

d) Such other documents, certificates and opinions, and evidence of such other matters, as Lessor, Lessor's counsel or FAA Counsel may reasonably request.

2. FAA Documents. On or prior to the Acceptance Date and at least two full Business Day prior to closing, Lessee shall have delivered to FAA Counsel the following (collectively, the "FAA Documents"):

a) Evidence of reservation of a FAA registration number for the Aircraft

and/or an Assignment of Special Registration Numbers (FAA AC Form 8050-64) assigning rights in such "N" number to Lessee with respect to the Aircraft.

b) Evidence of the issuance by the FAA of a Standard Airworthiness Certificate (FAA AC Form 8100-2) for the Aircraft.

c) All of the following in proper form for filing with and recording by the FAA: (a) The executed FAA Aircraft Bill of Sale (FAA AC Form 8050-2) in the name of Lessee; (b) the executed FAA Aircraft Registration Application (FAA AC Form 8050-1) in the name of Lessee (the "Registration Application") (except for the pink copy which shall be available to be placed on the Aircraft upon acceptance thereof); (c) executed releases of any Liens in form and substance satisfactory to FAA Counsel, Lessor's counsel and/or Lessor; (d) one (1) fully executed counterpart of the Security Agreement signed in blue ink, and if requested by FAA Counsel, the Lease and the Aircraft Addendum, all the foregoing being in proper form for filing with and recording by the FAA; and (e) such other documents as are necessary, in the opinion of FAA Counsel, so that the FAA records indicate that the Lessee is the registered owner of the Airframe and Lessor has a duly perfected first priority security interest in the Aircraft, free and clear of Liens.

### 3. Conditions Subsequent.

a) On or subsequent to the Acceptance Date, but not later than the date of the Aircraft's first flight, Lessee shall confirm to Lessor that pertinent copies of the Registration Application, Standard Airworthiness Certificate, the Security Agreement and the Lease, including the Aircraft Addendum, have been properly placed on the Aircraft. In addition, for all operations outside the continental U.S., Lessee shall maintain either a permanent Certificate of Registration or "fly-time wire" (FAA Standard Form 14) on-board the Aircraft.

b) Lessee shall confirm to Lessor that (a) within 24 hours following execution thereof, a copy of the Security Agreement was filed with the Aircraft Registration Branch of the FAA; and (b) Lessee has notified the FAA (such notification to have been given by facsimile transmission, telephone or in person to the FAA Flight Standards District Office, General Aviation District Office nearest the airport where such flight will originate) concerning the first flight of the Aircraft at least forty-eight (48) hours prior to takeoff.

c) Within five (5) Business Days after the Acceptance Date, Lessor shall receive an opinion of FAA Counsel satisfactory to Lessor that title to the Airframe is vested in Lessee, that Lessor has a valid and perfected security interest in the Aircraft, and that the Aircraft (including the Airframe and Engines) is free and clear of all other Liens of record.

D. Payment of Sales Tax. Lessee shall be responsible for timely payment of the sales tax with respect to the Equipment anticipated to be in the amount of \$901,093.00.

**IV. GRANTING CLAUSE.** In order to secure the prompt and full payment and performance as and when due of any and all obligations of Lessee to Lessor, now existing or hereafter created of any kind whatsoever, Lessee hereby collaterally assigns, grants, pledges and conveys to Lessor, a security interest, and security assignment in and Lien on all of Lessee's right, title and interest in, to and under all of the following (collectively, the "Collateral"): (i) this Lease; (ii) any and all present and future subleases, management agreements, interchange agreements, charter agreements, associated rights and any other present and future agreements of any kind whatsoever relating to the Aircraft or any part thereof and all rent, charter payments, reimbursements and other disbursements, remittances or other amounts payable with respect thereto, including, without limitation, all rent and other amounts constituting associated rights secured by or associated with the Airframe, Engines, Rotor Blades and Rotor Components, and any related international interests; (iii) the Aircraft, including, without limitation, the Airframe, Engines, Rotor Blades, Rotor Components and Parts, and all present and future parts, accessories, accessions, associated rights and attachments thereto, and all present and future replacements, substitutions and exchanges for such goods; and (iv) any and all proceeds of the foregoing, including all related goods, accounts, associated rights, chattel paper, documents, instruments, general intangibles, letters of credit, letter of credit rights, investment property, deposit accounts, supporting obligations, insurance proceeds, warranty and requisition payments, and all other casualty amounts and other amounts constituting proceeds, and all present and future books and records relating to any of the foregoing and/or the Aircraft (including, without limitation, all tapes, cards, computer programs, computer runs and computer data in the possession or control of Lessee, any computer service bureau, or other third party). The collateral assignment, security interest and lien granted herein shall survive the termination, cancellation or expiration of this Lease until such time as Lessee's obligations under this Lease are fully and indefeasibly discharged.

Lessor and Lessee acknowledge and agree that the Lease is and is intended to be a transaction which creates a security interest in personal property in favor of Lessor, and shall be construed to constitute a lease intended as security for all commercial law and federal income and state tax purposes. Lessee and Lessor further acknowledge and agree that any right, title or interest of Lessor in and to the Equipment is held for collateral security purposes and that Lessor shall be entitled to all of the rights and remedies of a secured party under Article 9 of the UCC and otherwise provided under applicable law.

**V. POWER OF ATTORNEY.** Lessee irrevocably appoints Lessor as its attorney-in-fact to act in Lessee's name and on its behalf to make, execute, deliver and file any instruments or documents (including any filings at the FAA), settle, adjust, receive payment, make claim or proof of loss, endorse Lessee's name on any checks, drafts or other instruments in payment of any insurance claims and to take any action as Lessor deems necessary or appropriate to carry out the intent of this Lease; provided, however, Lessor agrees that it will not exercise this power unless an Event of Default has occurred or a Default has occurred and is continuing. This appointment is coupled with an interest, is irrevocable, and shall terminate only upon payment in full of the obligations set forth in this Lease and/or any other Lease Documents.

**VI. TRANSACTION EXPENSES.** Without limiting any other provision of this Lease, Lessee shall perform and comply with all of its obligations, and possess, use, operate, insure, maintain, and comply with Applicable Law, service, return and/or store the Aircraft (or cause any or all of the same to be done) and take all other actions contemplated in this Lease and the other Lease Documents at its sole risk, cost and expense. Lessee shall pay all fees, costs and

expenses incurred by or on behalf of Lessor at any time, whether or not the transactions contemplated hereby are consummated, in connection with (i) appraisal and inspection fees, (ii) Lessor's counsel fees and expenses and FAA Counsel's fees and expenses, (iii) FAA, Cape Town Convention, International Registry and UCC title and lien searches, reports, filing and recording fees, charges and taxes, and (iv) costs and expenses in connection with Lessee's exercise of any option or other right granted under, or any amendment or other modification to any of, the Lease Documents. Notwithstanding the foregoing, with respect to Lessor's counsel fees and FAA Counsel's fees, Lessee shall be responsible for only \$5,000.00 of such cost.

**VII. ENFORCEMENT COSTS.** Lessee shall be liable for, and pay to Lessor upon demand, all costs, charges and expenses incurred by Lessor in enforcing or protecting its rights under this Lease, whether by reason of any Default or Event of Default, or otherwise, including, without limitation, legal fees, disbursements, insurance, expert witness fees, consultant fees, repossession, taxes, lien removal, recovery, storage, inspection, appraisal, repair, costs of transportation, refurbishing, advertising and brokers' fees, and other carrying costs and costs of sale, re-lease or other disposition of the Aircraft.

**VIII. RETURN OF AIRCRAFT.** Upon termination of the Lease prior to payment of all Lease Payments and Additional Rents due thereunder or the payment of the Purchase Price with respect thereto, including, without limiting, due to an Event of Default or a termination due to non-availability of funds pursuant to Section 3.03 of the Master Lease, Lessee shall, at Lessee's expense, return the Equipment to a location within the continental United States as Lessor shall designate. Lessee shall take reasonable care to protect the Equipment from damage and mechanical and appearance degradation. Such reasonable care shall include; but not be limited to, installation of all covers, tie-downs, and other protective shipping or storage devices delivered to Lessee with the Equipment at the time of initial delivery thereof. Lessee will attempt to locate and secure adequate indoor hangar facilities for the storage of the Equipment. The Equipment shall be delivered to the location specified by Lessor in good operating condition and it shall be both flyable and "airworthy" as described in the FAR. All windshield, "chin windows," door glass and fuselage windows shall be free of cracks. All interior trim pieces shall be free of damage (normal wear and tear excepted). The exterior paint shall be in good condition (normal wear and tear excepted). All markings applied by, or on behalf of, Lessee shall be removed in such a manner so as to return the Equipment to its appearance at the time Lessee originally took possession of the Equipment. All parts and components of the Equipment that have a retirement life approved by the FAA shall have at least 50% of their scheduled life remaining. Those parts and components that have a manufacturer's recommended overhaul interval must have at least 50% of their recommended overhaul interval remaining. (When computing the remaining life of any component, the most recent intervals published by the manufacturer and approved by the FAA for unrestricted use shall be utilized. Interval adjustments approved for a specific operator or group of operators will not be considered as acceptable intervals for the calculation of the time remaining.) The dollar figures for calculating the debits of items with a mandatory service life limit shall be the then-current manufacturer's list price. The dollar figures for calculating the debits of items with manufacturer recommended overhaul interval shall be determined by the manufacturer's then current list price. Any parts and components installed during the Lease Term shall be of the same configuration and part number (or approved superseding configuration and part number) that were installed at the time of Equipment delivery. Lessee shall also conduct an engine power assurance check with the results documented and signed by the person performing the check and take whatever action is necessary to ensure that the engine(s) produce its rated power. Lessee shall also deliver all loose Equipment (tie-downs, ground handling wheels, tow bars, covers, and other specialized Equipment) that was delivered to Lessee along with the Equipment or which has become necessary due to installation of additional Equipment

or modifications to the Equipment. In addition, Lessee shall also deliver to Lessor a copy of the acceptance inspection checkouts signed by the Lessee or its representative at the time of the initial delivery of the Equipment to Lessee.

In addition to the return requirements contained set forth above, upon termination of the Lease, Lessee will promptly deliver to Lessor all logs, manuals and data, including (without limitation) inspection, modification and overhaul records required to be maintained with respect thereto under the Lease or under the applicable rules and regulations of FAA and under the manufacturer's recommended maintenance program, along with a currently effective FAA airworthiness certificate. The Equipment shall be delivered to Lessor in the same configuration as it was at the time of delivery to Lessee, unless Lessor has consented in writing to a modification of such configuration or unless consent to such modification was not required in which case the Equipment may be delivered to Lessor in the configuration as so modified. Any FAA approval modifications installed on the Equipment shall become a permanent part of the Equipment and are subject to the Lease. All parts and components installed on the Equipment shall originate from commercial manufacturers holding appropriate FAA approvals and shall be traceable to the original manufacturer, with proper statement of manufacturer's authority quoted and each invoice for parts shall include a statement to the effect that the parts conform to the manufacturer's approved standards and FAA requirements. Lessee shall, upon request, assign to Lessor its rights under any manufacturer's maintenance service contract or extended warranty for the Equipment. Lessee shall (i) have had completed, within 30 days prior to return, the next required "annual inspection" as described in the FARs by an FAA Certified Repair Station on the Equipment, including the next required annual inspection of the airframe and the next periodic inspection on each engine, including a spectrometric oil analysis test ("SOAP Test"); (ii) assure that each engine shall have available operating hours until both the next scheduled "hot section" inspection and next scheduled major overhaul of not less than 50% of the total operating hours respectively available between such hot section inspections or major overhauls; and (iii) assure that the airframe shall have at least: (A) one-half the available operating hours and (B) one-half the available operating months until the next scheduled major airframe, main rotor system, tail rotor system and transmission inspections allowable between such inspections. Upon delivery of the Equipment, Lessor may arrange for the inspection of same within 120 days of delivery to determine if the Equipment has been maintained and returned in accordance with the provisions hereof and the Lease. Lessee shall be responsible for the cost of such inspection and shall pay Lessor such amount within 10 days of demand for same. In the event that the results of such inspection indicate that the Equipment has not been maintained or returned in accordance with the provisions hereof, Lessee shall pay to Lessor within 10 days of demand, as liquidated damages, the estimated cost (the "Estimated Cost") of servicing or repairing the Equipment. The Estimated Cost shall be determined by Lessor by obtaining two quotes for such service or repair work and taking the average of same. Lessee shall bear the cost, if any, incurred by Lessor in obtaining such quotes.

All of Lessor's and Lessee's rights contained in this Section shall survive the expiration or other termination of the Lease.

**IX. FURTHER ASSURANCES.** Lessee will promptly execute or otherwise authenticate any documents, filings and other records, including, amendments to this Lease, UCC and FAA filings and acknowledgments of assignment, and will take such further action as Lessor may reasonably request in order to carry out more effectively the intent and purposes of this Lease or other Lease Documents, and to establish and protect Lessor's rights and remedies hereunder, thereunder, or otherwise with respect to the Aircraft and/or the Collateral. Lessee irrevocably authorizes Lessor to file UCC financing statements and all related continuation statements with



respect to the Aircraft or other Collateral. Lessee agrees (i) not to file any corrective or termination statements with respect to any UCC or other filings relating to the Aircraft or any Collateral, (ii) not to discharge or allow to be discharged any international interest, security assignment or other Registerable Interest created in favor of Lessor without Lessor's prior written consent, (iii) to promptly cause any Registerable Interest that is registered with the International Registry with respect to the Airframe, Engines or other Collateral, to be discharged unless required or otherwise expressly permitted by the Lease Documents, (iv) to obtain or cause to be obtained as promptly as possible any governmental, administrative or agency approval and make any filing or registration therewith (including, without limitation, with the FAA and with the International Registry) required with respect to the performance of Lessee's obligations under this Lease and the other Lease Documents and the operation of the Aircraft and its business, and (v) not to take any other actions that may be inconsistent with Lessor's rights and remedies, or Lessee's obligations under this Lease or other Lease Documents.

**X. CONFLICTS.** Except as modified hereby, all of the terms, covenants and conditions of the Master Lease and Property Schedule shall remain in full force and effect and are in all respects hereby ratified and affirmed. To the extent any of the terms of this Aircraft Addendum are contrary to or inconsistent with any terms and conditions of the Master Lease and Property Schedule, the terms and conditions of this Aircraft Addendum shall govern.

[Execution pages follow.]

IN WITNESS WHEREOF, Lessor and Lessee have executed this Aircraft Addendum.

This Aircraft Addendum may be executed in counterparts, each of which shall be an original, but all of which together shall constitute the same document. Delivery of an originally executed signature page or pages hereto, a counterpart signature page, or a photocopy thereof transmitted by facsimile transmission, shall be as effective as delivery of a manually signed counterpart of this consent

**Lessor:**

BANC OF AMERICA PUBLIC CAPITAL  
CORP

By: 

Name: Terri J. Preston

Title: Authorized Agent

**Lessee:**

COUNTY OF RIVERSIDE, CALIFORNIA

By: 

Name: Teresa Summers

Title: Director, Purchasing and  
Fleet Services

FORM APPROVED COUNTY COUNSEL

BY  5 Aug 2019  
DAVID M. MCCARTHY DATE

## Schedule A to the Aircraft Addendum

The Equipment is as follows:

Airframe Make/Model: AIRBUS HELICOPTERS, INC. Model H145  
Year: 2019  
Airframe Serial No.: 20280  
U.S. Identification No.: \_\_\_\_\_  
Engines: Safran Helicopter Engines S.A. Model Arriel 2E  
Two total: 1. Serial No. \_\_\_\_\_  
2. Serial No. \_\_\_\_\_ and \_\_\_\_\_  
Main Rotor Assembly: Manufacturer: AIRBUS HELICOPTERS, INC.  
Main Rotor Gear Box: Serial No.: \_\_\_\_\_  
Main Rotor Blades: AIRBUS HELICOPTERS, INC.  
Part Number: \_\_\_\_\_  
Three total: 1. Serial No.: \_\_\_\_\_  
2. Serial No.: \_\_\_\_\_  
3. Serial No.: \_\_\_\_\_  
4. Serial No.: \_\_\_\_\_  
Tail Rotor Assembly: Manufacturer: AIRBUS HELICOPTERS, INC.  
Tail Rotor Gear Box: Serial No.: \_\_\_\_\_  
Tail Rotor Blade: AIRBUS HELICOPTERS, INC.  
Part Number: \_\_\_\_\_  
One total [*confirm*]: 1. Serial No.: \_\_\_\_\_

The Airframe is type certified by the FAA to transport at least five people (including crew) or goods in excess of 450 kilograms.

Each of the Engines has at least 550 rated takeoff shaft horsepower or the equivalent of such horsepower.

Standard avionics and equipment, optional equipment, and such other items fitted or installed on the Aircraft and as may be more particularly described hereinafter set forth in Schedule A hereto.

Schedule A  
Avionics and Equipment

Set forth in the attached 3 pages from the Purchase Agreement incorporated herein by reference.

[See attached.]

TOGETHER WITH ALL ADDITIONS, ACCESSIONS, MODIFICATIONS, IMPROVEMENTS, REPLACEMENTS, SUBSTITUTIONS, AND ACCESSORIES THERETO AND THEREFOR, ALL AVIONICS, ONBOARD EQUIPMENT, LOOSE EQUIPMENT, MANUALS, DOCUMENTATION AND TECHNICAL PUBLICATIONS, NOW OWNED OR HEREAFTER ACQUIRED, AND ALL RECORDS AND LOGBOOKS (IN WRITTEN FORM OR AS COMPUTER DATA, DISCS OR TAPES, WHETHER NOW EXISTING OR HEREAFTER ACQUIRED OR CREATED, AND WHETHER IN THE POSSESSION OF LESSEE OR HELD ON BEHALF OF LESSEE BY OTHERS).



2701 n forum drive, grand prairie, texas 75052

## PURCHASE AGREEMENT

Page One of Three

| Customer:<br>Riverside County Sheriff's Department<br>4850 W. Stetson Avenue<br>Hemet, CA 92545 |          | Phone: 951-925-9591                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Date Prepared: 31 July 2019<br>Revision V |                       |
|-------------------------------------------------------------------------------------------------|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|-----------------------|
|                                                                                                 |          | Contact: Curtis Bright                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Contract N°: V-7104                       |                       |
| Item N°                                                                                         | Quantity | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Unit Price                                | Total                 |
| 1                                                                                               | 1        | New, H145 DP SP IFR, S N 20280, to include:<br>3-COLOR EXTERIOR PAINT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 9,082,361                                 | US FUNDS<br>9,082,361 |
| 2                                                                                               | 1        | <u>STANDARD DP/SP IFR EQUIPMENT: Factory Installed</u><br>4-AXIS AUTOMATIC FLIGHT CONTROL SYSTEM<br>BLEED AIR HEATING<br>VENTILATION FOR AVIONICS DECK<br>2ND PORTABLE FIRE EXTINGUISHER<br>COPILOT FLIGHT CONTROLS<br>INSTRUMENT PANEL EXTENSION ON COPILOT SIDE<br>BATTERY TYPE SAFT 40AH - FIXED PARTS<br>S/L LIGHT LED; WITH IR MODE<br>SLANT PANEL<br>VECTOR MAST MOMENT SYSTEM                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | INCL                                      | INCL                  |
| 3                                                                                               | 1        | <u>AIRFRAME EQUIPMENT: Factory Installed</u><br>ACTIVE VIBRATION CONTROL SYSTEM (AVCS)<br>ADDITIONAL ELECTRICAL UNIT<br>AIR CONDITIONING SYSTEM (ACS)<br>CABLE CUTTER SYSTEM, FIXED PROVISIONS<br>COLLECTIVE CONTROL GUARD, PILOT/COPILOT<br>ELECTRICAL HEATING SYSTEM<br>ENGINE COMPRESSOR WASH KIT<br>ENVIRONMENTAL CONTROL SYSTEM (ECS)<br>FUEL MANAGEMENT SYSTEM (FUEL FLOW METERS)<br>FUZZ BURNER FOR ENGINES, MAIN TRANSMISSION AND FENESTRON® GEARBOX<br>STANDARD PILOT SEAT<br>STANDARD COPILOT SEAT<br>IMPROVED HEAT PROTECTION FOR ENGINE COWLING LH & RH<br>INLET BARRIER FILTER SYSTEM<br>MAP CASE IN COPILOT DOOR<br>MAP CASE ON INSTRUMENT PANEL GLARE SHIELD<br>PASSENGER SEATING, 8 CLUB SEATS (STANDARD ARRANGEMENT)<br>PEDAL COVER FOR COPILOT FLIGHT CONTROLS<br>SLIDING DOOR FASTENER, INTERMEDIATE AND MAX POSITION, RH & LH<br>STANDARD COCKPIT, CABIN AND CARGO COMPARTMENT - NVG COMPATIBLE<br>SOUNDPROOFING KIT<br>TINTED SUN SHADES FOR COCKPIT WINDSHIELD ROOF SECTION                                                                      | INCL                                      | INCL                  |
| 4                                                                                               | 1        | <u>STANDARD AVIONICS: Factory Installed</u><br>AVIONICS PACKAGE DP IFR GTN 750<br>DIGITAL VOICE CONTROL SYSTEM (DVCS 6100), INC, ACU 6100 (BECKER), PILOT & COPILOT<br>AVIONICS PACKAGE DP IFR GTN 750 INTERCONNECTION / WIRING<br>DISTANCE MEASURING EQUIPMENT DME-4000 (ROCKWELL COLLINS)<br>FLIGHT DISPLAY SUBSYSTEM (FDS), COPILOT<br>GPS/NAV/COM GTN 750 (GARMIN), COPILOT, INTERFACED WITH FDS<br>GPS/NAV/COM GTN 750 (GARMIN), PILOT, INTERFACED WITH FDS<br>MARKER BEACON RECEIVER MKR3300-1 (BECKER)<br>TRANSPONDER (MODE S) GTX 335R (GARMIN)<br>RADAR ALTIMETER<br>COCKPIT VOICE AND FLIGHT DATA RECORDER (CVFDR), FIXED PROVISIONS<br>EMERGENCY LOCATOR TRANSMITTER (ELT)<br>HEADSET ADAPTER CABLE CREW GLENAIR/U92, (2 EA)<br>HEADSET ELECTRICAL POWER SUPPLY (28 VDC), FIXED PROVISIONS<br>HELICOPTER TERRAIN AWARENESS AND WARNING SYSTEM (H-TAWS) HELIONIX<br>LIGHTWEIGHT AIRCRAFT RECORDING SYSTEM (LARS) ALERTS VISION 1000 (APPAREO)<br>SBAS RNP APPROACH CAPABILITY<br>SYNTHETIC VISION SYSTEM (SVS)<br>TRAFFIC ADVISORY SYSTEM TAS 620A / AVIDYNE | INCL                                      | INCL                  |
| 5                                                                                               | 1        | <u>ADDITIONAL AIRFRAME OPTIONS: AHD INSTALLED</u><br>CABLE CUTTER SYSTEM, DETACHABLE PARTS<br>HEALTH MONITORING SYSTEM (HMS), FIXED PROVISIONS<br>PROFESSIONAL GROUND STATION (PGS) VISION SYSTEM<br>LAPTOP FOR PROFESSIONAL GROUND STATION (PGS) VISION SYSTEM<br>JETTISONABLE COCKPIT DOORS<br>JETTISONABLE SLIDING DOORS<br>LASHING POINTS - 60 KTS<br>MAP CASES IN SLIDING DOORS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | INCL                                      | INCL                  |
| SEE PAGE THREE FOR TOTALS                                                                       |          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                           |                       |



2701 n forum drive, grand prairie, texas 75052

## PURCHASE AGREEMENT

Page Two of Three

## Customer:

Riverside County Sheriff's Department  
4850 W. Stetson Avenue  
Hemet, CA 92545

Phone: 951-925-9591

Contact: Curtis Bright

Date Prepared: 31 July 2019

Revision V

Contract N°: V-7104

| Item N°                   | Quantity | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Unit Price | Total     |
|---------------------------|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-----------|
| 5                         |          | <u>ADDITIONAL AIRFRAME OPTIONS: AHD INSTALLED Continued</u><br>TINTED PUSH-OUT CABIN WINDOWS<br>TINTED WINDOWS IN SLIDING DOORS<br>TINTED WINDOW IN CABIN                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |            |           |
| 6                         | 1        | <u>ADDITIONAL AIRFRAME OPTIONS: AHI INSTALLED</u><br>BATTERY - LEAD ACID, RG-380E/44 - AHI/CONCORDE STC(SR09298RC-D)<br>INTERIOR - LONCOIN FLOORING IN COCKPIT & CABIN                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | INCL       | INCL      |
| 7                         | 1        | <u>ADDITIONAL AVIONICS OPTIONS: HI INSTALLED</u><br>HELIONIX LAPTOP<br>BOSE HEADSETS JACKS / 323172-0010 / NEXUS<br>VIDEO INPUTS FOR HELIONIX CONFIGURATION FILE TURNED ON FOR ADDITIONAL CAMERA INPUTS<br>AND/OR RADAR FEEDS - <i>SHORTAGE AT DELIVERY PROVIDED AFTER VENDOR COMPLETION</i><br>ENGINEERING AND INDUSTRY SUPPORT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | INCL       | INCL      |
| 8                         | 1        | <u>ADDITIONAL FACTORY EQUIPMENT: AHI INSTALLED</u><br>MULTI-PURPOSE FITTINGS IN CABIN - RH<br>MULTI-PURPOSE FITTINGS IN CABIN - LH<br>MULTI-PURPOSE FITTINGS IN CABIN - FWD RH<br>MULTI-PURPOSE FITTINGS IN CABIN - FWD RH<br>ATTACHMENT RING IN CEILING, LH<br>ATTACHMENT RING IN CEILING, RH<br>SPOILER FOR COCKPIT DOORS<br>EXTERNAL MULTIPURPOSE CAMERA ON TAILBOOM<br>EXTERNAL REAR-VIEW CAMERA<br>DOUBLE CARGO HOOK - FIXED PROVISIONS<br>DOUBLE CARGO HOOK - DETACHABLE PARTS<br>DUAL CARGO HOOK WEIGHING SYSTEM, FIXED PROVISIONS<br>DUAL CARGO HOOK WEIGHING SYSTEM, DETACHABLE PARTS<br>SEPARATION CURTAIN FOR COCKPIT/CABIN, FIXED PROVISIONS<br>SEPARATION CURTAIN FOR COCKPIT/CABIN, REMOVABLE PARTS<br>EXTERNAL HOIST - LH SIDE FIXED PROVISIONS<br>EXTERNAL HOIST (WITHOUT HOOK), DETACHABLE PARTS<br>EXTERNAL HOIST HOOK AND STANDARD DAMPER<br>EXTERNAL HOIST OBSERVATION LIGHT, LH FIXED PROVISIONS<br>EXTERNAL HOIST OBSERVATION LIGHT, DETACHABLE PARTS<br>TEFLON COATING FOR CABLE DEFLECTOR ON LH LANDING GEAR<br>TEFLON COATING FOR CABLE DEFLECTOR ON RH LANDING GEAR<br>EXTERNAL ROPE DOWN DEVICE, RH FIXED PROVISIONS<br>EXTERNAL ROPE DOWN DEVICE FOR 2/1 PERSONS, DETACHABLE PARTS<br>MOVING MAP - HELIONIX (DMAO)<br>PCF FILE<br>NAME PLATES<br>HI-VIS PAINT ON MAIN ROTOR BLADES | 1,382,667  | 1,382,667 |
| 9                         | 1        | <u>MANAGED COMPLETION: HANGAR ONE</u><br>REAR ACU-8100 AUDIO MIXER PANEL, W/ TRANSMIT ON LH/RH OUTBOARD STATIONS, HEADSET JACKS<br>AT PAX LOCATIONS & NEAR CLAMSHELL DOORS - TJ120 MIXER PANEL WILL BE ADDED TO EXISTING<br>BECKER DVS SYS.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 36,587     | 1,248,753 |
|                           | 1        | MAINTENANCE COIL CORD COMM INNOVATIONS (25FT EACH) - QTY (2) / CIX211L/50-74M                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 1,974      |           |
|                           | 1        | COMM INNOVATIONS CORD ASSEMBLIES - QTY (8) / CIX414HK3-6P                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 7,435      |           |
|                           | 1        | COPILOT FOOT SWITCH - LINE MASTER / M8805/55-01                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 6,748      |           |
|                           | 1        | GARMIN GTX-345 ADSB IN / OUT TRANSPONDER W/ VERTICAL MOUNTING TRAY, INTERFACED TO GTNS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 25,933     |           |
|                           | 1        | TDFM-9300 RADIO / 111267-2-93-A41-A32-T1-P93003                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 185,338    |           |
|                           | 1        | FOXTRONICS VHF LO BAND ANTENNA TUNER WITH ROD. / FLX-3050B                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 26,335     |           |
|                           | 1        | (4) ANTENNAS FOR TDFM-9300 RADIO.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 20,127     |           |
|                           | 1        | AFT CROSSTUBE SCENE LIGHTS (MIMIC LVMPD)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 24,031     |           |
|                           | 1        | AERO DYNAMIX COCKPIT NVG STC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 82,023     |           |
|                           | 1        | BAMBI BUCKET ELECTRICAL PROVISIONS ONLY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 18,270     |           |
|                           | 1        | FLIR 380HDC FIXED ELECTRICAL PROVISIONS (LH FWD MOUNTED) ONLY.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 93,415     |           |
|                           | 1        | TRAKKA A800 SYSTEM MOUNTED RH FWD WITH DOVETAIL MOUNT UPPER.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 171,848    |           |
|                           | 1        | HOIST LIPSTICK CAMERA (DOWN FACING)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 20,740     |           |
|                           | 1        | AEM LS600 PA SYSTEM W/ DUAL HORNS AND AEM CONTROLLER. INCL AMP AND AIRFILM PA BRACKET.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 58,967     |           |
|                           | 1        | AIRFILM STEP MOUNT LH AND RH - QTY (2)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 53,069     |           |
|                           | 1        | AIRFILM PAYLOAD MOUNTS WITH DOVETAIL SETS (FLIR, PA, SEARCHLIGHT) - QTY (3)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 41,131     |           |
|                           | 1        | AEROCOMPUTERS UC8000 MAPPING COMPUTER WITH RHOETHETA INTERFACE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 221,544    |           |
|                           | 1        | INSTRUMENT PANEL MODIFICATION TO ACCOMMODATE A STOWABLE 12" MACRO BLUE MONITOR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 32,701     |           |
|                           | 1        | MACRO BLUE MB12W MONITOR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 35,883     |           |
|                           | 1        | COPILOT XMT/CS SWITCH                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 6,081      |           |
| SEE PAGE THREE FOR TOTALS |          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |            |           |



# AIRBUS

2701 n forum drive, grand prairie, texas 75052

## PURCHASE AGREEMENT

Page Three of Three

|                                                                                                 |                                               |                                                                  |
|-------------------------------------------------------------------------------------------------|-----------------------------------------------|------------------------------------------------------------------|
| Customer:<br>Riverside County Sheriff's Department<br>4850 W. Stetson Avenue<br>Hemet, CA 92545 | Phone: 951-925-9591<br>Contact: Curtis Bright | Date Prepared: 31 July 2019<br>Revision V<br>Contract N°: V-7104 |
|-------------------------------------------------------------------------------------------------|-----------------------------------------------|------------------------------------------------------------------|

| Item N°                                                                                                                                                                                                                                                                                                                           | Quantity | Description                                                                                                                                                                                                                          | Unit Price | Total         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|---------------|
| 9                                                                                                                                                                                                                                                                                                                                 |          | <b>MANAGED COMPLETION: HANGAR ONE Continued</b>                                                                                                                                                                                      |            |               |
|                                                                                                                                                                                                                                                                                                                                   | 1        | TIS AUDIO ON/OFF SWITCH                                                                                                                                                                                                              | 6,081      |               |
|                                                                                                                                                                                                                                                                                                                                   | 1        | ICS JACKS - QTY (9)                                                                                                                                                                                                                  | 12,045     |               |
|                                                                                                                                                                                                                                                                                                                                   | 1        | INCANDESCENT LANDING / TAXI LIGHTS INCANDESCENT. REMOVE STD. BULBS GIVE CUSTOMER. - QTY (                                                                                                                                            | 1,317      |               |
|                                                                                                                                                                                                                                                                                                                                   | 1        | CUSTOMER SUPPLIED 800MHZ MOTOROLA MOBILE RADIO SYSTEM                                                                                                                                                                                | 35,747     |               |
|                                                                                                                                                                                                                                                                                                                                   | 1        | CUSTOMER SUPPLIED AVL TRACKING SYSTEM                                                                                                                                                                                                | 14,833     |               |
|                                                                                                                                                                                                                                                                                                                                   | 1        | TOUCH UP PAINT AFTER COMPLETION                                                                                                                                                                                                      | 7,049      |               |
|                                                                                                                                                                                                                                                                                                                                   | 1        | FERRY AIRCRAFT FROM AHI TO HANGAR ONE                                                                                                                                                                                                | 21,501     |               |
| 10                                                                                                                                                                                                                                                                                                                                |          | <b>ADDITIONAL PROVISIONS: CUSTOMIZED TRAINING PROGRAM</b>                                                                                                                                                                            |            | <b>65,417</b> |
|                                                                                                                                                                                                                                                                                                                                   | 1        | CREDIT STANDARD TRAINING                                                                                                                                                                                                             | (79,150)   |               |
|                                                                                                                                                                                                                                                                                                                                   | 1        | <b>PILOT TRAINING:</b><br>FOUR (4) H145 INITIAL PILOT TRANSITION COURSES, GROUND SCHOOL IN GRAND PRAIRIE, TX<br>WITH FLIGHT TRAINING IN CUSTOMER AIRCRAFT. MINIMUM OF TWO (2) STUDENTS PER CLASS,<br>MUST ATTEND A SCHEDULED COURSE. | 98,880     |               |
|                                                                                                                                                                                                                                                                                                                                   | 1        | <b>MAINTENANCE TRAINING:</b><br>TWO (2) H145 FIELD MAINTENANCE COURSES IN GRAND PRAIRIE, TX. MUST ATTEND A<br>SCHEDULED COURSE.                                                                                                      | 23,278     |               |
|                                                                                                                                                                                                                                                                                                                                   | 1        | <b>AVIONICS COURSE:</b><br>TWO (2) H145 AVIONICS COURSES IN GRAND PRAIRIE, TX. MUST ATTEND A SCHEDULED COURSE.                                                                                                                       | 17,613     |               |
|                                                                                                                                                                                                                                                                                                                                   | 1        | <b>ENGINE TRAINING:</b><br>TWO (2) ARRIEL FIELD MAINTENANCE LEVEL 1 COURSES IN GRAND PRAIRIE, TX. MUST ATTEND A<br>SCHEDULED COURSE.<br><b>NOTE: CUSTOMER IS RESPONSIBLE FOR ALL TRAVEL EXPENSES FOR THE ABOVE TRAINING.</b>         | 4,796      |               |
| 11                                                                                                                                                                                                                                                                                                                                | 1        | <b>SPECIAL CONSIDERATION DISCOUNT</b>                                                                                                                                                                                                | (152,198)  | (152,198)     |
| <b>NOTE: California Sales Tax is to be paid directly to the State by the County of Riverside</b>                                                                                                                                                                                                                                  |          |                                                                                                                                                                                                                                      |            |               |
| The offer herein is subject to and contingent upon Buyer being cleared in Seller's Anti-Money Laundering/Know Your Customer (AML/KYC) process. Seller will not sign this Purchase Agreement unless and until this AML/KYC clearance is obtained, and failure to obtain such clearance will render the offer herein null and void. |          |                                                                                                                                                                                                                                      |            |               |

NOTE: WARRANTY APPLICABLE IS SET FORTH IN PARAGRAPH 4  
OF TERMS AND CONDITIONS HEREOF.

|                                                                                                                                                                                                              |                                                                                                                                                                    |                                                                                                |                                           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|-------------------------------------------|
| Delivery Schedule:<br>November 2020                                                                                                                                                                          | Method of Delivery: FCA Carlsbad, CA                                                                                                                               | Total Price                                                                                    | \$11,627,000                              |
| Type of Payment:<br>COD                                                                                                                                                                                      | Delivery date and price will be firm provided deposit is received and<br>Buyer accepts / returns this document by: 15-AUG-2019<br>FIRST COME, FIRST SERVE AIRCRAFT | 1st Deposit 20%<br>Due 15-Aug-19<br>2nd Deposit<br>Due 16-Sep-19<br>Balance Due<br>At Delivery | (2,325,400)<br>(8,756,961)<br>\$2,544,639 |
| This order is subject to the terms and conditions set forth<br>on the attached herof except as modified hereon.                                                                                              |                                                                                                                                                                    |                                                                                                |                                           |
| Accepted and Confirmed:<br>on this 31st day of July 2019<br>By: <br>Airbus Helicopters, Inc.<br>Authorized Representative | Date Accepted:                                                                                                                                                     | Buyer:<br>Riverside County Sheriff's Department                                                |                                           |
|                                                                                                                                                                                                              |                                                                                                                                                                    | Ordered By:                                                                                    |                                           |
|                                                                                                                                                                                                              |                                                                                                                                                                    | Title:                                                                                         |                                           |

PREPARED BY: Kim Ford

DATE: 31JUL19; File: 1587 Rev II

## **Escrow and Account Control Agreement**

This Escrow and Account Control Agreement (this "Agreement"), dated as of August 7, 2019, by and among Banc of America Public Capital Corp, a Kansas corporation (together with its successors and assigns, hereinafter referred to as "Lessor"), the County of Riverside, California, a political subdivision of the State of California (hereinafter referred to as "Lessee") and Bank of America, National Association, a national banking association organized under the laws of the United States of America (hereinafter referred to as "Escrow Agent").

Reference is made to that certain Schedule of Property No. 16-18 dated as of August 7, 2019, to Master Equipment Lease/Purchase Agreement dated as of July 31, 2018, between Lessor and Lessee (hereinafter referred to as the "Lease"), covering the acquisition and lease of certain Equipment described therein (the "Equipment"). It is a requirement of the Lease that the Acquisition Amount, less an initial payment to the Vendor in the amount of \$2,325,400.00 (\$9,301,600.00), be deposited into a segregated escrow account under terms satisfactory to Lessor, for the purpose of funding the balance of the cost of the acquisition of the Equipment, and providing a mechanism for the application of such amounts to the purchase of and payment for the Equipment and applicable sales tax.

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Creation of Escrow Account.

(a) There is hereby created an escrow fund to be known as the "County of Riverside Helicopter Escrow Account" (the "Escrow Account") to be held by the Escrow Agent for the purposes stated herein, for the benefit of Lessor and Lessee, to be held, disbursed and returned in accordance with the terms hereof.

(b) Lessee may, from time to time, provide written instructions for Escrow Agent to use any available cash in the Escrow Account to purchase any money market fund or liquid deposit investment vehicle that Escrow Agent from time to time makes available to the parties hereto. Such written instructions shall be provided via delivery to Escrow Agent of a signed and completed Escrow Account Investment Selection Form (such form available from Escrow Agent upon request). All funds invested by Escrow Agent at the direction of Lessee in such short-term investments (as more particularly described in Escrow Agent's Escrow Account Investment Selection Form) shall be deemed to be part of the Escrow Account and subject to all the terms and conditions of this Agreement. If any cash is received for the Escrow Account after the cut-off time for the designated short-term investment vehicle, the Escrow Agent shall hold such cash uninvested until the next Business Day. In the absence of written instructions from Lessee (on Escrow Agent's Escrow Account Investment Selection Form) designating a short-term investment of cash in the Escrow Account, cash in the Escrow Account shall remain uninvested and it shall not be collateralized. Escrow Agent shall have no obligation to pay interest on cash in respect of any period during which it remains uninvested. Lessee shall be solely responsible for ascertaining that all proposed investments and reinvestments are Qualified Investments and that they comply with federal, state and local laws, regulations and ordinances

governing investment of such funds and for providing appropriate notice to the Escrow Agent for the reinvestment of any maturing investment. Accordingly, neither the Escrow Agent nor Lessor shall be responsible for any liability, cost, expense, loss or claim of any kind, directly or indirectly arising out of or related to the investment or reinvestment of all or any portion of the moneys on deposit in the Escrow Account, and Lessee agrees to and does hereby release the Escrow Agent and Lessor from any such liability, cost, expenses, loss or claim. Interest on the Escrow Account shall become part of the Escrow Account, and gains and losses on the investment of the moneys on deposit in the Escrow Account shall be borne by the Lessee. The Escrow Agent shall have no discretion whatsoever with respect to the management, disposition or investment of the Escrow Account. The Escrow Agent shall not be responsible for any market decline in the value of the Escrow Account and has no obligation to notify Lessor and Lessee of any such decline or take any action with respect to the Escrow Account, except upon specific written instructions stated herein. For purposes of this Agreement, "Qualified Investments" means any investments which meet the requirements of Cal. Government Code Sections 16340, 16429.1, 53601.6, 53601.8, 53635, 53635.2, 53635.8, 53638, and 53684.

(c) Unless the Escrow Account is earlier terminated in accordance with the provisions of paragraph (d) below, amounts in the Escrow Account shall be disbursed by the Escrow Agent in payment of amounts described in Section 2 hereof upon receipt of written instruction(s) from Lessor, as is more fully described in Section 2 hereof. If the amounts in the Escrow Account are insufficient to pay such amounts, Lessee shall provide any balance of the funds needed to complete the acquisition of the Equipment. Any moneys remaining in the Escrow Account on or after the earlier of (i) the expiration of the Acquisition Period or (ii) the date on which Lessee executes an Acceptance Certificate shall be applied as provided in Section 4 hereof.

(d) The Escrow Account shall be terminated at the earliest of (i) the final distribution of amounts in the Escrow Account, (ii) the date on which Lessee executes a Final Acceptance Certificate or (iii) written notice given by Lessor of the occurrence of an Event of Default under the Lease or termination of the Lease due to an Event of Non-appropriation. Notwithstanding the foregoing, this Agreement shall not terminate nor shall the Escrow Account be closed until all funds deposited hereunder have been disbursed.

(e) The Escrow Agent may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine and may assume the validity and accuracy of any statement or assertion contained in such a writing or instrument. The Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner of execution, or validity of any instrument nor as to the identity, authority, or right of any person executing the same; and its duties hereunder shall be limited to the receipt of such moneys, instruments or other documents received by it as the Escrow Agent, and for the disposition of the same in accordance herewith. Notwithstanding and without limiting the generality of the foregoing, concurrent with the execution of this Agreement, Lessee and Lessor, respectively, shall deliver to the Escrow Agent an authorized signers form in the form of Exhibit A-1 (Lessee) and Exhibit A-2 (Lessor) attached hereto. Notwithstanding the foregoing sentence, the Escrow Agent is authorized to comply with and rely upon any notices, instructions or other communications believed by it to have been sent or given by the parties or by a person or persons authorized by the parties. The Escrow Agent specifically allows for receiving direction by

written or electronic transmission from an authorized representative with the following caveat, Lessee and Lessor agree to indemnify and hold harmless the Escrow Agent against any and all claims, losses, damages, liabilities, judgments, costs and expenses (including reasonable attorneys' fees) (collectively, "Losses") incurred or sustained by the Escrow Agent as a result of or in connection with the Escrow Agent's reliance upon and compliance with instructions or directions given by written or electronic transmission given by each, respectively, provided, however, that such Losses have not arisen from the gross negligence or willful misconduct of the Escrow Agent, it being understood that forbearance on the part of the Escrow Agent to verify or confirm that the person giving the instructions or directions, is, in fact, an authorized person shall not be deemed to constitute gross negligence or willful misconduct.

In the event conflicting instructions as to the disposition of all or any portion of the Escrow Account are at any time given by Lessor and Lessee, the Escrow Agent shall abide by the instructions or entitlement orders given by Lessor without consent of the Lessee.

(f) Unless the Escrow Agent is guilty of gross negligence or willful misconduct with regard to its duties hereunder, Lessee agrees to and does hereby release and indemnify the Escrow Agent and hold it harmless from any and all claims, liabilities, losses, actions, suits or proceedings at law or in equity, or any other expense, fees or charges of any character or nature, which it may incur or with which it may be threatened by reason of its acting as Escrow Agent under this Agreement; and in connection therewith, does to the extent permitted by law indemnify the Escrow Agent against any and all expenses; including reasonable attorneys' fees and the cost of defending any action, suit or proceeding or resisting any claim.

(g) If Lessee and Lessor shall be in disagreement about the interpretation of the Lease, or about the rights and obligations, or the propriety of any action contemplated by the Escrow Agent hereunder, the Escrow Agent may, but shall not be required to, file an appropriate civil action including an interpleader action to resolve the disagreement. The Escrow Agent shall be reimbursed by Lessee for all costs, including reasonable attorneys' fees, in connection with such civil action, and shall be fully protected in suspending all or part of its activities under the Lease until a final judgment in such action is received.

(h) The Escrow Agent may consult with counsel of its own choice and shall have full and complete authorization and protection with the opinion of such counsel. The Escrow Agent shall otherwise not be liable for any mistakes of fact or errors of judgment, or for any acts or omissions of any kind unless caused by its willful misconduct.

(i) Lessee shall reimburse the Escrow Agent for all reasonable costs and expenses, including those of the Escrow Agent's attorneys, agents and employees incurred for non-routine administration of the Escrow Account and the performance of the Escrow Agent's powers and duties hereunder in connection with any Event of Default under the Lease, any termination of the Lease due to an Event of Non-appropriation or in connection with any dispute between Lessor and Lessee concerning the Escrow Account.

(j) The Escrow Agent or any successor may at any time resign by giving mailed notice to Lessee and Lessor of its intention to resign and of the proposed date of resignation (the "Effective Date"), which shall be a date not less than 60 days after such notice is

delivered to an express carrier, charges prepaid, unless an earlier resignation date and the appointment of a successor shall have been approved by the Lessee and Lessor. After the Effective Date, the Escrow Agent shall be under no further obligation except to hold the Escrow Account in accordance with the terms of this Agreement, pending receipt of written instructions from Lessor regarding further disposition of the Escrow Account.

(k) The Escrow Agent shall have no responsibilities, obligations or duties other than those expressly set forth in this Agreement and no implied duties responsibilities or obligations shall be read into this Agreement.

## 2. Acquisition of Property.

(a) Acquisition Contracts. Lessee will arrange for, supervise and provide for, or cause to be supervised and provided for, the acquisition of the Equipment, with moneys available in the Escrow Account. Lessee represents the estimated costs of the Equipment are within the funds estimated to be available therefor, and Lessor makes no warranty or representation with respect thereto. Lessor shall have no liability under any of the acquisition or construction contracts. Lessee shall obtain all necessary permits and approvals, if any, for the acquisition, equipping and installation of the Equipment, and the operation and maintenance thereof. Escrow Agent shall have no duty to monitor or enforce Lessee's compliance with the foregoing covenant.

(b) Authorized Escrow Account Disbursements. It is agreed as between Lessee and Lessor that disbursements from the Escrow Account shall be made for the purpose of paying (including the reimbursement to Lessee for advances from its own funds to accomplish the purposes hereinafter described) the cost of acquiring the Equipment.

(c) Requisition Procedure. No disbursement from the Escrow Account shall be made unless and until Lessor has approved such requisition. Prior to disbursement from the Escrow Account there shall be filed with the Escrow Agent a requisition for such payment in the form of Disbursement Request attached hereto as Schedule 1, stating each amount to be paid and the name of the person, firm or corporation to whom payment thereof is due. All disbursements shall be made by wire transfer. The Escrow Agent is authorized to obtain and rely on confirmation of such Disbursement Request and payment instructions by telephone call-back to the person or persons designated for verifying such requests on Exhibit A-2 (such person verifying the request shall be different than the person initiating the request). The Lessor and Lessee hereby confirm that any call-back performed by Escrow Agent to verify a disbursement instruction pursuant to a Disbursement Request submitted pursuant to this Section 2(c) before release, shall be made to Lessor only and Escrow Agent shall have no obligation to call-back Lessee.

Each such Disbursement Request shall be signed by an authorized representative of Lessee (an "Authorized Representative") and by Lessor, and shall be subject to the following conditions, which Escrow Agent shall conclusively presume have been satisfied at such time as a requisition executed by Lessee and Lessor is delivered to it:

1. Delivery to Lessor of an executed Disbursement Request in the form attached hereto as Schedule 1; and
2. Delivery to Lessor of copies of invoices (and proofs of payment of such invoices, if Lessee seeks reimbursement) and bills of sale (if title to such Equipment has passed to Lessee) therefor as required by Section 3.04 of the Lease and any additional documentation reasonably requested by Lessor.

Lessee and Lessor agree that their execution of the form attached hereto as Schedule 1 and delivery of the executed form to Escrow Agent confirms that all of the requirements and conditions with respect to disbursements set forth in this Section 2 have been satisfied.

3. Deposit to Escrow Account. Upon satisfaction of the conditions specified in Section 3.04 of the Lease, Lessor will cause the Acquisition Amount to be deposited in the Escrow Account. Lessee agrees to pay any costs with respect to the Equipment in excess of amounts available therefor in the Escrow Account.

4. Excessive Escrow Account. Upon receipt of written instructions from Lessor including a representation that one of the following conditions has been satisfied (upon which representation Escrow Agent shall conclusively rely), any funds remaining in the Escrow Account on or after the earlier of (a) the expiration of the Acquisition Period or (b) the date on which Lessee executes an Acceptance Certificate, or upon a termination of the Escrow Account as otherwise provided herein, shall be distributed by the Escrow Agent to the Lessor in order for the Lessor to apply such funds to amounts owed by Lessee under the Lease in accordance with Section 4.07 of the Lease.

5. Security Interest. The Escrow Agent and Lessee acknowledge and agree that the Escrow Account and all proceeds thereof are being held by Escrow Agent for disbursement or return as set forth herein. Lessee hereby grants to Lessor a first priority perfected security interest in the Escrow Account, and all proceeds thereof, and all investments made with any amounts in the Escrow Account. If the Escrow Account, or any part thereof, is converted to investments as set forth in this Agreement, such investments shall be made in the name of Escrow Agent and the Escrow Agent hereby agrees to hold such investments as bailee for Lessor so that Lessor is deemed to have possession of such investments for the purpose of perfecting its security interest.

6. Control of Escrow Account. In order to perfect Lessor's security interest by means of control in (i) the Escrow Account established hereunder, (ii) all securities entitlements, investment property and other financial assets now or hereafter credited to the Escrow Account, (iii) all of Lessee's rights in respect of the Escrow Account, such securities entitlements, investment property and other financial assets, and (iv) all products, proceeds and revenues of and from any of the foregoing personal property (collectively, the "Collateral"), Lessor, Lessee and Escrow Agent further agree as follows:

(a) All terms used in this Section 6 which are defined in the Commercial Code of the state of California ("Commercial Code") but are not otherwise defined herein shall

have the meanings assigned to such terms in the Commercial Code, as in effect on the date of this Agreement.

(b) Escrow Agent will comply with all entitlement orders originated by Lessor with respect to the Collateral, or any portion of the Collateral, without further consent by Lessee.

(c) Provided that account investments shall be held in the name of the Escrow Agent, Escrow Agent hereby represents and warrants (a) that the records of Escrow Agent show that Lessee is the sole owner of the Collateral, (b) that Escrow Agent has not been served with any notice of levy or received any notice of any security interest in or other claim to the Collateral, or any portion of the Collateral, other than Lessor's claim pursuant to this Agreement, and (c) that Escrow Agent is not presently obligated to accept any entitlement order from any person with respect to the Collateral, except for entitlement orders that Escrow Agent is obligated to accept from Lessor under this Agreement and entitlement orders that Escrow Agent, subject to the provisions of paragraph (e) below, is obligated to accept from Lessee.

(d) Without the prior written consent of Lessor, Escrow Agent will not enter into any agreement by which Escrow Agent agrees to comply with any entitlement order of any person other than Lessor or, subject to the provisions of paragraph (e) below, Lessee, with respect to any portion or all of the Collateral. Escrow Agent shall promptly notify Lessor if any person requests Escrow Agent to enter into any such agreement or otherwise asserts or seeks to assert a lien, encumbrance or adverse claim against any portion or all of the Collateral.

(e) Except as otherwise provided in this paragraph (e) and subject to Section 1(b) hereof, Lessee may effect sales, trades, transfers and exchanges of Collateral within the Escrow Account, but will not, without the prior written consent of Lessor, withdraw any Collateral from the Escrow Account. Escrow Agent acknowledges that Lessor reserves the right, by delivery of written notice to Escrow Agent, to prohibit Lessee from effecting any withdrawals (including withdrawals of ordinary cash dividends and interest income), sales, trades, transfers or exchanges of any Collateral held in the Escrow Account. Further, Escrow Agent hereby agrees to comply with any and all written instructions delivered by Lessor to Escrow Agent (once it has had a reasonable opportunity to comply therewith) and has no obligation to, and will not, investigate the reason for any action taken by Lessor, the amount of any obligations of Lessee to Lessor, the validity of any of Lessor's claims against or agreements with Lessee, the existence of any defaults under such agreements, or any other matter.

(f) Lessee hereby irrevocably authorizes Escrow Agent to comply with all instructions and entitlement orders delivered by Lessor to Escrow Agent.

(g) Escrow Agent will not attempt to assert control, and does not claim and will not accept any security or other interest in, any part of the Collateral, and Escrow Agent will not exercise, enforce or attempt to enforce any right of setoff against the Collateral, or otherwise charge or deduct from the Collateral any amount whatsoever.

(h) Escrow Agent and Lessee hereby agree that any property held in the Escrow Account shall be treated as a financial asset under such section of the Commercial Code



as corresponds with Section 8-102 of the Uniform Commercial Code, notwithstanding any contrary provision of any other agreement to which Escrow Agent may be a party.

(i) Escrow Agent is hereby authorized and instructed, and hereby agrees, to send to Lessor at its address set forth in Section 8 below, concurrently with the sending thereof to Lessee, duplicate copies of any and all monthly Escrow Account statements or reports issued or sent to Lessee with respect to the Escrow Account.

7. Information Required Under USA PATRIOT ACT. The parties acknowledge that in order to help the United States government fight the funding of terrorism and money laundering activities, pursuant to Federal regulations that became effective on October 1, 2003 (Section 326 of the USA PATRIOT Act) all financial institutions are required to obtain, verify, record and update information that identifies each person establishing a relationship or opening an account. The parties to this Agreement agree that they will provide to the Escrow Agent such information as it may request, from time to time, in order for the Escrow Agent to satisfy the requirements of the USA PATRIOT Act, including but not limited to the name, address, tax identification number and other information that will allow it to identify the individual or entity who is establishing the relationship or opening the account and may also ask for formation documents such as articles of incorporation or other identifying documents to be provided.

8. Miscellaneous. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Lease. This Agreement may not be amended except in writing signed by all parties hereto. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original instrument and each shall have the force and effect of an original and all of which together constitute, and shall be deemed to constitute, one and the same instrument. Notices hereunder shall be made in writing and shall be deemed to have been duly given when personally delivered or when deposited in the mail, first class postage prepaid, or delivered to an express carrier, charges prepaid, or sent by facsimile with electronic confirmation, addressed to each party at its address below.

Notices and other communications hereunder may be delivered or furnished by electronic mail provided that any formal notice be attached to an email message in PDF format and provided further that any notice or other communication sent to an e-mail address shall be deemed received upon and only upon the sender's receipt of affirmative acknowledgement or receipt from the intended recipient. For purposes hereof no acknowledgement of receipt generated on an automated basis shall be deemed sufficient for any purpose hereunder or admissible as evidence of receipt.

|               |                                     |
|---------------|-------------------------------------|
| If to Lessor: | Banc of America Public Capital Corp |
|               | 11333 McCormick Road                |
|               | Mail Code: MD5-032-07-05            |
|               | Hunt Valley, MD 21031               |
|               | Attn: Contract Administration       |
|               | Fax: (443) 541-3057                 |

If to Lessee: County of Riverside  
4095 Lemon Street  
Riverside, California 92501  
Attn: Will Taylor  
Fax: (951) 955-2408

With copy to:

County of Riverside  
4080 Lemon Street, 4<sup>th</sup> Floor  
Riverside, California 92501  
Attn: Stephanie Persi  
Fax: (951) 955-1034

If to Escrow Agent: Bank of America, National Association  
Global Custody and Agency Services  
135 S. LaSalle Street  
Mail Code: IL4-135-18-51  
Chicago, Illinois 60603  
Attention: Rise L. Grey  
Telephone: (312) 992-9527  
Fax: (312) 453-3478  
Email: [gcas\\_amrs\\_escrow\\_client\\_service@baml.com](mailto:gcas_amrs_escrow_client_service@baml.com)

9. Lessee and Lessor understand and agree that they are required to provide the Escrow Agent with a properly completed and signed Tax Certification (as defined below) and that the Escrow Agent may not perform its duties hereunder without having been provided with such Tax Certification. As used herein "Tax Certification" shall mean an IRS form W-9 or W-8 as described above. The Escrow Agent will comply with any U.S. tax withholding or backup withholding and reporting requirements that are required by law. With respect to earnings allocable to a foreign person, the Escrow Agent will withhold U.S. tax as required by law and report such earnings and taxes withheld, if any, for the benefit of such foreign person on IRS Form 1042-S (or any other required form), unless such earnings and withheld taxes are exempt from reporting under Treasury Regulation Section 1.1461-1(c)(2)(ii) or under other applicable law. With respect to earnings allocable to a United States person, the Escrow Agent will report such income, if required, on IRS Form 1099 or any other form required by law. The IRS Forms 1099 and/or 1042-S shall show the Escrow Agent as payor and Lessee as payee. Escrow Agent shall recognize Lessee as the designated party for regulatory reporting purposes.

Lessee and Lessor agree that they are not relieved of their respective obligations, if any, to prepare and file information reports under Code Section 6041, and the Treasury regulations thereunder, with respect to amounts of imputed interest income, as determined pursuant to Code Sections 483 or 1272. The Escrow Agent shall not be responsible for determining or reporting such imputed interest.

10. This Agreement shall be governed by and construed in accordance with the laws of the State of California and the parties hereto consent to jurisdiction in the State of California and venue in any state or Federal court located in the City of Riverside.

11. Any bank or corporation into which the Escrow Agent may be merged or with which it may be consolidated, or any bank or corporation to whom the Escrow Agent may transfer a substantial amount of its escrow business, shall be the successor to the Escrow Agent without the execution or filing of any paper or any further act on the part of any of the parties, anything herein to the contrary notwithstanding. Any bank or corporation into which the Lessor may be merged or with which it may be consolidated, or any bank or corporation to whom the Lessor may transfer a substantial amount of its business, shall be the successor to the Lessor without the execution or filing of any paper or any further act on the part of any of the parties, anything herein to the contrary notwithstanding.

12. This Agreement may be amended, modified, and/or supplemented only by an instrument in writing executed by all parties hereto.

13. No party hereto shall assign its rights hereunder until its assignee has submitted to the Escrow Agent (i) Patriot Act disclosure materials and the Escrow Agent has determined that on the basis of such materials it may accept such assignee as a customer and (ii) assignee has delivered an IRS Form W-8 or W-9, as appropriate, to the Escrow Agent which the Escrow Agent has determined to have been properly signed and completed.

14. Escrow Agent will treat information related to this Agreement as confidential but, unless prohibited by law, Lessee and Lessor authorize the transfer or disclosure of any information relating to the Agreement to and between the subsidiaries, officers, affiliates and other representatives and advisors of Escrow Agent and third parties selected by any of them, wherever situated, for confidential use in the ordinary course of business, and further acknowledge that Escrow Agent and any such subsidiary, officer, affiliate or third party may transfer or disclose any such information as required by any law, court, regulator or legal process.

Lessor will treat information related to this Agreement as confidential but, unless prohibited by law, Escrow Agent and Lessee authorize the transfer or disclosure of any information relating to the Agreement to and between the subsidiaries, officers, affiliates, other representatives and advisors of Lessor and debt and equity sources and third parties selected by any of them, and to their prospective assignees wherever situated, for confidential use in the ordinary course of business, and further acknowledge that Lessor and any such subsidiary, officer, affiliate, debt and equity source or third party or prospective assignee may transfer or disclose any such information as required by any law, court, regulator or legal process.

Lessee will treat the terms of this Agreement as confidential except on a "need to know" basis to persons within or outside Lessee's organization (including affiliates of such party), such as attorneys, accountants, bankers, financial advisors, auditors and other consultants of such party and its affiliates, except as required by any law, court, regulator or legal process and except pursuant to the express prior written consent of the other parties, which consent shall not be unreasonably withheld.

In Witness Whereof, the parties have executed this Escrow and Account Control Agreement as of the date first above written.

Banc of America Public Capital Corp  
as Lessor

By: 

Name: Terri J. Preston

Title: Authorized Agent

Bank of America, National Association  
As Escrow Agent

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

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

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

County of Riverside  
as Lessee

By: 

Name: TERESA SUMMERS

Title: DIRECTOR OF  
PURCHASING &  
FLEET SERVICES

FORM APPROVED COUNTY COUNSEL

BY:  5 August 2009  
DAVID M. McCARTHY DATE

In Witness Whereof, the parties have executed this Escrow and Account Control Agreement as of the date first above written.

Banc of America Public Capital Corp  
as Lessor

County of Riverside  
as Lessee

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

By: 

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

Name: TERESA SUMMERS

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

Title: DIRECTOR OF

PURCHASING & FLEET SERVICES

Bank of America, National Association  
As Escrow Agent

FORM APPROVED COUNTY COUNSEL

By: 

BY  5 April 2019  
DAVID M. MCCARTHY DATE

Name: Alice M. Wolan

Title: Vice President

**SCHEDULE 1**  
**to the Escrow and Account Control Agreement**

**FORM OF DISBURSEMENT REQUEST**

Re: Schedule of Property No. 16-18 dated as of August 7, 2019, to Master Equipment Lease/Purchase Agreement dated as of July 31, 2018, as amended, by and between Banc of America Public Capital Corp, as Lessor, and County of Riverside, California, as Lessee (the "Lease") (Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Lease.)

In accordance with the terms of the Escrow and Account Control Agreement, dated as of August 7, 2019 (the "Escrow and Account Control Agreement") by and among Banc of America Public Capital Corp ("Lessor"), the County of Riverside, California ("Lessee") and Bank of America, National Association, (the "Escrow Agent"), the undersigned hereby requests the Escrow Agent pay the following persons the following amounts from the Escrow Account created under the Escrow and Account Control Agreement for the following purposes:

Disbursement Amounts:

| Payee's Name and Address                                                                                                                                                                                                                                   | Invoice Number                                      | Dollar Amount     | Purpose                                                 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|-------------------|---------------------------------------------------------|
| <Payee's Name><br><Payee Address 1><br><Payee Address 2><br><Payee Address 3><br><br><Payee Bank Name*><br><Payee Bank ABA/Routing*><br><Payee Bank Account No*><br><Payee Account Name*><br><br><*Payee Address and Payee Bank information is required. > | <invoice list OR "see attached" with a spreadsheet> | < invoice amount> | <general description of equipment; ex "police cruiser"> |
| <Payee's Name><br><Payee Address 1><br><Payee Address 2><br><Payee Address 3><br><br><Payee Bank Name*><br><Payee Bank ABA/Routing*><br><Payee Bank Account No*><br><Payee Account Name*><br><br><*Payee Address and Payee Bank information is required.>  | <invoice list OR "see attached" with a spreadsheet> | <invoice amount>  | <general description of equipment; ex "police cruiser"> |

Lessee hereby represents, covenants and warrants for the benefit of Lessor on the date hereof as follows:

(i) (a) Each obligation specified in the table herein titled as "Disbursement Amounts" has been incurred by Lessee in the stated amount, (b) the same is a proper charge against the Escrow Account for costs relating to the Equipment identified in the Lease, and (c) has not been paid (or has been paid by Lessee and Lessee requests reimbursement thereof).

(ii) Each item of Equipment relating to an obligation specified in the table herein titled as "Disbursement Amounts" has been delivered, installed and accepted by Lessee. Attached hereto is a copy of the invoice with respect to such obligation.

(iii) The undersigned, as Authorized Representative, has no notice of any vendor's, mechanic's or other liens or rights to liens, chattel mortgages, conditional sales contracts or security interest which should be satisfied or discharged before such payment is made.

(iv) This requisition contains no item representing payment on account, or any retained percentages which Lessee is, at the date hereof, entitled to retain (except to the extent such amounts represent a reimbursement to Lessee).

(v) The Equipment is insured in accordance with the Lease.

(vi) No Event of Default, and no event which with notice or lapse of time, or both, would become an Event of Default, under the Lease has occurred and is continuing at the date hereof. No Event of Non-appropriation has occurred or is threatened with respect to the Lease.

(vii) The disbursement shall occur during the Acquisition Period.

(viii) The representations, warranties and covenants of Lessee set forth in the Lease are true and correct as of the date hereof.

(ix) No Material Adverse Change has occurred since the date of the execution and delivery of the Lease.

Dated: \_\_\_\_\_

COUNTY OF RIVERSIDE

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Disbursement of funds from the Escrow  
Account in accordance with the foregoing  
Disbursement Request hereby is authorized

BANC OF AMERICA PUBLIC CAPITAL CORP  
as Lessor under the Lease

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



[AN "EXHIBIT A-1" MUST BE COMPLETED AND EXECUTED AT TIME OF EXECUTION OF THE AGREEMENT]

## EXHIBIT A-1

### FORM OF INCUMBENCY AND AUTHORIZATION CERTIFICATE

The undersigned, a duly elected or appointed and acting \_\_\_\_\_  
[Secretary] [City Clerk] [County Clerk] of \_\_\_\_\_ ("Lessee")  
certifies as follows:

A. The following listed persons are duly elected or appointed and acting officials of Lessee (the "*Officials*") in the capacity set forth opposite their respective names below and the facsimile signatures below are true and correct as of the date hereof;

B. The Officials are duly authorized, on behalf of Lessee, to negotiate, execute and deliver the Schedule of Property No. \_\_\_\_ dated as of \_\_\_\_\_ to Master Equipment Lease/Purchase Agreement dated as of \_\_\_\_\_ by and between Lessee and Banc of America Public Capital Corp ("*Lessor*"), the Escrow and Account Control Agreement dated as of \_\_\_\_\_ by and among Lessor, Lessee and Bank of America, National Association, as Escrow Agent, all documents related thereto and delivered in connection therewith, and any future modification(s) or amendments thereof (collectively, the "*Operative Agreements*"), and the Operative Agreements each are the binding and authorized agreements of Lessee, enforceable in all respects in accordance with their respective terms.

| Name of Official | Title | Signature |
|------------------|-------|-----------|
| _____            | _____ | _____     |
| _____            | _____ | _____     |
| _____            | _____ | _____     |

Dated: \_\_\_\_\_

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

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

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

(The signer of this Certificate cannot be listed above as authorized to execute the Agreements.)

EXHIBIT A-2

Escrow and Account Control Agreement dated as of August 7, 2019 by and among  
Lessor, Lessee and Escrow Agent

Certificate of Authorized Representatives – Lessor

Name: Terri Preston

Title: Authorized Agent

Phone: 443-541-3642

Facsimile: 804-553-8124

E-mail: Terri.Preston@baml.com

Signature: 

Fund Transfer / Disbursement Authority Level:

- ☒ Initiate  
☒ Verify transactions initiated by others

Name: Nancy K. Hepner

Title: Authorized Agent

Phone: 443-541-3645

Facsimile: 804-553-2407

E-mail: Nancy.k.hepner@baml.com

Signature: 

Fund Transfer / Disbursement Authority Level:

- ☒ Initiate  
☒ Verify transactions initiated by others

Name: Nancy Nusenko

Title: Authorized Agent

Phone: 443-541-3646

Facsimile: 804-264-6396

E-mail: Nancy.a.nusenko@baml.com

Signature: 

Fund Transfer / Disbursement Authority Level:

- ☒ Initiate  
☒ Verify transactions initiated by others

Name: Arlene Sobieck

Title: Authorized Agent

Phone: 443-541-3643

Facsimile: 804-264-0671

E-mail: Arlene.sobieck@baml.com

Signature: 

Fund Transfer / Disbursement Authority Level:

- ☒ Initiate  
☒ Verify transactions initiated by others

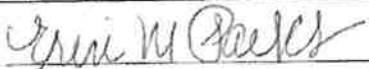
Name: Erin M. Parks

Title: Authorized Agent

Phone: 443-541-3641

Facsimile: 804-266-1355

E-mail: Erin.parks@baml.com

Signature: 

Fund Transfer / Disbursement Authority Level:

- ☒ Initiate
- ☒ Verify transactions initiated by others

Name: Augustine Reichenbach

Title: Authorized Agent

Phone: 443-541-2613

Facsimile: 904-312-6101

E-mail: Augustine.reichenbach@baml.com

Signature: 

Fund Transfer / Disbursement Authority Level:

- ☒ Initiate
- ☒ Verify transactions initiated by others

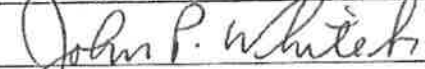
Name: John P. White, Sr.

Title: Authorized Agent

Phone: 433-541-3644

Facsimile: 980-233-7452

E-mail: Patrick.white@baml.com

Signature: 

Fund Transfer / Disbursement Authority Level:

- ☒ Initiate
- ☒ Verify transactions initiated by others


Name: Jennifer Schlosser

Title: Authorized Agent

Phone: 443-541-3685

Facsimile: 804-662-1781

E-mail: Jennifer.schlosser@baml.com

Signature: 

Fund Transfer / Disbursement Authority Level:

- ☒ Initiate
- ☒ Verify transactions initiated by others

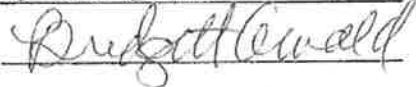
Name: Bridgett Arnold

Title: Authorized Agent

Phone: 415-765-1867

Facsimile: 415-765-7373

E-mail: Bridgett.arnold@baml.com

Signature: 

Fund Transfer / Disbursement Authority Level:

- ☒ Initiate  
☒ Verify transactions initiated by others

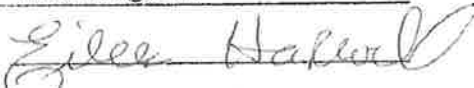
Name: Eileen Harwell

Title: Authorized Agent

Phone: 415-765-1897

Facsimile: 415-343-0531

E-mail: Eileen.harwell@baml.com

Signature: 

Fund Transfer / Disbursement Authority Level:

- ☒ Initiate  
☒ Verify transactions initiated by others

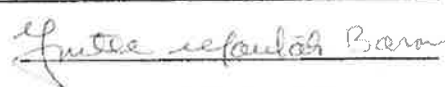
Name: Yvette Montalvo-Baron

Title: Authorized Agent

Phone: 415-765-7371

Facsimile: 415-765-7373

E-mail: Yvette.m.montalvo\_baron@baml.com

Signature: 

Fund Transfer / Disbursement Authority Level:

- ☒ Initiate  
☒ Verify transactions initiated by others

The Escrow Agent is authorized to comply with and rely upon any notices, instructions or other communications believed by it to have been sent or given by the person or persons identified above including without limitation, to initiate and verify funds transfers as indicated.

Banc of America Public Capital Corp

By: 

Name: Terri J. Preston

Title: Authorized Agent

Date: 8/7/17

April, 2017

**SCHEDULE OF PROPERTY NO. 16-18**

Re: Master Equipment Lease/Purchase Agreement, dated as of July 31, 2018,  
between Banc of America Public Capital Corp, as Lessor, and County of  
Riverside, as Lessee

1. *Defined Terms.* All terms used herein have the meanings ascribed to them in the above-referenced Master Equipment Lease/Purchase Agreement, as amended by that certain Amendment Number 1, dated April 30, 2019 (collectively, the "*Master Equipment Lease*") and the Aircraft Addendum, dated August 7, 2019, between Lessor and Lessee with respect to this Schedule of Property No. 16-18 (the "*Aircraft Addendum*").

2. *Equipment.* The following items of Equipment are hereby included under this Schedule of the Master Equipment Lease.

The Equipment is set forth in Schedule A to the Aircraft Addendum.

3. *Payment Schedule.*

(a) *Rental Payments.* The Rental Payments shall be in such amounts and payable on such dates as set forth in the Rental Payment Schedule attached to this Schedule as Exhibit B-2. Rental Payments shall commence on the date on which sufficient moneys to purchase the Equipment are deposited for that purpose with an Acquisition Fund Custodian or paid directly to the Vendor, or a combination of both.

(b) *Purchase Price Schedule.* The Purchase Price on each Rental Payment date for the Equipment listed in this Schedule shall be the amount set forth for such Rental Payment date in the "Purchase Price" column of the Rental Payment Schedule attached to this Schedule. The Purchase Price is in addition to all Rental Payments then due under this Schedule (including the Rental Payment shown on the same line in the Rental Payment Schedule).

4. *Representations, Warranties and Covenants.* Lessee hereby represents, warrants and covenants that its representations, warranties and covenants set forth in the Master Equipment Lease and the Aircraft Addendum are true and correct as though made on the date of commencement of Rental Payments on this Schedule. Lessee further represents and warrants that (a) no material adverse change in Lessee's financial condition has occurred since the date of the Master Equipment Lease; (b) the Board of Supervisors of Lessee has authorized the execution and delivery of the Agreement, Amendment Number 1 thereto, and the Leases thereunder, including this Schedule and the Aircraft Addendum, pursuant to Submittal to the Board of Supervisors County of Riverside, State of California, Item 3.31, ID# 7596, approved on July 31, 2018, Submittal to the Board of Supervisors County of Riverside, State of California, Item 3.26, ID# 9445, approved on April 30, 2019, and Submittal to the Board of Supervisors County of Riverside, State of California, Item 3.36, ID# 10563, approved on August 6, 2019; (c) the Equipment described in the Agreement referenced above is essential to the functions of Lessee or to the services Lessee provides its citizens; (d) Lessee has an immediate need for, and expects to make immediate use of, substantially all such Equipment, which will be used by Lessee only for the

purpose of performing one or more of Lessee's governmental or proprietary functions consistent with the permissible scope of its authority; and (f) Lessee expects and anticipates adequate funds to be available for all future payments or rent due after the current budgetary period.

5. *The Lease.* The terms and provisions of the Master Equipment Lease (other than to the extent that they relate solely to other Schedules or Equipment listed on other Schedules) and the Aircraft Addendum are hereby incorporated into this Schedule by reference and made a part hereof. In addition, the terms and conditions set forth in the Aircraft Addendum, including, but not limited to, the requirements therein for the Security Agreement and the Collateral Assignment of Purchase Agreement, shall be applicable to this Schedule of Property No. 16-18.

6. *Lease Proceeds.* The Lease Proceeds, which shall total \$11,627,000.00 shall be applied on the Commencement Date of August 7, 2019, as follows:

(i) Lease Proceeds in the amount of \$2,325,400.00 shall be paid as a first deposit payment to the Vendor of the purchase price of \$11,627,000.00 for the Aircraft in accordance with Purchase Agreement with Airbus Helicopters, Inc., with Contract No. V-7104 Revision V, prepared July 31, 2019, accepted by Lessee by issuance of Purchase Order No. 0000110311, dated August 6, 2019 (the "Purchase Contract"), on the Commencement Date by Lessor on behalf of Lessee.

(ii) The balance of the Lease Proceeds in connection with this Schedule in the amount of \$9,301,600.00 shall be paid by Lessor to the Acquisition Fund Custodian for deposit into the Acquisition Fund for payment of the balance of the purchase price pursuant to the Purchase Contract and the Aircraft Addendum. The payment of the sales tax in the amount of \$901,093.00 is not being financed and will be paid for by the Lessee. It is expected that by November 30, 2020, Lessee will have taken possession of all items of Equipment in accordance with the terms of the Aircraft Addendum and that the requirements for the release of the Lease Proceeds as set forth in the Aircraft Addendum will be completed on or before November 30, 2020.

7. *Acquisition Period.* The Acquisition Period applicable to this Schedule shall end at the conclusion of the eighteen (18) month following the date hereof.

8. *Lease Term.* The Lease Term shall consist of the Original Term and ten (10) consecutive Renewal Terms, with the final Renewal Term ending on August 20, 2029.

9. *Purchase Option Commencement Date.* For purposes of Section 10.01 of the Lease, the Purchase Option Commencement Date is August 20, 2024.

10. *Maximum Equipment Cost.* The Maximum Equipment Cost approved on a cumulative basis under the Lease for this Schedule and all previous Schedules is \$22,214,564.87.

11. *Contract Rate.* The Contract Rate for this Schedule is 2.3975%.

Dated: August 7, 2019

LESSOR:

Banc of America Public Capital Corp  
555 California Street, 4th Floor  
CA5-705-04-01  
San Francisco, California 94104  
Attention: Contract Administration

LESSEE:

County of Riverside  
2980 Washington Street  
Riverside, California 92504-4647  
Attention: Walter Mack

By: 

Name: Terri J. Preston  
Title: Authorized Agent

By: 

Name: TERESA SUMMEES  
Title: DIRECTOR, PURCHASING  
+ FLEET SERVICES

FORM APPROVED COUNTY COUNSEL

BY:  5 August 2019  
DAVID M. McCARTHY DATE

Counterpart No. \_\_\_\_\_ of \_\_\_\_\_ manually executed and serially numbered counterparts.  
To the extent that this Lease constitutes chattel paper (as defined in the Uniform Commercial Code), no security interest herein may be created through the transfer or possession of any Counterpart other than Counterpart No. 1.



**EXHIBIT B-2****RENTAL PAYMENT SCHEDULE**

Funding Amount: 11,627,000.00  
 Funding Date: 7-Aug-19


| Rental<br>Payment<br>Number | Rental<br>Payment<br>Date | Rental<br>Payment<br>Amount | Interest Portion<br>2.3975% | Principal<br>Portion | Oustanding<br>Balance | Purchase Price<br>(excluding<br>Prepayment<br>Premium) |
|-----------------------------|---------------------------|-----------------------------|-----------------------------|----------------------|-----------------------|--------------------------------------------------------|
|                             | 8/7/2019                  |                             |                             |                      | 11,627,000.00         | 11,627,000.00                                          |
| 1                           | 11/20/2019                | 328,058.86                  | 79,755.57                   | 248,303.29           | 11,378,696.71         | 11,378,696.71                                          |
| 2                           | 2/20/2020                 | 328,058.86                  | 68,201.06                   | 259,857.80           | 11,118,838.91         | 11,118,838.91                                          |
| 3                           | 5/20/2020                 | 328,058.86                  | 66,643.54                   | 261,415.32           | 10,857,423.59         | 10,857,423.59                                          |
| 4                           | 8/20/2020                 | 328,058.86                  | 65,076.68                   | 262,982.18           | 10,594,441.42         | 10,594,441.42                                          |
| 5                           | 11/20/2020                | 328,058.86                  | 63,500.43                   | 264,558.43           | 10,329,882.99         | 10,329,882.99                                          |
| 6                           | 2/20/2021                 | 328,058.86                  | 61,914.74                   | 266,144.12           | 10,063,738.87         | 10,063,738.87                                          |
| 7                           | 5/20/2021                 | 328,058.86                  | 60,319.54                   | 267,739.32           | 9,795,999.54          | 9,795,999.54                                           |
| 8                           | 8/20/2021                 | 328,058.86                  | 58,714.77                   | 269,344.09           | 9,526,655.45          | 9,526,655.45                                           |
| 9                           | 11/20/2021                | 328,058.86                  | 57,100.39                   | 270,958.47           | 9,255,696.99          | 9,255,696.99                                           |
| 10                          | 2/20/2022                 | 328,058.86                  | 55,476.33                   | 272,582.53           | 8,983,114.46          | 8,983,114.46                                           |
| 11                          | 5/20/2022                 | 328,058.86                  | 53,842.54                   | 274,216.32           | 8,708,898.14          | 8,708,898.14                                           |
| 12                          | 8/20/2022                 | 328,058.86                  | 52,198.96                   | 275,859.90           | 8,433,038.24          | 8,433,038.24                                           |
| 13                          | 11/20/2022                | 328,058.86                  | 50,545.52                   | 277,513.34           | 8,155,524.90          | 8,155,524.90                                           |
| 14                          | 2/20/2023                 | 328,058.86                  | 48,882.18                   | 279,176.68           | 7,876,348.22          | 7,876,348.22                                           |
| 15                          | 5/20/2023                 | 328,058.86                  | 47,208.86                   | 280,850.00           | 7,595,498.23          | 7,595,498.23                                           |
| 16                          | 8/20/2023                 | 328,058.86                  | 45,525.52                   | 282,533.34           | 7,312,964.88          | 7,312,964.88                                           |
| 17                          | 11/20/2023                | 328,058.86                  | 43,832.08                   | 284,226.78           | 7,028,738.11          | 7,028,738.11                                           |
| 18                          | 2/20/2024                 | 328,058.86                  | 42,128.50                   | 285,930.36           | 6,742,807.75          | 6,742,807.75                                           |
| 19                          | 5/20/2024                 | 328,058.86                  | 40,414.70                   | 287,644.16           | 6,455,163.59          | 6,455,163.59                                           |
| 20                          | 8/20/2024                 | 328,058.86                  | 38,690.64                   | 289,368.22           | 6,165,795.37          | 6,165,795.37                                           |

|    |            |               |              |               |              |              |
|----|------------|---------------|--------------|---------------|--------------|--------------|
| 21 | 11/20/2024 | 328,058.86    | 36,956.24    | 291,102.62    | 5,874,692.74 | 5,874,692.74 |
| 22 | 2/20/2025  | 328,058.86    | 35,211.44    | 292,847.42    | 5,581,845.32 | 5,581,845.32 |
| 23 | 5/20/2025  | 328,058.86    | 33,456.19    | 294,602.67    | 5,287,242.65 | 5,287,242.65 |
| 24 | 8/20/2025  | 328,058.86    | 31,690.41    | 296,368.45    | 4,990,874.20 | 4,990,874.20 |
| 25 | 11/20/2025 | 328,058.86    | 29,914.05    | 298,144.81    | 4,692,729.39 | 4,692,729.39 |
| 26 | 2/20/2026  | 328,058.86    | 28,127.05    | 299,931.81    | 4,392,797.58 | 4,392,797.58 |
| 27 | 5/20/2026  | 328,058.86    | 26,329.33    | 301,729.53    | 4,091,068.05 | 4,091,068.05 |
| 28 | 8/20/2026  | 328,058.86    | 24,520.84    | 303,538.02    | 3,787,530.03 | 3,787,530.03 |
| 29 | 11/20/2026 | 328,058.86    | 22,701.51    | 305,357.35    | 3,482,172.68 | 3,482,172.68 |
| 30 | 2/20/2027  | 328,058.86    | 20,871.27    | 307,187.59    | 3,174,985.09 | 3,174,985.09 |
| 31 | 5/20/2027  | 328,058.86    | 19,030.07    | 309,028.79    | 2,865,956.30 | 2,865,956.30 |
| 32 | 8/20/2027  | 328,058.86    | 17,177.83    | 310,881.03    | 2,555,075.26 | 2,555,075.26 |
| 33 | 11/20/2027 | 328,058.86    | 15,314.48    | 312,744.38    | 2,242,330.88 | 2,242,330.88 |
| 34 | 2/20/2028  | 328,058.86    | 13,439.97    | 314,618.89    | 1,927,712.00 | 1,927,712.00 |
| 35 | 5/20/2028  | 328,058.86    | 11,554.22    | 316,504.64    | 1,611,207.36 | 1,611,207.36 |
| 36 | 8/20/2028  | 328,058.86    | 9,657.17     | 318,401.69    | 1,292,805.67 | 1,292,805.67 |
| 37 | 11/20/2028 | 328,058.86    | 7,748.75     | 320,310.11    | 972,495.57   | 972,495.57   |
| 38 | 2/20/2029  | 328,058.86    | 5,828.90     | 322,229.96    | 650,265.60   | 650,265.60   |
| 39 | 5/20/2029  | 328,058.86    | 3,897.53     | 324,161.33    | 326,104.27   | 326,104.27   |
| 40 | 8/20/2029  | 328,058.86    | 1,954.59     | 326,104.27    | -            | -            |
|    |            | -----         | -----        | -----         |              |              |
|    |            | 13,122,354.40 | 1,495,354.40 | 11,627,000.00 |              |              |

Prepayment Premium for purposes of Section 10.01(a) for each Rental Payment Date is 0% of the Purchase Price.

For purposes of this Lease, "Taxable Rate," with respect to the interest component of Rental Payments, means an annual rate of interest equal to 3.0600%.

LESSEE:  
County of Riverside

By:   
Name: TERESA SUMMERS  
Title: DIRECTOR OF  
PURCHASING &  
FLEET SERVICES.

**EXHIBIT C**

**CERTIFICATE – NOT NEEDED, ONE ON FILE WITH LESSOR**

The undersigned, a duly elected and acting County Clerk of County of Riverside (“*Lessee*”) certifies as follows:

A. The following listed persons are duly elected and acting officials of Lessee (the “*Officials*”) in the capacity set forth opposite their respective names below and that the facsimile signatures are true and correct as of the date hereof;

B. The Officials are duly authorized, on behalf of Lessee, to negotiate, execute and deliver the Master Equipment Lease/Purchase Agreement dated as of July 31, 2018, as amended, and the Schedule(s) thereunder and all future Schedule(s), with Banc of America Public Capital Corp, and the Escrow and Account Control Agreement dated as of August 7, 2019 by and among Lessor, Lessee and Bank of America, National Association, as Escrow Agent, (the “*Agreements*”), and these Agreements are binding and authorized Agreements of Lessee, enforceable in all respects in accordance with their terms.

| Name of Official | Title | Signature |
|------------------|-------|-----------|
| _____            | _____ | _____     |
| _____            | _____ | _____     |
| _____            | _____ | _____     |

Dated: \_\_\_\_\_

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

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

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

(The signer of this Certificate cannot be listed above as authorized to execute the Agreements.)

## EXHIBIT D

### OPINION OF COUNSEL TO LESSEE – LESSEE’S COUNSEL PROVIDING FORM (to be typed on letterhead of counsel)

Banc of America Public Capital Corp  
555 California Street, 4th Floor  
San Francisco, California 94104

Re: Schedule of Property No. 16-18, dated August 7, 2019, to Master Equipment Lease/Purchase Agreement, dated as of July 31, 2018, as amended, between Banc of America Public Capital Corp, as Lessor, and County of Riverside, as Lessee

Ladies and Gentlemen:

As legal counsel to County of Riverside (“*Lessee*”), I have examined (a) an executed counterpart of a certain Master Equipment Lease/Purchase Agreement, dated as of July 31, 2018, as amended, and Exhibits thereto by and between Banc of America Public Capital Corp (“*Lessor*”) and Lessee (the “*Agreement*”) and an executed counterpart of Schedule of Property No. 16-18, dated August 7, 2019, by and between Lessor and Lessee (the “*Schedule*”), as amended by that certain Aircraft Addendum, dated August 7, 2019 (the “*Aircraft Addendum*”) which, among other things, provides for the lease of certain property listed in the Schedule (the “*Equipment*”) and a certain Escrow Fund and Account Control Agreement among Lessor, Lessee, and Bank of America, N.A., a national banking association, as Acquisition Fund Custodian, dated August 7, 2019, (b) an executed counterpart of the ordinances, resolutions or actions of Lessee which, among other things, authorize Lessee to execute the Agreement and the Schedule and (c) such other opinions, documents and matters of law as I have deemed necessary in connection with the following opinions. The Schedule and the terms and provisions of the Agreement incorporated therein by reference, as amended by the Aircraft Addendum, together with the Rental Payment Schedule attached to the Schedule are herein referred to collectively as the “*Lease*”, and the Lease and the Escrow Fund and Account Control Agreement are referred to collectively as the “*Transaction Documents*.”

Based on the foregoing, I am of the following opinions:

1. Lessee is a public body corporate and politic, duly organized and existing under the laws of the State, and is a political subdivision of a state within the meaning of Section 103(c) of the Internal Revenue Code of 1986, as amended (the “*Code*”) and the obligations of Lessee under the Agreement will constitute an obligation of Lessee within the meaning of Section 103(a) of the Code, notwithstanding Section 103(b) of the Code.
2. Lessee has the requisite power and authority to lease and acquire the Equipment and to execute and deliver the Transaction Documents and to perform its obligations under the Lease.

3. The Lease has been duly authorized, approved, executed and delivered by and on behalf of Lessee and, assuming due authorization, execution and delivery by the other parties thereto of the Transaction Documents, the Transaction Documents are valid and binding obligations of Lessee enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally and by the application of equitable principles if equitable remedies are sought and by the limitations on legal remedies imposed on actions against counties in the State of California.

4. The authorization, approval, execution and delivery of the Transaction Documents and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, public bidding laws and all other applicable state or federal laws; and

5. There is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would adversely affect the transactions contemplated by the Transaction Documents or the security interest of Lessor or its assigns, as the case may be, in the Equipment or other collateral thereunder.

All capitalized terms herein shall have the same meanings as in the Transaction Documents unless otherwise provided herein. Lessor and its successors and assigns, and any counsel rendering an opinion on the tax-exempt status of the interest components of the Rental Payments, are entitled to rely on this opinion.

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

Signature: \_\_\_\_\_

Firm: \_\_\_\_\_

Dated: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone No.: \_\_\_\_\_

## EXHIBIT E

### ACCEPTANCE CERTIFICATE

Banc of America Public Capital Corp  
555 California Street, 4th Floor  
San Francisco, California 94104

Re: Schedule of Property No. 16-18, dated August 7, 2019, to Master Equipment Lease/Purchase Agreement, dated as of July 31, 2018, as amended, between Banc of America Public Capital Corp, as Lessor, and County of Riverside, as Lessee

Ladies and Gentlemen:

In accordance with Schedule of Property No. 16-18, dated August 7, 2019 (the "Property Schedule"), made and entered into by Banc of America Public Capital Corp, as lessor (the "**Lessor**"), and County of Riverside, California, as lessee (the "**Lessee**") pursuant to the Master Equipment Lease/Purchase Agreement, dated as of July 31, 2018, as amended (the "**Master Lease**"), between Lessor and Lessee, as amended by the Aircraft Addendum, dated as of August 7, 2019 (the "**Aircraft Addendum**"), among Lessor and Lessee (the Property Schedule, pursuant to the Master Lease, as amended by this Aircraft Addendum, being referred to herein as the "**Lease**"), the undersigned Lessee hereby certifies and represents to, and agrees with Lessor as follows:

1. All of the Equipment (as such term is defined in the Lease) listed in the above-referenced Schedule of Property (the "**Schedule**") has been delivered, installed and accepted on the date hereof.
2. Lessee has conducted such inspection and/or testing of the Equipment listed in the Schedule as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.
3. Lessee has obtained, and there are in full force and effect, all insurance policies required under the Lease, and Lessee has caused evidence of the required coverage to be provided to Lessor prior to the date hereof. Lessee has also satisfied or complied with all of the other conditions precedent set forth in the Lease, including those set forth in Article III of the Aircraft Addendum.
4. No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default (as defined in the Agreement) or a nonappropriation under Section 3.03 of the Master Lease exists at the date hereof.
5. Lessee hereby acknowledges, agrees, and certifies to Lessor that the Aircraft described in Exhibit A hereto: (1) has been delivered to Lessee's possession, has been inspected by Lessee to its complete satisfaction, has been found to be in good working order, repair and



condition and fully equipped to operate under Applicable Law, (2) is of a size, design, capacity and manufacture selected by Lessee and suitable for Lessee's purposes, and (3) is as of the date hereof ("Acceptance Date"), unconditionally, irrevocably and fully accepted by Lessee for lease under the Lease. Lessee hereby further unconditionally and irrevocably reaffirms its acknowledgments and agreements in the Lease.

6. All representations and warranties in the Lease, including the Aircraft Addendum, are true and correct as of the date hereof.

7. LESSOR HAS NOT MANUFACTURED OR SUPPLIED THE AIRCRAFT, AND LESSEE ACQUIRED THE AIRCRAFT IN CONNECTION WITH THE LEASE. LESSEE HAS SELECTED THE AIRCRAFT AND MAINTENANCE PROVIDERS WITHOUT ANY ASSISTANCE FROM LESSOR, ITS AGENTS OR EMPLOYEES AND LESSEE IS LEASING THE AIRCRAFT "AS-IS, WHERE-IS" AND "WITH ALL FAULTS."

Capitalized terms not otherwise defined herein shall have the meaning as set forth in the Lease.

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

LESSEE:  
County of Riverside

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

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

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

## COLLATERAL ASSIGNMENT OF PURCHASE AGREEMENT

THIS COLLATERAL ASSIGNMENT OF PURCHASE AGREEMENT (this "Assignment") is entered into as of August 7, 2019, by and among BANC OF AMERICA PUBLIC CAPITAL CORP ("Lessor"), RIVERSIDE COUNTY, CALIFORNIA ("Lessee"), and AIRBUS HELICOPTERS INC. ("Vendor").

Vendor and Lessee have entered into that certain Purchase Agreement with Contract No. V-7104 Revision V, prepared July 31, 2019, accepted by Lessee by issuance of Purchase Order No. 0000110311, dated August 6, 2019, as it may be amended from time to time (a true and correct copy of which is attached hereto as Exhibit A, and together with all attachments, appendices, exhibits and amendments thereto, hereinafter collectively referred to, the "Purchase Agreement") for the acquisition, delivery and/or installation of certain improvements and equipment set forth therein (collectively, the "Improvements") to one (1) AIRBUS HELICOPTERS INC. Helicopters Model H145 as described therein (the "Aircraft"). Lessee has requested Lessor to finance the payments to be made to Vendor under the Purchase Agreement. Lessor and Lessee are entering into that certain Master Equipment Lease/Purchase Agreement, dated as of July 31, 2018, as amended (the "Master Equipment Lease"), and Schedule of Property No. 16-18 thereto, dated as of August 7, 2019 (the "Equipment Schedule" and, together with the Master Equipment Lease, and including all related attachments, supplements and amendments, hereinafter collectively referred to as the "Lease Agreement"). Pursuant to the Lease Agreement, and subject to its terms and conditions, Lessor has made an advance to Lessee in the amount of \$11,627,000 for (i) a first deposit payment of in the amount of \$2,325,400 to Vendor on the purchase price, (ii) a second deposit payment in the amount of \$6,756,691 due on September 16, 2019, and (iii) a final payment for the balance of the purchase price due to Vendor in the amount of \$2,544,639 upon completion of the services as set forth in the Purchase Agreement (items (i) to (iii) being collectively referred to herein as the "Progress Payments"). Lessee will make payment of the sales tax in the amount of \$901,093 directly to the taxing authorities with its own funds.

In order to secure its obligation to repay the Progress Payments and certain other obligations under the Lease Agreement, Lessee is entering into this Assignment for the purpose of collaterally assigning to Lessor, and granting to it a first priority security interest in and with respect to, Lessee's respective right, title and interest (but none of its obligations, except to the extent assumed by Lessor pursuant to Sections 4(a) or 5 hereof) in and to, among other things, the Purchase Agreement. Vendor has agreed to consent to such collateral assignment and grant, as provided below; provided, however, Vendor is neither a party to, nor has it made itself familiar with the terms of, the Lease Agreement.

For valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

### 1. Granting Clause; Vendor's Consent.

(a) In order to secure Lessee's obligation to repay the Progress Payments and all accrued and unpaid interest outstanding under the Lease Agreement and any other amounts of any kind whatsoever owing or payable under or in connection with the Lease Agreement (such Progress Payments, accrued interest, and other amounts sometimes hereinafter collectively referred to as the "Obligations"), Lessee hereby collaterally assigns to Lessor, and grants to it a first priority security interest in, under and with respect to, all of Lessee's right, title and interest in, to and under the Purchase Agreement and all proceeds thereof (the "Assigned Rights"), including, without limitation, the following: (i) the right to purchase the Improvements in accordance with and subject to the terms and conditions of the Purchase Agreement (except as set forth herein) by assuming the rights and obligations thereunder; (ii) the right to receive any money due or to become due to Lessee in respect of the Improvements or pursuant to the Purchase Agreement (including any direct or indirect refund or rebate of amounts paid thereunder); and (iii) the right to take any other action in connection with the Purchase Agreement and the Improvements that, but for this Assignment, Lessee could have taken, in each case, subject to the terms and conditions of the Purchase Agreement. Lessee hereby further acknowledges and agrees that the foregoing collateral assignment and grant are in addition to the grant of security interest and lien contained or provided in the Lease Agreement.

(b) Vendor consents to the foregoing collateral assignment and grant of security interest, subject to the terms and conditions of this Assignment (but without acknowledging that it has any knowledge of the provisions of the Lease Agreement) and subject always to such Lessor compliance at all times with all applicable laws and regulations in particular and not limited to national and international anti-corruption, anti-money laundering and export control laws and regulations.

## **2. Representations.**

(a) Lessee and Vendor each hereby represents and warrants (but solely as to itself) that (i) a true and complete (except for portions that are expressly incorporated therein by reference) copy of the Purchase Agreement is attached hereto as Exhibit A; (ii) as of the date of this Assignment, the Purchase Agreement is now in full force and effect, is enforceable in accordance with its terms and constitutes the entire agreement between Lessee and Vendor with respect to the purchase of the Aircraft; and (iii) no consent or approval of any other person is required in connection with its execution, delivery and performance of this Assignment.

(b) Vendor represents and warrants that (i) it has not consented to any other assignment or pledge of the Assigned Rights or the Purchase Agreement; and (ii) it has not received as of the date hereof Progress Payments.

(c) Lessee represents and warrants that it has not previously assigned or pledged the Assigned Rights or any other interest in or with respect to the Purchase Agreement.

**3. Vendor's Acknowledgments.** By its execution of this Assignment, Vendor acknowledges and agrees as follows:

(a) Lessor is entitled to exercise its rights and remedies hereunder with respect to the Assigned Rights notwithstanding any termination of the Purchase Agreement (except as provided herein) or any rejection in bankruptcy of this Assignment or the Purchase Agreement;

(b) unless and until Lessor or its Assignee (as defined in Section 4(b) below) assumes Lessee's rights and obligations under the Purchase Agreement pursuant to Section 4(a) hereof, (i) Lessor shall not have any obligation or liability to Vendor by reason of or arising out of this Assignment, and (ii) only Lessee (and not Lessor) shall be and at all times remain obligated to Vendor under the Purchase Agreement as if this Assignment had not been executed and to pay and perform all of the duties and obligations of the purchaser under the Purchase Agreement, including, without limitation, the obligation to pay the Progress Payments or other amounts payable thereunder; and

(c) the exercise by Lessor of any of the rights assigned hereunder shall not release Lessee from any of its duties or obligations to Vendor under the Purchase Agreement, except to the extent that such exercise by Lessor shall constitute payment or performance of such duties and obligations.

**4. Remedies.** At any time upon or after an Event of Default or a nonappropriation under Section 3.03 under the Lease Agreement has occurred, Lessor may provide Vendor with a notice that such event has occurred and that Lessor intends to exercise one or more of its remedies with respect to the Assigned Rights (the "Default Notice"), which the parties hereto acknowledge and agree shall include any of the following (as Lessor may elect in its sole discretion, but subject to any limitations set forth below; and if such remedy is not specified in such Default Notice, Lessor shall designate such remedy by its further notice to Vendor (an "Election Notice"), no later than three (3) business days after delivering the Default Notice):

(a) Lessor shall have the right to assume all of Lessee's express rights and obligations under the Purchase Agreement, including, without limitation, the right to (i) be named buyer in Vendor's invoices or bills of sale for the Improvements, (ii) pay any balance of the purchase price payable under the Purchase Agreement with respect to the Improvements, (iii) accept delivery of, and take title to, the Improvements, (iv) repudiate or terminate its agreement to purchase the Improvements and receive the amounts payable as a result of such termination (except for any amounts that may be retained by Vendor

from such amounts, if and to the extent provided in the Purchase Agreement; hereinafter, the "Set Off Amounts"), (v) assign its rights and obligations under the Purchase Agreement with Vendor's consent (except that no consent shall be necessary for any Permitted Assignment, as defined below), (vi) enforce all warranties of Vendor with respect to the Improvements, but subject to the limitations and disclaimers with respect to such warranties as provided in the Purchase Agreement, (vii) receive any money due or to become due to Lessee in respect of the Improvements or pursuant to the Purchase Agreement, and (viii) take any other action in connection with the Purchase Agreement and the Improvements that, but for this Assignment, Lessee could have taken, in each case, subject to the express terms and conditions of the Purchase Agreement (other than as expressly provided in this Assignment);

(b) without regard to whether Lessor has assumed the Purchase Agreement, Lessor shall have the right to:

(i) receive (A) the proceeds of sale of the Improvements or return of any progress payments under the Purchase Agreement in connection with any repudiation or termination of the Purchase Agreement, except for any Set Off Amounts, and (B) any other amounts that have accrued and are payable under or with respect to the Purchase Agreement,

(ii) terminate the Purchase Agreement without liability to Vendor (but with Lessee remaining liable to Vendor in connection with such termination), except that any amounts payable to Lessor as a result thereof shall be reduced by any Set Off Amounts, and

(iii) further assign Lessee's rights and obligations under the Purchase Agreement, without Vendor's consent (but only if pursuant to a Permitted Assignment), to any third party (the "Assignee"); provided, however, Lessor's right to assign the Purchase Agreement without assuming the Purchase Agreement pursuant to paragraph (a) above must be exercised by Lessor within ninety (90) business days after the Default Notice (or, as applicable, the Election Notice), or, if earlier, on the next date following such Default (or, as applicable, such Election Notice) on which the balance of the purchase price of the Improvements is scheduled to be paid in accordance with the Purchase Agreement; and if no assignment is consummated by such date, Lessor shall either assume the Purchase Agreement pursuant to paragraph (a) above, or terminate the Purchase Agreement pursuant to clause (ii) of this paragraph (b) (but without limiting Lessor's rights under clause (i) of this paragraph (b)).

For the purposes hereof, a "Permitted Assignment", shall mean any assignment by Lessor to the Assignee of the right to have and assume all of Lessee's rights and obligations as purchaser under the Purchase Agreement, subject always to such assignee's compliance at all times with all applicable laws and regulations in particular and not limited to national and international anti-corruption, anti-money laundering and export control laws and regulations and subject to the following conditions: (A) the sale of the Improvements to the Assignee pursuant to the Purchase Agreement is not prohibited by applicable law, and (B) the Assignee (1) enters into an agreement pursuant to which it assumes all of such rights and obligations, (2) is neither a corporate aircraft broker nor a direct competitor with Vendor's core business, and (3) has either (x) sufficient net worth (or a guarantor of its assumed obligations has sufficient net worth) to pay the balance of the purchase price of the Improvements under the Purchase Agreement, or (y) a commitment letter from a national bank or other nationally recognized finance company, pursuant to which such finance provider agrees to provide financing to the Assignee with respect to all or a significant portion of the remaining purchase price of the Improvements, subject to standard terms and conditions set forth in such commitment letter.

(c) Vendor will provide its reasonable cooperation to Lessor in connection with its exercise of the rights and remedies provided herein.

## **5. Assignments, Modifications, and Terminations.**

(a) Lessee shall not further assign or pledge the Purchase Agreement or any interest therein to any other party unless Lessee has obtained Lessor's prior written consent.

(b) Lessee and Vendor agree that their respective rights to cause or permit any modification to, or termination of, the Purchase Agreement without the prior written consent of Lessor shall be subject to the following limitations:

(i) with respect to any modification to the Purchase Agreement that shall result, either individually or in the aggregate with any other modifications thereunder, in an increase to the purchase price payable thereunder of five percent (5%) or more (a "Material Modification"), no such Material Modification shall be effective without the prior written consent of Lessor, provided, that if Lessor receives notice of Vendor's request for consent to any such Material Modification, and fails to respond to such notice by delivering to Vendor a written response to such request within ten (10) business days after receiving such request, Lessor shall be deemed to have given its consent thereto; and

(ii) with respect to any repudiation or other termination of the Purchase Agreement, whether by Vendor or Lessee and for any reason (a "Termination"), including, if and to the extent permitted therein, by reason of a breach by Lessee thereunder (a "Breach"), no such Termination shall be effective without the prior written consent of Lessor, provided, that if Lessor receives notice of Vendor's request for consent to any such Termination, Lessor shall be deemed to have given its consent thereto if, within ten (10) business days after receiving such request, Lessor has failed to either (A) if pursuant to a Breach, assume Lessee's rights and obligations under the Purchase Agreement and cure any such Breach or (B) in all other circumstances, deliver to Vendor a written response to such request; provided, however, without limiting any other provision of this Assignment, all sums payable in connection with any such Termination, whether or not consented to by Lessor, shall be paid to Lessor and applied to the Lessee's obligations under the Lease Agreement, in furtherance of Lessor's remedies under or as referred to in the Lease Agreement.

**6. Miscellaneous.** This Assignment may be executed in any number of counterparts, and by each of the parties on separate counterparts, each of which, when so executed, shall be deemed an original, but all of which shall constitute but one and the same instrument. Delivery of an executed counterpart of this Assignment by telefacsimile shall be equally as effective as delivery of a manually executed counterpart of this Assignment. Any party delivering an executed counterpart of this Assignment by telefacsimile also shall deliver a manually executed counterpart of this Assignment, but the failure to deliver a manually executed counterpart shall not affect the validity, enforceability or binding effect of this Assignment.

**7. Governing Law, Etc.** THIS ASSIGNMENT AND THE LEGAL RELATIONS OF THE PARTIES HERETO SHALL IN ALL RESPECTS BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA, WITHOUT REGARD TO PRINCIPLES REGARDING THE CHOICE OF LAW. THE PARTIES HERETO HEREBY CONSENT AND SUBMIT TO THE JURISDICTION OF THE COURTS OF THE STATE OF CALIFORNIA AND THE UNITED STATES DISTRICT COURT FOR CENTRAL DISTRICT OF CALIFORNIA FOR THE PURPOSES OF ANY SUIT, ACTION OR OTHER PROCEEDING ARISING OUT OF THEIR RESPECTIVE OBLIGATIONS HEREUNDER, AND EXPRESSLY WAIVE ANY OBJECTIONS THAT THEY MAY HAVE TO THE VENUE OF SUCH COURTS. THE PARTIES HERETO HEREBY EXPRESSLY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION BROUGHT ON OR WITH RESPECT TO THIS ASSIGNMENT.


[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Collateral Assignment of Purchase Agreement to be duly executed as of the date first written above by their respective officers thereunto duly authorized.

BANC OF AMERICA PUBLIC CAPITAL CORP

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

RIVERSIDE COUNTY, CALIFORNIA

By:   
Name: TERESA A SUMMERS  
Title: DIRECTOR, PURCHASING & FLEET SERVICES

AIRBUS HELICOPTERS INC.

By:   
Name: Laura Bowers  
Title: Director of Commercial Offers and Contracts

FORM APPROVED COUNTY COUNSEL

BY:  5 Sept 2019  
DAVID M. McCARTHY DATE

(COLLATERAL ASSIGNMENT)

LB

IN WITNESS WHEREOF, the parties hereto have caused this Collateral Assignment of Purchase Agreement to be duly executed as of the date first written above by their respective officers thereunto duly authorized.

BANC OF AMERICA PUBLIC CAPITAL CORP

By: 

Name:

Title:

**Terri J. Preston**  
**Authorized Agent**

RIVERSIDE COUNTY, CALIFORNIA

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

Name:

Title:

AIRBUS HELICOPTERS INC.

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

Name:

Title:

FORM APPROVED COUNTY COUNSEL

BY:

  
DAVID M. MCCARTHY

5 August 2015  
DATE

(COLLATERAL ASSIGNMENT)

EXHIBIT A

**PURCHASE AGREEMENT**

*AB*



IN WITNESS WHEREOF, the parties hereto have caused this Collateral Assignment of Purchase Agreement to be duly executed as of the date first written above by their respective officers thereunto duly authorized.

BANC OF AMERICA PUBLIC CAPITAL CORP

By:   
Name: Terri J. Preston  
Title: Authorized Agent

RIVERSIDE COUNTY, CALIFORNIA

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

AIRBUS HELICOPTERS INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

FORM APPROVED COUNTY COUNSEL

BY  5 August 2019  
DAVID M. MCCARTHY DATE

(COLLATERAL ASSIGNMENT)

# AIRBUS



## H145

Riverside County  
Sheriff's Department

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## TERMS AND CONDITIONS

### 1- PRICES AND TERMS OF PAYMENT

- (a) Prices shown on the Purchase Agreement (this "Purchase Agreement") are in U.S. dollars for Products F.A.F. (fly away from factory) Seller's facility or F.O.B. to a common carrier at Seller's facility and do not include packaging and crating charges, federal, state or local taxes, excise tariffs or charges, custom duties or other levies, applicable to the manufacture or sale of the Products (as hereinafter defined), which charges, taxes, tariffs or other levies will be added by Seller to the purchase price and will be paid by Buyer.
- (b) Unless otherwise specified in this Purchase Agreement, Buyer shall pay the total unpaid purchase price, plus all applicable packing and crating charges, taxes, tariffs, customs duties and charges, at the time of delivery of the Products. In the event Buyer claims sales tax exemption for purposes of this delivery which is subsequently found non-exempt by the applicable taxing authority, then Buyer agrees to reimburse Seller for any unpaid taxes, interest and penalties assessed against the aircraft purchase by the taxing authority. The term "Products" as used herein shall include helicopters, parts, spare parts, tools, and other miscellaneous equipment and services that may be deliverable hereunder. All other defined terms used herein and not otherwise defined shall have the meanings assigned to those terms as set forth in the Maintenance Manual and Flight Manual (as such manuals are revised and amended from time to time) provided by Seller with each new helicopter sold by Seller, copies of which have been supplied to Buyer.
- (c) All payments shall be made at Seller's offices in Grand Prairie, Texas, without setoff.

### 2- DELIVERY AND ACCEPTANCE

- (a) The Products shall be delivered F.A.F. Seller's facility or F.O.B., to a common carrier at Seller's facility for shipment at Buyer's expense to destinations designated by Buyer. Title to and risk of loss for Products shall pass to Buyer upon delivery thereof to Buyer at Seller's facility or upon delivery thereof to a common carrier for shipment to Buyer unless otherwise specified on the face of this Purchase Agreement.
- (b) The Products shall be accepted by Buyer by an authorized and qualified representative of Buyer after inspection and, in the case of helicopters, flight test at Seller's facility in Grand Prairie, Texas, or at such other location previously approved by Seller.
- (c) Buyer agrees to accept delivery of the Products in accordance with paragraph 2(b) hereof within ten (10) days after the delivery date set forth on the purchase agreement or, in the event delivery of the Products has been delayed by Seller, within ten (10) days after Seller shall have notified Buyer that the Products are ready for delivery.
- (d) In the event Buyer fails to accept delivery of the Products as provided herein, or fails to make any payments that may be due to Seller prior to or at delivery of any Products, or breaches any of the terms of provisions hereof, Seller may cancel this Purchase Agreement and retain all payments, including all deposits and/or down payments, theretofore made by Buyer to Seller, whether pursuant to this Purchase Agreement or otherwise, in satisfaction of any indebtedness of Buyer hereunder, and the retention by Seller of any such payments shall not preclude Seller from seeking additional or further damages from and against Buyer as Seller may elect.
- (e) Upon delivery of the Products to Buyer, Buyer shall immediately inspect the Products at its own cost and, if the Products are found not to conform to the published specifications for such Products, shall give written notice to

Seller of any claim to that effect within ten (10) days after arrival, setting forth in reasonable detail the manner in which the Products do not conform. If Buyer retains the Products after delivery without giving Seller such notice as required, such failure shall constitute an irrevocable acceptance of the Products by Buyer except with respect to defects not reasonably discoverable by such inspection.

- (f) After delivery of the helicopter, should Buyer delay flyaway from Seller's facility, Seller shall provide hangar keepers care and charge Buyer accordingly to prevailing rates. In the event Seller provides Buyer a Ferry Pak at delivery, Buyer agrees to return the Ferry Pak within 30 days from delivery date or Seller will have the right to charge Buyer accordingly for the Ferry Pak.
- (g) Seller will comply with all mandatory service bulletins and airworthiness directive prior to delivery. In the event an aircraft is delivered without final paint, it shall be delivered with a special flight permit and shall be fully capable of receiving an FAA Certificate of Airworthiness in the Standard category, with the exception of outstanding items to be completed by Buyer. In such case it will be Buyer's, or its designated completion centers, responsibility to satisfy outstanding exceptions and obtain the Certificate of Airworthiness.

### 3- DELAYS

- (a) Seller shall not be responsible for, or liable to Buyer for any damages or expenses incurred by Buyer from any failure to perform or delay in performance by Seller due, in whole or in part, to "excusable delays." An "excusable delay" is any failure to perform or delay in performance that is due to causes beyond Seller's control including, but not limited to, acts of God, earthquakes, hurricanes, tornadoes or other acts of nature, fire, explosion, acts of the public enemy, war, insurrection, sabotage, labor disputes (regardless of the reasonableness of demands of labor), shortage of labor, fuel, power or materials, or other industrial disturbances, systemic electrical, telecommunications or other utility failures failure or delays in transportation, equipment or machinery breakdown, failure or delay of Seller's sources of supplies, acts, orders or priorities (whether compliance therewith is mandatory or voluntary) of any government, state, or political subdivision or agency thereof or judicial action, embargoes, riots, acts or orders of government. In such excusable delay event whereby Seller shall be rendered unable wholly or in part to carry out its obligations under this Agreement, then except as otherwise expressly provided in this Agreement, Seller shall give notice and reasonable details of such excusable delay in writing to the Buyer within a reasonable time after occurrence of the event. To the extent the Supplier is affected by such excusable delay, its obligations shall be suspended for a period of time equal to the time of continuance of such excusable delay event and Seller shall endeavor to remove or overcome the impact of such event with all commercially reasonable efforts.
- (b) Buyer's failure to provide, not less than 90 days prior to the scheduled delivery date, complete materials, equipment, instructions and authorizations to Seller for installation of Customer Furnished Equipment (CFE) during the assembly process, which failure causes the Product to be nonconforming at the delivery date, shall not be cause for delay in delivery acceptance pursuant to paragraphs 2(c) and 2(e) above or in payment. Any additional costs incurred by Seller as a result of having to work around or reschedule the installation of Customer Furnished Equipment (CFE) due to Buyer's failure to deliver Customer Furnished Equipment

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(CFE) in a timely manner as provided above shall be invoiced to Buyer and paid by Buyer over and above the price on the Purchase Agreement at delivery. Buyer further shall provide to Seller at least 90 days prior to the scheduled delivery date a final paint scheme in order for Seller to schedule a paint booth slot, and any delay in delivery date due to Buyer's failure to provide Seller with a timely paint scheme may result in delays. Seller reserves the right to charge any additional costs incurred by Seller due to such delay.

- (c) Furthermore, any changes request(s) by the Buyer may extend the delivery date or require an adjustment to the purchase price. In order not to impact delivery schedules, the parties agree to freeze the configuration at least ninety (90) days prior to scheduled delivery date unless mutually agreed by the parties. Any configuration change request from Buyer within 90 days of delivery date will not affect aircraft delivery, and the parties will execute a separate retrofit agreement for the additional scope of work. Seller is authorized to send the Buyer an electronic sequential Confirmation Notice of Change Order by Buyer setting out the configuration change or contract revision, the adjusted purchase price, if any, and the revised delivery date. Buyer may reject, in writing or electronically, any Confirmation Notice that is unacceptable within five days of receipt of a Confirmation Notice from Seller. If timely rejected by Buyer, the Purchase Agreement, as amended, will remain in effect and the change order will lapse and not become a part of this agreement. Buyer's failure to respond timely to any Confirmation Notice will be deemed acceptance of the change order by Buyer, which will become part of the contract, as amended.

#### 4- LIMITED WARRANTY

- (a) Seller warrants each new helicopter and parts manufactured by Airbus Helicopters S.A.S. (herein referred to as the "Helicopter Manufacturer") purchased under this agreement to be free from defects in material and workmanship under normal use and service. Seller's obligation under this warranty is limited to replacing or repairing parts or tools that have been returned to Seller's facility and, at the time of any repair or replacement, shall have been recognized by Seller, in its sole discretion, as subject to this warranty. In the event a part or tool returned to Seller's facility and subject to the warranty as defined herein, is unable to be repaired then such part or tool shall be replaced with a new part or tool. To be eligible for repair or replacement under this warranty, the alleged failure must have occurred, as determined by Seller, within the following time limits:
- (1) With respect to helicopters and optional equipment manufactured by the Helicopter Manufacturer: 2000 flying hours or -36- months after they are delivered to Buyer, whichever occurs first.  
Seller agrees to credit Buyer for reasonable labor costs solely related to direct removal and re-installation incurred for approved warranty claims during the first year of warranty coverage only. The credit will be subject to prior investigation and acceptance by Seller and will be credited to Buyer's trade account for future spares orders only. All credits must be used within 1 year of issue. All compensation for labor rates will be credited at \$190/hour.
  - (2) With respect to new spare parts, the earlier of: (i) 1000 flying hours; (ii) 12 months after installation; or (iii) 24 months after delivery to Buyer; and
  - (3) With respect to tools manufactured by the Helicopter Manufacturer, 24 months after the tool is delivered to Buyer.
- (b) The warranty period on the repaired or replacement part is the warranty period that was remaining on the defective part.
- (c) As soon as possible, but no later than fifteen (15) calendar days after the discovery of a defect, the Buyer shall furnish

to the Seller, by using a warranty claim form provided by the Seller, the full details of its claim and the basis thereof. As soon as it receives the said form, the Seller will forward to the Buyer a warranty claim acknowledgment and a Return Material Authorization ("RMA") number. Within thirty (30) calendar days following the receipt of such documents the Buyer shall return the allegedly defective Parts to the Seller. If the Buyer fails to return the allegedly defective Parts in due time, the Seller reserves the right to invoice the replacement Parts which have been ordered or produced for the Buyer at the price stated in the relevant Seller's price list in force, or in the relevant quotation. Risk of loss for transportation of parts to Seller shall be borne entirely by Buyer. Upon return of parts from Seller to Buyer, the risk of loss for transportation shall be borne entirely by Seller. Other than shipping costs from AHL to Buyer, any insurance, customs expenses and other charges, as well as the expenses incurred by Buyer for the removal, re-installation and related costs and expenses with respect to such part or parts, shall be borne by Buyer. With AHL approval by Warranty Administrator, selected parts may be retained at Buyer's site to be scrapped locally. Claims will not be processed until a completed claim by Buyer has been approved in writing by a Technical Representative of AHL and forwarded to and received by the AHL Warranty office, Grand Prairie, Texas.

**Note: Parts/Components ordered as replacement parts must be acknowledged as "warranty replacements" at the time of order.**

- (d) This warranty shall apply only to the extent the helicopter and the parts installed therein are operated and maintained in accordance with the instructions contained in the Flight Manual, the airframe or component Maintenance Manual (whichever is applicable), the Helicopter Manufacturer's and/or Seller's service bulletins, service letters or telexes, alert telexes, and maintenance notices, any other technical documentation or service information supplied by Seller to Buyer, and any revisions to any of the foregoing. This warranty shall apply to spares only to the extent they are properly stored and installed, operated, and maintained in accordance with the instructions contained in the Flight Manual, the airframe or component Maintenance Manual (whichever is applicable), the Helicopter Manufacturer's and/or Seller's service bulletins, service letters or telexes, alert telexes, and maintenance notices, any other technical documentation or service information supplied by Seller to Buyer, and any revisions to any of the foregoing. Seller's warranty shall not be enlarged, diminished, or affected by, and no obligation or liability shall arise out of, Seller's rendering technical advice, assistance or service in connection with the products purchased hereunder.
- (e) If Buyer modifies any helicopter or part sold hereunder in any manner for which Buyer has not received the prior written approval of Seller, such modification shall cause this warranty to terminate and be of no further force and effect.
- (f) This warranty shall not apply to any helicopter or part which has been repaired or altered outside Seller's factory in any way so as, in Seller's sole discretion, to affect its stability, safety or reliability, or which has been subject to misuse, common neglect, abuse, negligence or accident.
- (g) The word "part" as used in this Agreement means "a detail part with reference to a part number shown on a drawing parts list provided" by the Helicopter Manufacturer.
- (h) This warranty may not be extended, altered or varied unless a prior written agreement is signed between Buyer and Seller. This warranty is granted to Buyer personally and shall not be assigned by Buyer without Seller's prior written consent.
- (i) **SELLER AND THE HELICOPTER MANUFACTURER DISCLAIM AND EXCLUDE FROM THIS AGREEMENT ALL OTHER WARRANTIES, INCLUDING, BUT NOT LIMITED TO, STATUTORY WARRANTIES, OTHER EXPRESS WARRANTIES, AND ANY IMPLIED WARRANTIES, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF**

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**MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE EXPRESS WARRANTY SET FORTH ABOVE IS GIVEN IN LIEU OF: (i) ALL OTHER WARRANTIES AND (ii) ANY OBLIGATION OR LIABILITY OF, RIGHT OR CLAIM AGAINST, OR REMEDY FROM SELLER OR THE HELICOPTER MANUFACTURER, IN CONTRACT OR IN TORT, INCLUDING PRODUCTS LIABILITY BASED ON SELLER'S OR THE HELICOPTER MANUFACTURER'S STRICT LIABILITY OR SELLER'S OR THE HELICOPTER MANUFACTURER'S NEGLIGENCE. THE RIGHTS AND REMEDIES PROVIDED IN THIS AGREEMENT ARE EXCLUSIVE IN CONNECTION WITH THE SALE OF THE HELICOPTER MANUFACTURER'S AND SELLER'S PRODUCT(S). THE STATED EXPRESS WARRANTY PROVIDED HEREIN IS IN LIEU OF ANY AND ALL LIABILITIES OR OBLIGATIONS OF THE HELICOPTER MANUFACTURER OR OF SELLER FOR ANY INJURIES, BODILY HARM, OR DAMAGES OF ANY TYPE, INCLUDING, BUT NOT LIMITED TO, ALL INCIDENTAL OR CONSEQUENTIAL DAMAGES, ALL LOSS, DAMAGE OR EXPENSE ARISING OUT OF OR IN CONNECTION WITH THE USE, LOSS OF USE, PERFORMANCE, OR NON-PERFORMANCE OF THE HELICOPTER MANUFACTURER'S AND/OR SELLER'S PRODUCTS, AND DAMAGES FROM ANY OTHER CAUSE.**

**THE HELICOPTER MANUFACTURER AND SELLER MAKE NO WARRANTY WITH RESPECT TO TURBINE ENGINES OR AVIONICS EQUIPMENT. FOR WARRANTY ON THESE EXCLUDED PARTS, BUYER MUST LOOK TO THE ORIGINAL MANUFACTURER. AT BUYER'S WRITTEN REQUEST, SELLER WILL ASSIGN TO BUYER ANY WARRANTY RIGHTS IT MAY HAVE RECEIVED WITH RESPECT TO SUCH ITEMS OR PARTS TO THE EXTENT SUCH RIGHTS ARE ASSIGNABLE. NORMAL WEAR AND TEAR OF PARTS SUCH AS SEALS, TIRES, INNER TUBES, BULBS, LEAD-ACID BATTERIES, PACKINGS, AND SIMILAR CONSUMABLE PARTS, AS WELL AS THOSE PARTS WHOSE LIST PRICE IS \$50.00 OR LESS, ARE EXCLUDED FROM COVERAGE UNDER THIS WARRANTY.**

### 5- TECHNICAL PUBLICATIONS

- (a) Seller shall supply at no additional cost to Buyer:
  - (1) One interactive electronic support O.R.I.O.N (Optimized Reader for Internet and Other Networks) with the documentation necessary for the maintenance and for the identification of parts for operation and routine servicing, for each helicopter delivered. The Buyer has access through e-TechPub on Keycopter to:
    - o O.R.I.O.N Full Online for reading only
    - o O.R.I.O.N Light Online for download
  - (2) One Hard Copy of
    - o The Flight Manual, for each of Buyer's helicopter. The Flight Manual will be customized to Buyer's specific configuration at delivery.
  - (3) Access to Technical Information Publication on Internet (T.I.P.I.) for:
    - o The Service Bulletins and their subsequent updates;
    - o The Master Servicing Manual.
  - (4) At no additional cost for three (3) years:
    - o One (1) electronic support (EVIDOC CMM) with the documentation necessary for the maintenance of the components installed on the helicopter, and for which the suppliers have granted copyrights to Airbus Helicopters, for each helicopter purchased. The Buyer has access to the technical publication through e-TechPub on Keycopter.

- (5) The technical publication is initially provided at the latest available revision level.
- (6) Seller shall supply at no additional cost and as long as the helicopter is in operation, the updated of O.R.I.O.N and of the Flight Manual. The Master Servicing Manual and the Service Bulletins will be updated on T.I.P.I.

### 6- TRAINING

#### (a) Pilot Training

- (1) Seller shall provide at its facilities in Grand Prairie, Texas, transition training for 4 of Buyer's pilots who are proficient in helicopter flying for each new helicopter purchased hereunder provided i) such training is commenced within one (1) year of the delivery date hereunder, and ii) all pilots attend a scheduled ground school course. Separate ground schools are subject to additional pricing. Such flight training for each pilot shall be performed in the helicopter(s) purchased by Buyer hereunder after transfer of title to the helicopter(s) to Buyer, unless the parties specifically agree otherwise. Transition training shall consist of flight training with up to eight (8) flight hours per pilot (depending on proficiency of the pilot) with formal ground school. Seller reserves the right to set minimum competency requirements for any pilot to be trained hereunder and to refuse to train any pilot not meeting those requirements.
- (2) Buyer may elect to have more than 4 of his qualified pilots trained hereunder. Buyer shall be charged at the prevailing rate established by Seller for each additional pilot to be trained.
- (3) Buyer acknowledges that the transition procedures include, in addition to standard flight operations, the actual performance of emergency flight procedures simulating non-standard flight conditions. Buyer hereby accepts the risk of injury, loss, and damage associated with instruction in emergency flight procedures.
- (4) Buyer hereby assumes all risk of loss, injury and damage to Buyer's helicopter(s), employees, representatives or agents during any training including without limitation, consequential or incidental damages, loss of use or injury, regardless of cause or fault, and Buyer waives all right of recovery and subrogation against Seller, and its employees and agents for any such damage, injury or loss so sustained; provided, however, that this waiver and assumption of risk shall only apply to losses other than Product failures for which Seller may be responsible under the warranty provisions of this purchase agreement, in which case Seller's liability to Buyer, if any, shall be limited in accordance with the terms of that warranty. Buyer hereby warrants that Buyer's hull insurer has acknowledged this waiver of subrogation.

#### (b) Maintenance Training

- (1) For each new helicopter purchased hereunder, Seller will provide, in the Dallas/Fort Worth area, a ground course covering field maintenance on the engine and airframe. Buyer may elect to send up to 2 of its qualified mechanics to any scheduled Airframe Field Maintenance courses during the 6 months prior to delivery or up to 1 year after delivery. Buyer may elect to send up to 2 of its qualified mechanics to any scheduled Avionics courses during the 6 months prior to delivery or up to 1 year after delivery. Seller reserves the right to set minimum competency requirements for any mechanic to be trained hereunder and to refuse to train any mechanic not meeting those requirements.
- (2) Buyer may elect to have more than 2 of his qualified mechanics trained hereunder. Buyer shall be charged at the prevailing rate established by Seller for each additional mechanic to be trained.

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(c) **General**

- (1) Buyer shall be responsible for loss or injury to Buyer's property, employees, representatives or agents at all times while at Seller's facilities when conversion or maintenance training is a reason for such time spent at Seller's facilities. Furthermore, Buyer shall hold Seller, its employees and agents harmless for any such loss or injury to the extent not caused directly and solely by Seller's gross negligence or willful misconduct.
- (2) All expenses and liabilities of Buyer or Buyer's personnel for travel to and from, and stay in, the Dallas/Fort Worth, Texas area shall be borne by Buyer. Seller reserves the right to refuse to provide training to any pilot or mechanic at its sole discretion.
- (3) The training and technical assistance provided for herein applies only to the original purchase of a new helicopter and is not transferable.

### 7- PRICE ADJUSTMENT AND PRODUCT SPECIFICATION CHANGE

- (a) Pursuant to new manufacturing or engineering requirements, obsolescence or new regulations, the Seller shall be entitled to carry out modifications without the consent of the Customer, provided such modifications do not affect the specification, performance of the Product, Services or delivery time. Should the requirements affect specification, performance of the Product and/or Services, related costs and/or delivery time, the Seller and the Customer shall mutually agree in writing to an equitable adjustment in the price and/or schedule to reflect the contractual consequences.
- (b) Any Customer requested changes which result in an impact to cost and/or schedule require prior written agreement of the Seller and the Customer to an equitable adjustment in price and/or schedule to reflect the contractual consequences.

### 8- DELIVERY AND ACCEPTANCE OF TRADE-IN AIRCRAFT

- (a) Buyer must tender trade-in aircraft for acceptance by Seller in an airworthy condition and must satisfy all of the following conditions:
  - (1) trade-in aircraft's engine(s) must pass power assurance checks conducted by Seller in its acceptance inspection of the aircraft;
  - (2) Buyer must deliver to Seller complete and accurate airframe and engine records showing compliance with all airworthiness directives and mandatory service bulletins applicable to trade-in aircraft;
  - (3) Buyer must deliver to Seller a complete set of updated maintenance manuals for trade-in aircraft unless originally delivered by CD ROM;
  - (4) trade-in aircraft must have no damage history or corrosion, unless acknowledged and accepted by Seller;
  - (5) Buyer must convey title to the trade-in aircraft free and clear of any liens, claims, security interests, charges or encumbrances of any kind;
  - (6) Buyer must deliver to Seller all standard ground handling equipment and protective covers for the trade-in aircraft;
  - (7) all equipment and systems installed on the trade-in aircraft at the time of the detailed inspection by Seller, which is provided for in paragraph 8(b) below, must be installed and fully operational and, if no detailed inspection is conducted, then all equipment and systems installed on the trade-in aircraft at the acceptance inspection by Seller, which is provided for in paragraph 8(b) below, must be installed and fully operational;

- (8) no life-limited component installed on the aircraft at the time of the detailed inspection by Seller (provided for in paragraph 8(b) below) can be replaced thereafter unless required for the aircraft to remain airworthy, in which case the replacement component must have a time remaining value equal to, or greater than, the unit being replaced; and
- (9) annual and/or other periodic inspection(s) as specified by Seller must be completed within the period(s) specified by Seller.

Seller will accept title to trade-in aircraft upon Buyer's compliance with all of the conditions enumerated above.

- (b) Seller shall be entitled to conduct a detailed inspection of the trade-in aircraft at Buyer's facility at a mutually agreeable time following execution of the Purchase Agreement by both parties. Seller shall be entitled to conduct an acceptance inspection of trade-in aircraft at Buyer's facility within a specified period of time acceptable to Seller following the date on which Buyer tenders the trade-in for acceptance by Seller by giving notice of tender in accordance with the notice provisions herein. The delivery date for Buyer to tender the trade-in to Seller for acceptance is specified on the face of this Purchase Agreement.
- (c) Any trade-in amount set forth in this Purchase Agreement will be contingent upon and subject to AHI's acceptance of the applicable trade-in aircraft. If Buyer fails to comply with any of the conditions in paragraph 8(a), all costs necessary to correct the deficiencies, if correctable, will be borne by Buyer and all such deficiencies must be corrected to Seller's satisfaction before it shall be obligated to accept title to the trade-in aircraft. If Buyer fails to comply with any condition in paragraph 8(a) as of the delivery date specified herein for the trade-in aircraft, Seller, in its sole discretion, may specify, then or at any time thereafter, a period of time by which Buyer must cure the deficiencies to Seller's satisfaction; however, Seller is not obligated to allow Buyer any period of time to cure any such deficiencies. If Buyer fails to comply with paragraph 8(a), Seller may elect not to accept the trade-in aircraft, in which case the net purchase price owing by Buyer shall be adjusted accordingly. Any amount owing to Seller as a result of any such adjustment shall be due from and payable by Buyer on the payment terms specified on the face of this Purchase Agreement unless otherwise specified herein. Seller, at its option, shall be entitled to hold back \$0.00 at time of delivery until such time as it can conduct a detailed inspection of the trade-in aircraft. Seller will return the holdback to Buyer, or any portion owing thereof, within thirty (30) days of the delivery date provided the trade-in aircraft requires no maintenance actions under paragraph 8(a), normal wear and tear excepted.
- (d) Buyer represents and warrants that when it conveys title to the trade-in aircraft to Seller:
  - (1) Buyer will have good and marketable title to said aircraft;
  - (2) Buyer will be the sole owner of said aircraft; and
  - (3) Buyer will be duly authorized and entitled to sell, transfer, convey, and assign all of its right, title and interest in and to said aircraft and will not violate any agreement or provision thereof by doing so.
- (e) In the event Seller shall acquire title to trade-in aircraft subject to any liens, claims, security interests, charges or encumbrances, Buyer shall promptly cause any such liens, claims, security interests, charges or encumbrances to be terminated, released, or otherwise discharged and shall hold Seller harmless against any liability arising from, relating to, or based upon any such lien, claim, security interest, charge, or encumbrance.

### 9- GENERAL

- (a) This Purchase Agreement and the rights of the parties hereto shall in every respect be governed by and construed in accordance with the substantive laws of the State of

California without reference to the laws of any other state or jurisdiction. Buyer hereby irrevocably consents and agrees that any legal proceeding arising out of or in connection with this Agreement or the rights of the parties hereto may be commenced and prosecuted to conclusion Riverside County, California.

- (b) Buyer shall neither assign any rights nor delegate any duty under this Purchase Agreement without the prior written consent of Seller.
- (c) The undersigned signatory for Buyer hereby represents that he/she is Buyer's authorized representative and that Buyer is fully authorized and empowered to enter into this Purchase Agreement and has full authority to perform the terms and conditions hereof. This Purchase Agreement may be executed in multiple counterparts which together shall constitute the original hereof. The signature of either party exchanged by facsimile transmission or electronically via email shall be binding to the same extent, and have the same force and effect, as the exchange of an original written signature.
- (d) The language of each provision of this Purchase Agreement shall be construed as it relates to the entire agreement and accorded its fair meaning without regard to the person who drafted all or any part of this Purchase Agreement.
- (e) If any part of this Purchase Agreement shall be held by any court of competent jurisdiction to be illegal or unenforceable, the rest of this Purchase Agreement shall not be affected and shall remain in full force and effect.
- (f) Nothing in this Purchase Agreement shall constitute or create a joint venture, partnership, agency, or any similar relationship between Buyer and Seller. Buyer agrees to take such other action and to execute and deliver such agreements or other documents as may be reasonably necessary or desirable to carry out the purposes of the provisions of this Purchase Agreement.
- (g) This Purchase Agreement may be executed and delivered by electronic means and upon such delivery the electronic signature shall constitute effective execution and is fully binding between the parties for all purposes.

### 10- NOTICES

All notices, requests, and other communications hereunder shall be in writing and shall be deemed to be given and received (a) when personally delivered by hand to the recipient or (b) three (3) days after deposit in registered or certified first class U.S. mail (or comparable national postal system, if appropriate), postage prepaid, or (c) transmitted by facsimile or electronically via email to the recipient at the address set forth under such recipient's name on the first page of this Purchase Agreement.

### 11- MODIFICATIONS

This Purchase Agreement constitutes the final written expression of all the terms of this Purchase Agreement and is the complete and exclusive statement of those terms. No modification or amendment, except for approved change order, made to the printed terms and conditions of this Purchase Agreement shall be effective until both parties shall have signified their acceptance thereto by separately initialing each modification or amendment. Any subsequent modification, amendment, or waiver to this Purchase Agreement must be in writing and signified by both Buyer and Seller. In the event of any contradictions and/or discrepancies between the parts of the Contract, precedence shall be given in the following decreasing order:

1. Purchase Agreement
2. Terms and Conditions of the Contract
3. Any other Annexes and /or appendices in their order of appearance

### 12- IMPORT/EXPORT ACKNOWLEDGEMENT

The Goods, Parts, Tooling, and Data covered by this Agreement may be subject to governmental rules and regulations including but not limited to the provisions of US Customs and Border Protection laws (Title 19 of the US Code) and regulations (Title 19 of the Code of Federal Regulations), the Export Administration Act of 1979 (50 USC 2401 et seq.), the Export Administration Regulations (EAR) promulgated thereunder (15 CFR 768-799), the US Arms Export Control Act (22 USC 2778 et seq.), the International Traffic in Arms Regulations (ITAR) (22 CFR 120-128 and 130), and non-U.S. export laws and regulations.

Buyer acknowledges that (1) these US statutes and regulations impose restrictions on the import from and export to countries outside the US of certain categories of goods, and data, (2) licenses from the US Department of State and/or the US Department of Commerce may be required before such goods, and data can be exported and in some cases, imported, (3) these licenses may impose additional restrictions on use and further disclosure of such goods and data, and (4) the export or disclosure of such goods and data to foreign persons is subject to these statutes, regulations, license requirements and restrictions regardless of whether the export occurs in the US or abroad. Notwithstanding the foregoing, the obligation to comply with such regulation shall survive any novation, assignment, or transfer of obligation between the parties.

AB

# AIRBUS

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## **WIRE TRANSFER Submission Instructions**

REQUIREMENTS RE: SUBMISSION OF US FUNDS TO AHI VIA WIRE TRANSFER

AIRBUS HELICOPTERS, INC.  
C/O BANK OF AMERICA  
115 WEST 42<sup>ND</sup> STREET  
NEW YORK, NY 10036  
ACH/EFT ABA# 111000012  
Wire ABA # 026009593  
AHI Account # 4427299827

Fed ID#: 75-2416720

**PLEASE REFERENCE THE FOLLOWING IDENTIFYING DETAILS: INVOICE #, AIRCRAFT MODEL  
& SERIAL NUMBER, PURCHASE AGREEMENT NUMBER**