

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF SOUTH CAROLINA
COLUMBIA DIVISION

IN RE:)	NO. 3:07-mc-135
)	
A MATTER UNDER INVESTIGATION)	PETITION TO LIQUIDATE
BY GRAND JURY NUMBER 1)	ASSET
(#2007R00845))	

Comes now counsel for the Receiver, Beattie B. Ashmore, appointed by this Court via Order filed, UNDER SEAL, on September 5, 2007, seeking permission to liquidate a certain asset now under the control of the Receiver.

On September 5, 2007, by Order of this Court, the Receiver took over all the financial and business affairs for a number of individuals and companies (collectively, 3HB). On or about December 27, 2006, a 1969 Gulfstream GII-B, N36RR ("plane") was purchased for the personal use and benefit of the 3HB. The plane was acquired from RGR Technologies, Inc. for a price of \$4,952,050.00. The plane was titled in the name of Capital Consortium Group and paid for from funds existing in a bank account at Bank of America titled "Brunson Outreach/Capital Consortium Group #2". See Exhibit A. Both of these entities are subject to this Court's Order of September 5, 2007. Upon learning of the Grand Jury Investigation, Mr. John Waters with Waters and Associates, LLC commissioned the plane to be flown from Saint Louis, Missouri, where it was being serviced, to BizJet International in Tulsa, Oklahoma, where it presently remains in storage.

The Receiver is now of the unconditional belief that the plane should be sold and time is of the essence. We believe there presently exists a limited, but significant and viable,

market for acquiring this asset at a price similar to its value. The difficult market issues affecting its value include, among others, its age, lack of utilization, price of gas and a recessionary market. Attached for the Court's review and consideration is an appraisal conducted by David F. Maruna of Business Aircraft Group on January 4, 2008, establishing a value between \$2,442,126.00 and \$2,835,126.00 for the sale of the plane on the open market. See Exhibit B.

Based upon facts known to the Receiver, the plane has claims or liens against it that are itemized on Exhibit C. The undersigned has been in contact with each lien holder, either directly or through our consultant, and all are of the unconditional belief that the plane's highest and best market value is to liquidate the plane now, as every day causes significant depreciation and loss of value. The undersigned is also in the process of substantiating the claims and liens and negotiating resolutions and tentative Releases with each lien holder.

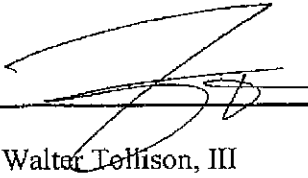
The plane is currently insured by Hope Aviation Insurance Company and the yearly premium of \$28,500.00 has been paid by the Receiver. The expert consultant retained by the Receiver to manage this asset is of the opinion that this asset needs to be sold as soon as practicable, and until such time it will depreciate daily and require regular service work and repairs, regardless of whether it is flown or remains grounded. See Exhibit D.

Therefore, in order to achieve the highest and best return for the value of this specific asset (plane), and being of the belief that maintaining this asset will only cause further depreciation and depletion of funds, the Receiver seeks this Court's permission to allow him to sell the 1969 Gulfstream GII-B, N36RR, for an amount not less than \$2,442,126.00 as set forth in the aforementioned appraisal. For the Court's benefit and knowledge, attached as Exhibit E are four (4) letters of intent or offers to purchase that have been

submitted, and remain binding, and await Court approval for the Receiver to commence execution.

Assistant United States Attorney, Winston Holliday, consents to this motion.

I SO MOVE.



L. Walter Tollison, III
The Tollison Law Firm, P.A.
24 Vardry Street, Suite 203
Greenville, SC 29601
Counsel for the Receiver

Columbia, South Carolina

April 17, 2008

Exhibit A

BRUNSON OUTREACH
CAPITAL CONSORTIUM GROUP #2Page 13 of 15
Statement Period
12-06-06 through 01-05-07
Number of checks enclosed: 0
B 03 0 A P 03 00585

Account Number: 0007 8073 7318

Regular Checking Subtractions

Other Subtractions - Continued	Date Posted	Amount(\$)
SC Tlr transfer to Chk 5177 Banking Ctr Eau Claire #0070702 SC Confirmation# 6106256585	12-14	34,000.00
Wire Type:Wire Out Date:061218 Time:0952 Et Trn:2006121800113930 Service Ref:001080 Bnf:Mr. Ralph Ridenour ID:1606910902 Bnf Bk:Richla ND Trust Company ID:041201512 Pmt Det:010612180018 68Nnsenior Executive Vice President /Acc/Telephone	12-18	500,000.00
Wire Type:Wire Out Date:061218 Time:1004 Et Trn:2006121800117556 Service Ref:001155 Bnf:Jack'S Wholesale Division ID:006723799 Bnf Bk: City National Bank ID:122016066 Pmt Det:0106121800 2058Nn/Acc/Attn: Jeri O'Shea	12-18	218,000.00
Counter Debit	12-18	71,388.74
Funds Transfer Debit Fdes Nsc 7070200 Nbkpdr6	12-18	9,600.00
Counter Debit	12-18	113.80
SC Tlr cash withdrawal from Chk 5204 Banking Ctr Eau Claire #0070702 SC Confirmation# 6477073058	12-18	9,800.00
Non-Cash Deposit Correction	12-19	500.00
Counter Debit	12-20	57,966.69
Non-Cash Deposit Correction	12-20	1,950.00
Paypal ;Des= transfer ;ID= 5H9222Rorxzk4 Eff Date: 061220;Indn:3 Hebrew Boys	12-20	4,950.00
Counter Debit	12-21	674,011.16
Non-Cash Deposit Correction	12-21	38,095.00
SC Tlr transfer to Chk 9117 Banking Ctr Eau Claire #0070702 SC Confirmation# 6716001916	12-21	638,000.00
SC Tlr transfer to Chk 5177 Banking Ctr Eau Claire #0070702 SC Confirmation# 6713335003	12-21	500.00
Counter Debit	12-22	59,000.00
SC Tlr transfer to Chk 5177 Banking Ctr Eau Claire #0070702 SC Confirmation# 7166553448	12-26	4,000.00
Wire Type:Wire Out Date:061227 Time:1609 Et Trn:2006122700238463 Service Ref:004554 Bnf:Insured Aircraft Title Ser ID:0717213717 Bnf Bk:International Bank Of C ID:114902528 Pmt Det:01061227008081Nnref N36Rr /Acc/Serial Numb	12-27	4,452,050.00
Wire Type:Intl Out Date:061227 Time:1651 Et Trn:2006122700255397 Service Ref:001833 Bnf:Alexander Development Co. ID:4546066 Bnf Bk:SC Otiabank (Bahamas) Lt ID:Noscbns Pmt Det:01061227 009049Nn/Acc/Further Credit To Acct // 001042940	12-27	75,000.00
Return Item Chargeback	12-29	54,125.00
Return Item Chargeback	01-02	1,750.00
Lfg ;Des= lease Pymt;ID= 001-0659599-000 Eff Date: 070102;Indn:Capital Consortium Gro	01-02	99.90
Northern Leasing;Des= lease Pmt ;ID= 0457297:0102 Eff Date: 070102;Indn:Capital Consortium Gro	01-02	79.05
Non-Cash Deposit Correction	01-03	1,450.00

EXHIBIT

A

Exhibit B

January 4, 2008

Corporate Office
Aircraft Sales Offices
Burke Lakefront Airport
2301 N. Marginal Road
Cleveland, Ohio 44114
Phone: 216.348.1415
Fax: 216.348.1432

Columbus Division
Bolton Field Airport
2000 Norton Road
Columbus, Ohio 43228
Phone: 614.922.0546
Fax: 614.851.0481

Charter Air Transport, Inc.
A Business Aircraft Group Co.
Orlando-Sanford Intl Airport
100 Starport Way
Sanford, Florida 32773
Phone: 407.585.3483
Fax: 407.585.3482

Strom Law firm
Pete Strom - Attorney At Law
2110 Beltline Blvd.
Suite A
Columbia, SC 29204

Harry De Pew - Attorney At Law
2016 Lincoln Street
Columbia, SC 29201

Dear Sirs,

I have been asked to provide you with a current appraisal of the Gulfstream II marketplace, and more specifically the Gulfstream IIB Model.

Currently there are nine (9) aircraft for sale with prices ranging from (asking) \$3.2M to \$3.7M with the later being a 1979 aircraft with 9.5M hours, fresh paint and interior, fresh 72 month inspection, low engine times and is R.V.S.M. approved. It can be purchased somewhere in the low \$3.0M.

Also, I have attached the current blue book status on S/N 004 for your review. The major problem (as I see it) is that it is a 40-year old aircraft and is one of the very first G II's built. All of the first G II's were, let's say, "hand built" and they all vary in one way or another in their construction. Even though S/N 004 has good engine times, avionics upgrades, etc., it will be a "hard sell" to overcome its age and high airframe hours.

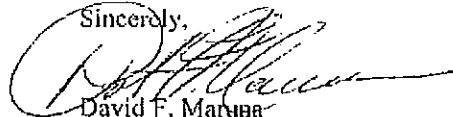
The current average time to sell a G IIB is 400 days, 500 for a straight II and 350 for a G III.

Additionally, these early straight pipe engine aircraft do not meet the current noise abatement rules of our major airports and abroad. Unless one has been modified with Stage III Flush Kits at a cost of \$2.0M, which then places these older G's out of the marketplace, unless it is sold to a third world country.

I have been in the aircraft sales and management business since 1970. I have built two F.B.O.'s and have represented Rockwell International and then Gulfstream in sales for the states of Ohio, West Virginia and Pennsylvania. Thus, I have first hand knowledge of the product and have bought and sold many units worldwide. In addition, I have been a member of the National Aircraft Resale Association (NARA) for 5 years, serving as Director of Marketing in 2007.

I trust this information is satisfactory.

Sincerely,



David F. Marana
Vice President, Director

cc: John Waters

Aircraft Acquisitions ■ Charter ■ Consulting ■ Management ■ Sales and Related Aircraft Services
www.businessaircraftgroup.com

EXHIBIT

B

Members of



GULFSTREAM DATA PASE: GULFSTREAM G-1 - 1967-78

GULFSTREAM G-1 (Winter 1967) BASE AVG = Full complement of avionics - dual sys - XPR w/whal F3J (PYSB) - APU - TAW&A - midcontipointhts - 2000 BMOCH w/whalite inspection (MLU) - AFT 1-4 - 10% of avg - 0% 100% - exc Parts I - no 5th - New arrival of Progressive - ADs and SPA completed

Year and Model	Serial Numbers	Factory S/N	Average Equipped	Average Retail	Wholesale	Quantity Total
1967 G-1 (G-1159)	1, 2, 8	\$2,150,000	\$2,987,000	\$1,500,000	\$1,500,000	No change
1968 G-1 (G-1159)	3, 4, 22	\$2,175,000	\$2,950,000	\$1,400,000	\$1,400,000	No change
1969 G-1 (G-1159)	45, 60, 775	\$2,225,000	\$2,100,000	\$1,700,000	\$1,700,000	No change
1970 G-1 (G-1159)	21, 89, 100, 101	\$2,200,000	\$2,700,000	\$1,800,000	\$1,800,000	No change
1971 G-1 (G-1159)	95, 102, 107	\$2,100,000	\$3,940,000	\$1,500,000	\$1,500,000	No change
1972 G-1 (G-1159)	108, 112	\$2,200,000	\$4,075,000	\$1,500,000	\$1,500,000	No change
1973 G-1 (G-1159)	125, 135	\$2,200,000	\$4,075,000	\$2,000,000	\$1,740,000	No change
1974 G-1 (G-1159)	132, 135	\$2,200,000	\$4,400,000	\$2,100,000	\$1,825,000	No change
1975 G-1 (G-1159)	158, 159	\$2,275,000	\$4,725,000	\$2,200,000	\$1,825,000	No change
1976 G-1 (G-1159)	164, 175	\$4,200,000	\$5,300,000	\$2,200,000	\$2,010,000	No change
1976 G-1 (G-1159)	175, 176	\$4,200,000	\$5,850,000	\$2,400,000	\$2,100,000	No change
1977 G-1 (G-1159)	197, 210	\$5,100,000	\$6,275,000	\$2,500,000	\$2,100,000	No change
1978 G-1 (G-1159)	217, 235	\$5,500,000	\$6,725,000	\$2,600,000	\$2,275,000	No change
1979 G-1 (G-1159)	237, 238	\$6,475,000	\$7,775,000	\$2,700,000	\$2,300,000	No change

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Prepared by

Avg Retail	Wholesale	Tail Number N96RR Serial Number 004
\$1,500,000	\$1,307,000	1967 G-11 (G-1159) (Avg Retail - Whls)
800,000	600,000	IIB = G-11 WING CONVERSION, INCLUDING HUSH KIT
835,126	835,126	For low engine time x 2 [70 log hrs]
-75,000	-75,000	Inspections due, hr/cal.
-225,000	-225,000	RVSM compliance
<u>\$2,835,126</u>	<u>\$2,442,126</u>	Total value

Exhibit C

Exhibit C

1. Waters & Associates, LLC \$418,436.14
Attention: John G. Waters – Managing Partner

231 S. Bemiston Towers

Suite 800

St. Louis, Mo 63105

Tel: 314.707.0951 Fax: 314.726.2780 Email: jgwaters@swbell.net

2. Gulfstream Aerospace Company \$339,885.02
Attention: Margaret Ingwersen – Credit Manager

500 Gulfstream Road

Savannah, GA 31402

Tel: 912.965.7343 Email: margaret.ingwersen@gulfstream.com

3. Executive Beechcraft, Inc. \$50,990.77
Attention: Mr. Shad Meisinger – President and Attorney at Law

532 Beechcraft Drive

Spirit of St. Louis Airport

Chesterfield, MO 63005

Tel: 636.532.4800 Email: shad.meisinger@exbe.com

4. BizJet International, Inc. \$136,058.14
Attention: Mr. Neal M. Uhl, C.P.A.

3515 N. Sheridan Road

Tulsa, OK 74115

Tel: 918.831.7640 Email: nuhl@bizjet.com

Legal Counsel: Mr. Mike Gibbens – Attorney at Law

Crowe & Dunlevy

500 Kennedy Bldg.

321 S. Boston Ave.

Tulsa, OK 74103

Tel: 918.592.9840 Email: gibbensm@crowedunlevy

Exhibit D

April 1, 2008

Belton O'Neall
Corporate Aircraft Services
PO Box 9055
Greenville, SC 29605

Re: Gulfstream IIB ser # 004

Walt Tollison,

I have been working as a consultant for Beattie B. Ashmore, Receiver 3HB since December of 2007. As part of my consulting duties, I have provided you and Mr. Ashmore with my advice regarding the Gulfstream IIB ser # 004 in your possession, including its value, service needs and outstanding liens.

Over the first quarter of 2008 I have begun to see a significant change in the corporate aircraft market. This market has been very strong and competitive over the last 4 years. It has, however, begun to soften for the following reasons:

Global Economy: Aircraft of this type are marketed and sold world wide. I have seen the US, as well as many foreign markets, begin to decline. In this case, demand for corporate jets is significantly less than prior years. The strongest companies, that are the least affected by this, typically own much more expensive jets. As a result, I see the values of the older planes begin to drop as their owners pull back to remain competitive.

Market: Over the last few months, the number of jet sales, as a whole, has slowed. This will probably continue until well after the global or US economy shows signs of recovery. Typically, this happens six (6) to twelve (12) months after a recession begins to turn around. It takes at least that much time for companies to recover and feel good about investing in a corporate plane.

Inventory: In December of 2007 there were 18 GIIB's for sale in the world. Today there are 19. I expect this number to grow over the next year and negatively affect the value of the plane.

Jet Fuel: The GIIB has jet engines with old technology. They burn nearly twice the fuel as the newer generation engines. As you would expect, the price of jet fuel is at a record high. For a long time, the GIIB was considered a lot of plane for the money but, with prices rising as they have, it becomes very expensive to operate these planes and companies are looking for alternatives.

Maintenance: The engines on a GIIB are overhauled every 10 years, regardless of usage. It has transponder, pitot static, altimeter, battery and other inspections that also must be performed on a calendar basis. These inspections are current but will affect the

value as time passes, and will require significant maintenance costs going forward, even if the plane is not in use.

Aircraft: As a whole, aircraft perform better if they are flown regularly. When done so, components are lubricated and exercised which keeps them from sticking or freezing up. The longer one sits, it inherently has more problems and is more difficult to get into airworthy condition. This plane has been safely parked since June 2007. It is stored outside. Despite the Receiver's efforts, the subject to the elements will take its toll.

For the reasons listed above, it is my expert opinion that to maximize the value of this aircraft and to facilitate a sale in the current market, you should market it globally and sell it as soon as possible.

Belton O'Neal

Exhibit E

OFFER TO PURCHASE Gulfstream IIB, S/N 004

TO: Beattie B. Ashmore, Receiver 3HB

Heritage Jets, Inc. hereby offers to purchase Gulfstream IIB, s/n 004 for \$3.125 million U.S.D. subject to the following conditions:

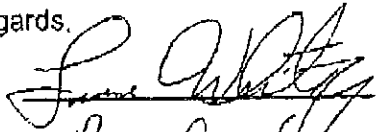
1. A definitive written agreement satisfactory to both parties;
2. Aircraft to be delivered with title free and clear of all liens and encumbrances;
3. Aircraft to have all systems functioning normally;
4. Aircraft to have all U.S. AD's and mandatory SB's and inspections current and complied with;
5. Aircraft to have no damage history;
6. A satisfactory inspection of the aircraft and its records by our agent at a location agreed to by both seller and buyer.
7. Closing to be no later than 30 days from accepting this offer.
8. This offer expires after the close of business on June 30 , 2008.
9. Initial refundable deposit of \$100,000.00 U.S.D. on acceptance of this offer and complete funding upon acceptance of aircraft, will be facilitated by wire transfer, plus all documents such as application for registration, bill of sale, lien release and title searches, will be handled by Insured Aircraft Title Service, Okiahoma City, Okiahoma;
10. (Other conditions) _____

Regards,

By:

Title:

Date:



 President

 4-2-08

Accepted:

By:

Title:

Date:

Heritage Jets, Inc.
 3800 Southern Blvd. Suite 101
 West Palm Beach, Fl. 33406
 Phone: 561-687-3390
 Fax: 561-687-3350

Christoph Frey

Von: Stephen LaPointe [mailto:slapointe@sbcglobal.net]
Gesendet: Dienstag, 18. März 2008 21:52
An: Christoph Frey
Betreff: Blank Offer 2005 PDT

OFFER TO PURCHASE AIRCRAFT

TO: Walter Tollison
24 Vardy St., et. 203
Greenville, SC 29601
864-451-7038

FAX: 864-451-7591 PH:

FROM: C.E.O & Associates, Inc. & Christopher Frey
FAX: PH. 825-228-5060

RE: Offer on Year, 1968, Make 1159 Gulfstream
Model, G11B
Registration # Serial # 004
We offer to purchase the above referenced aircraft for the amount of
\$(Three million fifty thousand and
no/100 US DOLLARS), subject to the following terms
and conditions:

1. Aircraft to be delivered with title free and clear of all liens and encumbrances
2. A satisfactory pre-purchase inspection of the aircraft and its records at a facility of our choice, at our expense.
3. Aircraft to have all systems functioning normally, be in airworthy condition, have all records, flight manuals and all required documentation aboard at time of delivery
4. A definitive purchase agreement satisfactory to both parties
5. Upon acceptance of this offer a \$ 50,000.00 Refundable deposit will be placed with TBT Title Company. This deposit will become non-refundable upon our acceptance of the aircraft. The remaining balance of \$ 3,000,000.00 will be paid with certified funds or by wire transfer within five days thereafter.
6. Other terms and conditions:
7. This offer expires in 90 days, 2008 at 5:00 P.M. PDT
8. This entire transaction to be completed by June 18, 2008

OFFERED THIS 18th day of March, 2008

18 03 2008

by:

Title:

ACCEPTED THIS

day of

2008.

by:

Title:

AGREEMENT TO PURCHASE AIRCRAFT

Highlands Group, LLC, a Delaware Limited Liability Company ("Buyer") or its nominee or assignee, agree to purchase the subject aircraft hereinafter referenced from ("Seller"), or its nominee or assignee on the terms and conditions referenced herein.

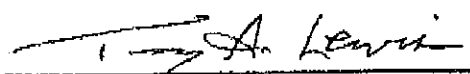
The subject aircraft is a certain 1968 Gulfstream G11B, SN 4 as detailed in the specifications attached hereto and made part of hereof as Appendix A, (hereinafter "Aircraft").

- 1) **PURCHASE PRICE:** Two Million Six Hundred Thousand and 00/100 Dollars (\$2,600,000).
- 2.) **TERMS:** All cash at close
- 3.) **DEPOSIT:** \$50,000 refundable deposit within 2 business days of mutual written acceptance of this contract.
- 4.) **PRE-PURCHASE EVALUATIONS:**
 - A) Buyer to commence review of logbooks and records, visual inspection and engine/apu boroscopes and a test flight not to exceed two hours at a mutually agreeable facility within 7 business days of mutual acceptance of this Offer. All costs of inspection shall be at Buyer's expense. Should Buyer accept the Aircraft following its inspections, the deposit shall become non-refundable and shall be applied to purchase price at time of closing.
 - B) Aircraft shall be delivered in an "As Is" condition, free and clear of all liens or encumbrances and with all original and complete airframe and engine logbooks at a mutually agreeable location within 10 business days of Buyer's acceptance.
- 5) **TITLE:** Buyer shall receive from Seller good title to the Aircraft free and clear of all liens and encumbrances and title shall be in the form approved by counsel for both parties.
- 6) **NO DAMAGE HISTORY:** To the best knowledge of Seller the subject aircraft has no undisclosed damage history.
- 7) **TITLE COMPANY:** Aerospace Reports
- 8) **SALES TAX:** Buyer shall be responsible for any sales tax associated with this transaction.
- 9.) **MUTUAL COOPERATION:** The parties agree to promptly execute all documentation reasonably required to complete the transaction.
- 10.) **ACCESS TO CAMP RECORDS AND LOG BOOKS:** At all times during any of the Buyer's inspections of the subject Aircraft, Buyer shall have direct access to all log books and records for the subject Aircraft and access to any CAMP or other computer tracking records for the subject aircraft. The failure of Seller to provide Buyer access to these items as referenced herein shall toll the inspection time periods until said items are provided in full to Buyer. Buyer shall be afforded CAMP access within 24 hours of mutual acceptance of this contract.

[Signature Page Follows]

This document shall constitute a Contract when executed by both parties

THIS DOCUMENT WILL BE NULL AND VOID UNLESS SAID DOCUMENT IS EXECUTED BY SELLER AND RETURNED TO BUYER ON OR BEFORE APRIL 15, 2008.



HIGHLANDS GROUP, LLC as Buyer
By: Terry A. Lewison, President



DATED

Seller
BY: _____

Title: _____

DATED

December 28, 2007

Mr. Harry C. DePew
Attorney
2016 Lincoln Street
Columbia, SC 29201

VIA FACSIMILE: 803-771-6850

Dear Mr. DePew,

**OFFER FOR THE PURCHASE OF ONE (1)
GULFSTREAM IIB, REGISTRATION NUMBER
N36RR, SERIAL NUMBER 004**

Based upon our conversations with you and the information as we understand it, Business Aircraft Group, Inc. or their assignee, 2301 N. Marginal Road, Cleveland, Ohio 44114. Telephone No. 216-348-1415 ("Buyer") hereby offers to purchase the above-referenced aircraft under general terms and conditions as outlined below.

Aircraft: The subject of this offer is (1) Gulfstream 1159B Manufacturer's serial number 004, registration N36RR ("Aircraft") together with it's engines Spey 511-8 Serial Numbers 8526 & 8516 and Auxiliary Power Unit model GTCP 36-6 serial number P-34931 and other related components, accessories and equipment attached thereto including all airframe, engine and APU maintenance logs and records including wiring diagrams and all 8130 component tags and fire block certificates and any and all other records currently available and associated with the Aircraft. .

Purchase Price: One million Seven Hundred and Fifty Thousand Dollars (\$1,750,000) USD cash for the Aircraft with engines and all attached equipment to include all current outstanding liens.

MCH

Delivery condition: This offer contemplates the sale of this Aircraft in the current configuration, equipment specification and technical condition, with the following notations:

- a. The Aircraft will be delivered "as is, where is" following Buyers completion of a log book and record review and a visual inspection of the aircraft upon approval of the Seller.
- b. The Aircraft shall be presented by Seller free and clear of all liens and encumbrances.
- c. All Aircraft maintenance records and logbooks, serviceable tags, manuals and are in the possession of the Seller are complete and consecutive and are to be included with the Aircraft at time of delivery.
- d. Aircraft is being purchased "as is where is", with no implied or express warranties.
- e. Aircraft will be Delivered at it's present location.
- f. Buyer will be afforded the opportunity to look at the aircraft and review it's records and maintenance logs.

Terms, deposits: Upon acceptance of this offer, Buyer will make an Initial deposit ("Initial Deposit") of Fifty Thousand Dollars (\$50,000) USD to be placed in escrow with Insured Aircrafts Title service in Oklahoma City, OK. Payment of the Deposit will reserve the Aircraft for Buyer until completion of Buyer's visual inspection. Upon completion of the visual inspection and review of aircraft records and maintenance logs Purchaser will fund the remaining purchase amount within 5 business days and be prepared to close upon approval of the Seller.

mjh

Closing date: To be established by the Seller or Court as appropriate.

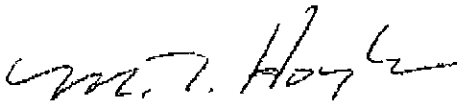
Seller's responsibility: To provide free and clear title to the aircraft with no encumbrances or liens.

Inspection: Within 10 days of Seller's acceptance of this offer, Buyer will complete as due-diligence, at its own expense, it's visual inspection the Aircraft and all related records ("Inspection"). Seller agrees to make the Aircraft and all related logs and records available to Buyer for a reasonable period of time and at the current location and facility. Within two business days of completing the inspection, Buyer will confirm it's commitment to purchase the Aircraft under the terms as proposed herein. Acceptance of the aircraft shall be at the Buyer's sole discretion.

BUYERS ABILITY TO PURCHASE: Buyer represents to the Seller/ Court that it has the ability to purchase the aircraft immediately and without delay upon completion of the visual inspection and record review.

Validity: This offer remains valid for 5 business days and respectfully asks the court for an immediate response to this Offer to Purchase in writing as appropriate, no later than January 8, 2008.

Business Aircraft Group, Inc.



Michael L. Hoyle, President

Date: December 28, 2008
