

Exclusive Aircraft Acquisition Agreement

(the "Agreement")

Iowa State University Foundation ("Purchaser") agrees that, during the term of this Agreement, Elliott Aviation Aircraft Sales, Inc. ("Elliott") will be its exclusive agent for the acquisition of a Beechcraft King Air 350 aircraft or such other aircraft as Purchaser may subsequently select.

As Purchaser's representative, Elliott will provide the following services:

- Market Research
- Aircraft Evaluation
- Technical Review and Market Valuation
- Offer and Price Negotiation
- Oversight of Aircraft Technical Appraisal
- Documentation and Closing

1. **Applicable Fee and Expenses.** In consideration of such services, Purchaser agrees to pay Elliott a fee of \$51,000.00 (the "Fee" which includes a 15% reduction from Elliott's standard fee of \$60,000), of which one-half of the Fee will be payable upon execution of this Agreement and the balance will be due at closing of the selected aircraft or upon execution of the applicable lease agreement. In addition, Purchaser agrees to pay all other reasonable expenses associated with the acquisition or lease, including, but not limited to: travel expenses to and from prospective aircraft, aircraft inspections and demonstration expenses. Purchaser will reimburse Elliott for these expenses as they are incurred and when documentation is presented, and it is agreed that such expenses will not exceed an aggregate amount of \$10,000 without the express written consent of the Purchaser.
2. **Term.** The term of this Agreement is one hundred and eighty (180) days from the date of its mutual execution. The term may be unilaterally terminated by either party at any time by providing written notice of termination to the other party, and the term may be extended upon mutual written agreement of Elliott and Purchaser. This Agreement entrusts Elliott to be Purchaser's exclusive representative during the term of this Agreement and Purchaser will refer all calls and opportunities to Elliott for their assistance in this purchase or lease.

Purchaser agrees to immediately pay Elliott the balance of the Fee if:

- (i) during the term of this Agreement, Purchaser purchases or leases a Beechcraft King Air 350 or any similar aircraft from any third party, whether inside or outside of this Agreement, or
- (ii) within six (6) months after the termination of the term of this Agreement, Purchaser directly or indirectly purchases or leases a Beechcraft King Air 350 or any similar aircraft that has been identified by Elliott to the Purchaser as a possible acquisition target during the term of this Agreement,

Purchaser agrees and acknowledges that if Purchaser terminates this Agreement prior to the expiration of the term of this Agreement or if the term of this Agreement expires, the one-half Fee paid at the execution of this Agreement will be retained by Elliott.

3. **Locations for viewing.** Elliott will, whenever practical, have selected aircraft flown to the Ames airport for preliminary inspection by Purchaser's stakeholders. The secondary location will be Elliott's facilities located at the Des Moines International Airport. If Purchaser's representatives must fly to a specific location to view an aircraft Elliott will give the Purchaser at least seven (7) business days prior notice to make arrangements.
4. **Insurance.** Elliott will maintain adequate liability insurance for the services provided as described herein, and Elliott will provide Purchaser with information about Elliott's liability insurance upon request. Elliott will also perform due diligence to ensure that any aircraft located for Purchaser's inspection and consideration is covered by adequate property and casualty and liability insurance that has been obtained by its current owner so that Purchaser is not required to obtain any property and casualty or liability insurance to cover the subject aircraft during any inspection, test flight or other investigation performed by Purchaser. Purchaser and its designated title holder shall not have any obligation to obtain any insurance coverage for any aircraft located by Elliott until such time as Purchaser purchases an aircraft located by Elliott and title passes to Purchaser or its designated title holder.
5. **Criteria for selection.** Elliott agrees to locate aircraft for purchase that substantially meet the requirements set forth in Exhibit A. Purchaser may exercise its sole discretion in determining whether or not to offer to purchase any aircraft located by Elliott.
6. **Notices.** Notices required or provided under this Agreement shall be in writing and delivered in person, transmitted via facsimile or e-mail to a Party at the address set forth below. Notice shall be deemed received immediately upon personal delivery, faxing or e-mailing.

Purchaser: Iowa State University Foundation
Name: Lisa Eslinger (or her designee)
Title: Senior Vice President of Finance and Operations
Address: 2505 University Boulevard
Ames, IA 50011-1510
Phone: 515-294-4626
Fax: 515-294-7550
Email: lisa.eslinger@foundation.iastate.edu

Elliott: Elliott Aviation
Name: Steve Davis
Title: Aircraft Sales Manager
Address: Des Moines International Airport
2800 McKinley Avenue
Des Moines, IA 50315
Phone: 800-332-3511
Fax: 515-285-7251
Email: sdavis@elliottaviation.com

7. **Independent Contractors.** The Parties are independent contractors and neither Party shall be an agent or an employee of the other Party at any time or for any purpose. No joint venture, partnership or like relationship is created between the Parties by this Agreement.
8. **Records for Audit.** Elliott shall maintain records and documents related to expenses

incurred by Elliott pursuant to this Agreement and aircraft located by Elliott pursuant to this Agreement for a period of at least three (3) years following the termination of the agreement. Elliott shall permit any auditor selected by the Purchaser to access and examine, audit, excerpt and transcribe any directly pertinent documents, papers, electronic or optically stored and created records or other records relating to the services provided by Elliott or payments made to Elliott under the terms of this Agreement, and Elliott shall not impose a charge for any such review of its records.

9. **Intended Aircraft Acquisition Transaction.** It is agreed and understood that the Purchaser, a private nonprofit organization dedicated to securing and stewarding private gifts and grants that benefit Iowa State University, has entered into this Agreement with the intent of locating and purchasing the specified aircraft for Iowa State University, and it is contemplated that the new acquired aircraft will be registered in the name of Iowa State University. It is contemplated that any aircraft that the Purchaser desires to purchase may be acquired solely through the use of the Purchaser's funds or through a combination of the Purchaser's funds and proceeds or trade-in credits received from Iowa State University's sale or trade-in of Iowa State University's currently owned 1987 Beechcraft King Air B-200 aircraft.

Accordingly, it is understood that any transaction that the Purchaser may desire enter into related to this Agreement is subject to Iowa State University's acceptance of the gift of ownership of a Beechcraft King Air 350 aircraft that is acquired through the use of the Purchaser's funds and may also be conditioned on Iowa State University's sale or trade-in of Iowa State University's currently owned Beechcraft King Air B-200 aircraft.

The goal of the Foundation in entering into this Agreement is to assist Iowa State University by providing Iowa State University with a newer, safer, larger, and faster aircraft that may be used by Iowa State University personnel for safer, more efficient, more convenient and more effective air travel than has been possible using Iowa State University's currently owned Beechcraft King Air B-200 aircraft.

The support envisioned by this Agreement will therefore be used to provide Iowa State University with air travel resources that may be more effectively used to further the mission of Iowa State University.

10. **Governing Law, Jurisdiction and Venue.** This Agreement shall be governed by the laws of the State of Iowa and the parties agree that jurisdiction and venue for any legal proceeding may be initiated with respect to the provisions of this Agreement shall be limited to the Iowa District Courts sitting in Story County, Iowa.

[Signature Page Follows]

IN WITNESS WHEREOF, and having read and understood this **Exclusive Aircraft Acquisition Agreement**, the terms, conditions, and scope of work added or amended herein, in witness whereof, the parties have hereunto signed this agreement and caused it to be executed in duplicate, each of the copies to be considered as an original agreement dated December 4, 2013.


Elliott:
Elliott Aviation Aircraft Sales, Inc.

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Date: 11/6/13

By: Steve Davis
Title: Aircraft Sales Manager

Purchaser:
Iowa State University Foundation

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Date: 12/6/13

By: Lisa Eslinger
Title: Senior Vice President of Finance and Operations

Exhibit A

General requirements for Purchaser's aircraft

Body and Engines

U. S. owned and maintained Beechcraft model King Air 350 with dual strakes, wing lockers and a calendar vintage of 2000 or newer with airframe time of 4500 flight hours or less. The appropriate time item status of inspections, along with any needed repairs discovered in the aircraft prebuy inspection, will be used for price negotiations.

Interior and Exterior

Interior will be a Standard King Air 350 dual club seating with belted potty which will accommodate a total of 9 passengers. Paint and interior will be determined by its condition. The university desires for its own color scheme and interior designs will be a negotiation.

Electronics

Avionics will be a Garmin G1000 Platinum Package which will include a Radar Alt, (additional power ports for running and charging cell phones, laptops, notebooks) will be negotiated with Elliott's avionics department and Iowa State University's Flight Service.

Desirable Electronics

The following electronics are on the university's wish list and would be desirable upgrades if available purchase funds permit:

- Aircell ATG (inflight internet, email)
- EVS (Enhanced Vision System) Infrared Camera
- Lumatech line of LED (integrated LED Master Caution System and Display)

Previous Ownership

U.S. owned and maintained