

**Factual Report – Attachment 9
N256TA Lease and Insurance**

OPERATIONAL FACTORS

WPR19MA177

AIRCRAFT LEASE

THIS AIRCRAFT LEASE is made as of this fifth day of May, 2017, by and between N80896 L.L.C., whose address is [REDACTED] (the "Lessor"), and Hawaii Parachute Center LLC, whose address is [REDACTED] and George Rivera, whose mailing address is [REDACTED] (the "Lessees").

WITNESSETH:

1. Lease of the Aircraft. Subject to the terms and conditions contained herein, Lessor agrees to lease to Lessees a certain aircraft to wit: Beechcraft King Air A90, SN LJ256, F.A.A. Registration N256TA, with two Pratt and Whitney engines, serial numbers PCE-22452 (left) and PCE-241046 (right), and all attachments, accessories, appliances, additions, substitutions, instruments and avionics thereto and all replacements thereof, if any (collectively the "Aircraft").

2. Term. The term of this Lease shall be for two years, commencing on May 15, 2017 (the "Commencement Date") and terminating on May 14, 2019 (the "Expiration Date").

3. Rent. Lessees shall pay the Lessor an hourly rental of [REDACTED] per hour, (pro-rated to the nearest one-tenth of an hour) plus any taxes applicable thereto. Such Rental shall be payable every Wednesday via direct deposit pursuant to deposit directions from Lessor for the hours flown during the previous week. The minimum amount owed per week is [REDACTED] (five hours). Flight hours not used cannot be calculated into following weeks.

Flight Hours shall be as recorded on a "Hobbs" type Hourmeter (which shall be maintained in operable condition) or, if the Hobbs Hourmeter malfunctions, shall be determined using the flight log. Lessees agree to keep an accurate record of the duration of each flight it makes in the airplane. The payment of the Rental for the final week of the Lease term shall be made on the Expiration Date.

Lessees agree to be responsible for the cost of all fuel consumed during their use of the Aircraft and for other consumables such as oil, tires and glow plugs. Lessees agree, at their expense, to wash and vacuum the Aircraft biweekly (every two weeks). Lessor agrees to be responsible for the cost of parts required for maintenance, scheduled and unscheduled for the airplane and for associated labor at a rate of up to [REDACTED] per hour for an FAA-certificated A & P maintenance technician working at Mr. Rivera's direction. Labor provided by maintenance technicians not holding FAA A & P ratings will be paid for at a rate of up to [REDACTED] per hour.

The rent paid by Lessees includes two starts per engine per day. For each additional start per engine per day, Lessees agree to pay Lessor [REDACTED]

The rent paid by Lessees does not include any fees or taxes incurred for use of the Aircraft, such as landing fees, ramp fees, navigation fees, system user fees, fuel taxes, etc. Lessees shall be responsible for payment of all such fees. Should Lessor receive any bills or statements for any such fees associated with Lessees' use of the Aircraft, Lessor will immediately forward such bill or statement to Lessees who agree to make the required payment. Because some user fees are charged according to the registration number of the Aircraft and there is a potential that an unpaid fee may become a lien on the Aircraft; should Lessees not pay a user fee or tax incurred during his use of the Aircraft, Lessor, at its option, may pay the fee and add the amount

to the rent due from Lessees.

As part of the rent of the Aircraft, Lessees agree to provide the completed flight sheets, showing all flights of the Aircraft for the previous month, to Lessor on the 15th day of each month during the term of this Lease.

4. Delivery and Return. Lessees shall pick up the Aircraft on the Commencement Date of this Lease (weather permitting) at Lessor's place of business on Lincoln Regional Airport, Lincoln, California, and shall return it to the same location on the Expiration Date of this Lease (weather permitting). The Aircraft shall be provided to Lessees on the Commencement Date with the NAC tanks full of fuel, at Lessor's cost. Lessees will return the Aircraft to Lessor, at Lessor's place of business, with the NAC tanks full of fuel, at Lessees' cost. Whether there is fuel in the Aircraft's other fuel tanks at the time of delivery or return is of no relevance to this Lease.

5. Base of the Aircraft. The Aircraft shall be based at Dillingham Air Field, Hawaii, during the term of this Lease. Lessees shall use reasonable care in securing the Aircraft when not in use to protect it from damage.

6. Representations, Warranties and Agreement of the Lessor. The Lessor represents, warrants and agrees that this Lease has been duly executed and delivered by the Lessor and, assuming due authorization, execution and delivery by the Lessees, the Lease is a legal, valid and binding obligation of the Lessor, enforceable in accordance with its terms. The execution and delivery by the Lessor of the Lease and the performance by Lessor of its obligations under the Lease do not and will not contravene any law, governmental rule or regulation, judgment or order applicable to or binding on the Lessor, do not and will not contravene any provision of, or constitute a default or result in the creation of any lien under, any indenture, mortgage, contract or other instrument to which the Lessor is a party or by which Lessor is bound, and does not and will not require any approval or consent of any trustee or holders of indebtedness or obligations of the Lessor, except such as have been duly obtained.

Lessor warrants, represents and agrees that:

(a) Title. Lessor is the owner of the Aircraft and has full legal right and power to lease the Aircraft to Lessees.

(b) Limitations. The warranties set forth above are in lieu of all other warranties of the Lessor, whether written, oral or implied with respect to this Lease or the Aircraft, and the Lessor shall not be deemed to have modified in any respect the Lessees' duty carefully to inspect the Aircraft prior to any use pursuant to the Federal Aviation Regulations. THE LESSOR SHALL NOT BE DEEMED TO HAVE MADE, AND THE LESSOR HEREBY DISCLAIMS, ANY OTHER REPRESENTATION OR WARRANTY, EITHER EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, FITNESS OF THE AIRCRAFT FOR LESSEES' INTENDED USE OR ITS MERCHANTABILITY, THE QUALITY OF THE MATERIAL OR WORKMANSHIP OF THE AIRCRAFT, ITS VALUE OR CONFORMITY OF THE AIRCRAFT TO THE PROVISIONS AND SPECIFICATIONS OF ANY PURCHASE AGREEMENT OR AGREEMENTS RELATING THERETO.

7. Representations, Warranties and Agreement of the Lessees. The Lessees represent, warrant

and agree that this Lease has been duly executed and delivered by the Lessees and, assuming due authorization, execution and delivery by the Lessor, the Lease is a legal, valid and binding obligation of the Lessees, enforceable in accordance with its terms. The execution and delivery by the Lessees of the Lease and the performance by Lessees of their obligations under the Lease do not and will not contravene any law, governmental rule or regulation, judgment or order applicable to or binding on the Lessees, do not and will not contravene any provision of, or constitute a default or result in the creation of any lien under, any indenture, mortgage, contract or other instrument to which the Lessees are a party or by which Lessees are bound, and does not and will not require any approval or consent of any trustee or holders of indebtedness or obligations of the Lessees, except such as have been duly obtained.

The Lessees represent, warrant and agree that:

(a) Aircraft, Lawful Use. The Lessees shall comply with all laws, rules, orders, ordinances and regulations of the United States, its territories and possessions, Canada and Mexico, and such other jurisdictions in which the Aircraft is located, used or operated, and will indemnify and hold the Lessor harmless from any and all fines, forfeitures or penalties arising out of any violations thereof by it. The Lessees further agree not to use or operate the Aircraft in violation of any such law, rule, order, ordinance or regulation, including Federal Aviation Regulations concerning aerobatics. The Lessees shall be liable to the Lessor for the loss of the Aircraft caused by the confiscation thereof by any public authority by reason of any illegal use thereof by the Lessees or their agents, servants or employees. Lessees specifically agree to compensate Lessor for inspections necessitated by and damages incurred because of use of the

(c) Common Carrier. The Aircraft shall be used only for Lessees' personal or business use, and conducted only as a Part 91 operation under Part 91 of the Federal Aviation Administration Regulations. The Aircraft will not be operated by Lessees or permitted to be operated by Lessees in the carriage of person or property as a common carrier for compensation or hire, or in the carriage of mail or cargo which would expose the Aircraft to penalty, seizure, forfeiture or capture.

9. Pilots. Lessees represents and warrants that the Aircraft will, at all times during the term of this Lease, be operated by currently certified pilot(s) contracted for, or employed and paid by Lessees when operated by Lessees having (i) the minimum total pilot hours required by FAA rules or regulations or by an insurer hereunder, whichever is stricter, (ii) a certificate from the FAA designating him or her a commercial pilot, with multi-engine land and instrument ratings. The Lessees shall require such pilot(s) to operate the Aircraft with reasonable care and diligence and in a lawful manner and specifically prohibit the pilot from engaging in

aerobatics with the Aircraft. Should Lessor, at its option, identify a pilot or pilots that it does not want flying the Aircraft, Lessees will not allow that pilot or pilots to fly the Aircraft during the term of this Agreement.

10. Alterations. Lessees shall not in any way alter, modify or make additions or improvements to the Aircraft without Lessor's consent.

11. Identification. The certificate of registration identifying the Lessor as owner of the Aircraft shall be prominently displayed near the primary cabin entry area.

12. Loss and Indemnification. Lessees agree that throughout the term of this Lease, the possession and use of the Aircraft shall be at their risk. Lessees and Lessor shall indemnify and save harmless the other, their successors, heirs and assigns from and against any and all loss (including, without limitation, claims involving strict or absolute liability in tort), cost, damage, injury or death claims, demands, liability, third party claims and expense of every nature arising directly or indirectly from or in connection with Lessees' or Lessor's (as applicable), possession, maintenance, storage, use or operation of the Aircraft, except when arising from the material default, willful misconduct or gross negligence of the other.

13. Insurance.

(a) Lessees shall secure and maintain in effect at their own expense throughout the lease term with companies satisfactory to Lessor:

(b) All insurance policies originally contracted for and any substitutions or replacement for such policies shall (i) name the Lessor as owner of the Aircraft, (ii) provide that if the Aircraft should be lost, totally destroyed or damaged beyond repair, payment in an amount equal to the stated insured value of the Aircraft shall be paid to the Lessor and its mortgagee if any, as their interest may appear, with all other insurance proceeds to be paid in accordance with the terms of the policy, and (iii) provide that the insurers shall waive any rights of subrogation against the Lessor and Lessees, and name Lessor as an additional named insured.

(c) In the event of loss or damage to the Aircraft, Lessees shall immediately report such loss or damage to Lessor, to the insurance companies underwriting such risk and to all applicable governmental agencies, federal and state, and Lessees shall furnish such information and execute such documents as may be required to collect the proceeds from the insurance

JACK HARRISSON
Falcon Ins.

policies. The rights, liabilities and obligations of the parties regarding such proceeds shall be as follows:

(i) In the event the Aircraft is partially damaged, then this Lease shall remain in full force and effect and Lessor shall use the insurance proceeds to repair the Aircraft. Lessor shall direct and must approve all repairs made to the Aircraft.

(ii) In the event that the Aircraft should be lost, totally destroyed or damaged beyond repair, the Lease shall terminate and the parties shall be under no further obligation to each other.

(d) Lessees shall thoroughly investigate and immediately notify Lessor and its insurance carrier of each accident involving the aircraft, while being operated by Lessees, which notification shall specify time, place and nature of the accident or damage, the names and addresses of the parties involved, persons injured, witnesses and owners of properties damaged, and such other information as Lessor shall reasonably request. Lessees shall provide Lessor with all copies of all correspondence, papers, notices and documents whatsoever received by Lessees in connection with any claim or demand involving or relating to the Aircraft or its operation, and shall cooperate in any investigation instituted by Lessor and in the recovery of damages from third persons liable therefor.

14. Lessees' Default. The following events under this Lease shall constitute Events of Default (whatever the reason for such event of default and whether it shall be voluntary or involuntary, or come about or be effected by operation of law, or be pursuant to or in compliance with any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(a) The Lessees shall fail to perform or observe any covenant, condition or agreement to be performed or observed by it under this Lease, or any agreement, document or certificate delivered by the Lessees in connection herewith, and such failure shall continue for fifteen (15) days after written notice thereof from the Lessor to the Lessees; or

(b) Any representation or warranty made by the Lessees in this Lease or any agreement, document or certificate delivered by the Lessees in connection herewith shall prove to have been incorrect in any material respect when any such representation or warranty was made or given; or

(c) The Lessees (except as expressly permitted by the provision of this Lease) shall attempt to or shall remove, sell, transfer, encumber, part with possession of, assign or sublet the Aircraft or any part thereof; or

(d) The estate created by this Lease shall be taken on execution, or by other process of law, or the Lessees shall commit any act of bankruptcy or be declared bankrupt or insolvent according to law, or any petition under federal or state law pertaining to bankruptcy or insolvency or for a reorganization or arrangement or other relief shall be filed by or against the Lessees, or any assignment, trust, mortgage or other transfer in trust or otherwise shall be made for the benefit of creditors.

15. Lessor's Remedies.

(a) Upon the occurrence of any Event of Default and so long as the same shall be continuing, the Lessor may, at its option, declare this Lease to be in default by written notice to the Lessees and at any time thereafter, the Lessor may exercise any or all of the following remedies as the Lessor in its sole discretion shall lawfully elect:

(i) Proceed by appropriate court action, either at law or in equity, to enforce performance by the Lessees of the applicable covenants of this Lease or to recover damages for the breach thereof.

(ii) By notice in writing terminate this Lease, whereupon all rights of the Lessees to use the Aircraft shall absolutely cease and terminate but the Lessees shall remain liable as hereinafter provided; and thereupon the Lessees, if so requested by the Lessor, shall at its expense promptly return the Aircraft to the possession of the Lessor at such place as the Lessor shall designate and in the condition required upon the return thereof pursuant to and in accordance with the terms hereof, or the Lessor, at its option, may enter upon the premises where the Aircraft is located and take immediate possession of and remove the same by summary proceedings or otherwise. Lessees specifically authorizes Lessor's entry upon any premises where the Aircraft is located for the purpose of and waives any cause of action it may have arising from Lessor's peaceful retaking of the Aircraft.

(iii) Perform or cause to be performed any obligation, covenant or agreement of Lessees hereunder. Lessees agree to pay all costs and expenses incurred by Lessor for such performance as additional Rentals hereunder and acknowledge that such performance by Lessor shall not be deemed to cure said Event of Default.

(b) The Lessees shall be liable for all costs, charges and expenses, including reasonable legal fees and disbursements, incurred by the Lessor by reason of the occurrence of any Event of Default or the exercise of the Lessor's remedies with respect thereto.

(c) No remedy referred to herein is intended to be exclusive, but each shall be cumulative and in addition to any other remedy referred to above or otherwise available to the Lessor at law or in equity. Lessor shall not be deemed to have waived any default, Event of Default or right hereunder unless the same is acknowledged in writing by a duly authorized representative of Lessor. No waiver by the 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. The failure or delay of the Lessor in exercising any rights granted to Lessor hereunder upon any occurrence of any of the contingencies set forth herein shall not constitute a waiver of any such right upon the continuation or recurrence of any such contingencies or similar contingencies and any single or partial exercise of any particular right by the Lessor shall not exhaust the same or constitute a waiver of any other right provided herein.

16. Lessor's Default. The following shall constitute a default by Lessor hereunder:

(a) The Lessor shall fail to perform or observe any covenant, condition or agreement to be performed or observed by it under this Lease or any agreement, document or

certificate delivered by the Lessor in connection herewith, and such failure shall continue for fifteen (15) days after written notice thereof from the Lessees to the Lessor; or

(b) Any representation or warranty made by the Lessor in this Lease or any agreement, document or certificate delivered by the Lessor in connection herewith shall prove to have been incorrect in any material respect when any such representation or warranty was made or given; or

17. Lessees' Remedies.

(a) If a default by Lessor shall occur and continue uncured for a period of fifteen (15) days after Lessor's receipt of written notice thereof from Lessees, Lessees may exercise the following remedy as it in its sole discretion shall lawfully elect:

(i) By notice in writing terminate this Lease and return the Aircraft to Lessor.

(b) The Lessor shall be liable for all costs, charges and expenses, including reasonable legal fees and disbursements, incurred by the Lessees by reason of the occurrence of any Event of Default or the exercise of the Lessees' remedies with respect thereto.

18. Liens. The Lessees will not directly or indirectly create, incur, assume or suffer to exist any liens (other than liens of the Lessor) on or with respect to the Aircraft or any part thereof, the Lessor's title thereto or any interest of the Lessor therein without the express written consent of Lessor (and the Lessees will promptly, at their own expense, take such action as may be necessary duly to discharge such lien).

19. Tax Indemnification. For United States income tax purposes (and to the extent allowable for state and local tax purposes), the Lessor is the owner of the Aircraft and expects to be entitled to a deduction for depreciation (the Depreciation Deduction) under Section 167 of the Code.

20. Rights to Assign and Subcontract:

(a) The Lessor may subject the Aircraft to the lien of any mortgage now or hereafter placed upon the Lessor's interest in the Aircraft, provided that the amount covered by all such mortgages shall not exceed at any time the estimated market value of the Aircraft. If the Lessor default in making payment of any mortgage or mortgages, the Lessees shall have the right to terminate this agreement forthwith.

21. Notices. Unless specifically provided to the contrary herein, all notices permitted or required by this Lease shall be in writing, and shall be deemed given when received by the party to whom sent at the address set forth for such party on the first page hereof, or such other address as may hereafter be designated by such party in written a notice to the other party.

22. Entire Agreement. The terms and conditions of this Lease constitute the entire agreement between the parties and supersede all prior written and oral negotiations, representations and agreements, if any, between the parties and shall be binding upon them their successors, assigns and legal representatives.

23. Modification of Agreement. No change or modification hereof or waiver of any term or condition hereof shall be effective unless the change or modification is in writing and signed by both parties.

24. Jurisdiction. In the event of a dispute arising out of this Lease, the parties agree to the jurisdiction of State and Federal Courts of California.

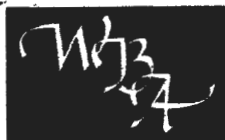
IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed as of the day and year first above written.

N80896, L.L.C.:

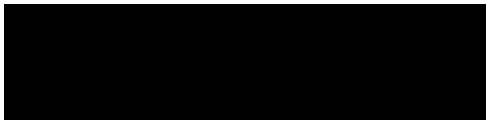
HAWAII PARACHUTE CENTER AND GEORGE RIVERA:

By: _____
Patrick Garcia

By: _____
George Rivera



W. BROWN & ASSOCIATES
INSURANCE SERVICES



CONFIRMATION OF INSURANCE

INSURED: Coby Parachute Center, LLC



PRODUCER: Falcon Insurance Agency, Inc.



This is to certify that the undersigned has procured insurance coverage as hereafter specified from certain companies and/or underwriters.

INSURER: Endurance American Insurance Co.

POLICY NUMBER:

POLICY PERIOD: August 24, 2018 to August 24, 2019

COVERAGE: Aircraft - Hull and Liability/Commercial Aviation

PREMIUM:

DESCRIPTION OF AIRCRAFT & PHYSICAL DAMAGE COVERAGE: Please refer to attached schedule which is incorporated as a part hereof.

SUBJECT TO: Receipt of acceptable application and payment of premium as agreed.

By:
W. Brown & Associates Insurance Services

Date of Issue: September 12, 2018
Issued in Irvine, California

Insurance, when effected, shall be subject to all terms and conditions of policy(ies) which will be issued, and in the event of any inconsistency herewith, the terms and provisions of such a policy(ies) shall prevail.

This contract effective for a period of 30 days starting on the effective date listed above.

CERTIFICATE OF INSURANCE**THIS IS TO CERTIFY TO:**N80896, L.L.C
[REDACTED]**THAT THE FOLLOWING POLICY OF INSURANCE HAS BEEN ISSUED TO:**Oahu Parachute Center, LLC
[REDACTED]**POLICY NUMBER:** [REDACTED]**POLICY PERIOD:** From August 24, 2018 To August 24, 2019**INSURANCE COMPANY:** Endurance American Insurance Co.

DESCRIPTION OF COVERAGES AND LIMITS OF LIABILITY: Please refer to attached schedule which is incorporated as a part hereof.

The above Certificate Holder is included as an Additional Insured and Loss Payee as respects Physical Damage Coverage.

Subject to Date Change Recognition Endorsement.

Data included in this Certificate valid as of August 24, 2018.

This certificate of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policy listed herein. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate of insurance may be issued or may pertain, the insurance afforded by the policy described herein is subject to all the terms, exclusions and conditions of such policies.

Should the described policy be cancelled before the expiration date hereof, the issuing company will endeavor to give 30 days (10 days for non-payment) notice to the certificate holder named herein. However, failure to mail such notice shall not impose any obligation nor any liability of any kind upon the Company, its representatives or agents.

By: [REDACTED]
W. Brown & Associates Insurance Services

Date of Issue: September 13, 2018
Certificate No.: [REDACTED]

SCHEDULE OF AIRCRAFT

DESCRIPTION OF AIRCRAFT				
No.	FAA Cert #	Serial #	Year/Make/Model	Insured Value
1	N256TA	LJ-256	1967 Beechcraft A-90	

PHYSICAL DAMAGE COVERAGE			
No.	Deductibles		Physical Damage Coverage
	Not In Motion	In Motion	
1			F. All Risk Basis

AIRCRAFT LIABILITY COVERAGES				
No.	Single Limit Bodily Injury & Property Damage	Passenger Liability	Passenger Liability Limited To	
			Each Person	Each Occurrence
1		Excluded	XXXX	XXXX

MEDICAL EXPENSES			
No.	Including Crew	Each Person	Each Occurrence
1	No	XXXX	XXXX

POLICY NO. [REDACTED]

ATTACHED TO CONFIRMATION OF INSURANCE

SCHEDULE OF AIRCRAFT

DESCRIPTION OF AIRCRAFT				
No.	FAA Cert #	Serial #	Year/Make/Model	Insured Value
1	N256TA	LJ-256	1967 Beechcraft A-90	[REDACTED]

PHYSICAL DAMAGE COVERAGE			
No.	Deductibles		Physical Damage Coverage
	Not In Motion	In Motion	
1	[REDACTED]	[REDACTED]	F. All Risk Basis

Total Physical Damage Premium: \$As Agreed

AIRCRAFT LIABILITY COVERAGES				
No.	Single Limit Bodily Injury & Property Damage	Passenger Liability	Passenger Liability Limited To	
			Each Person	Each Occurrence
1	[REDACTED]	Excluded	XXXX	XXXX

MEDICAL EXPENSES			
No.	Including Crew	Each Person	Each Occurrence
1	No	XXXX	XXXX

Total Liability Premium: \$As Agreed