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AVIATION

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CERTIFIED AIRCRAFT APPRAISAL REPORT FOR PILATUS PC-12/47E SERIAL NUMBER 1234 C-GABC

CLIENT: ANY CUSTOMER
ADDRESS: MAIN STREET
TORONTO, ONTARIO
PHONE: (123) 456-7890

REPORT NO.: 20150999C-GABC
DATE: 30 SEPTEMBER 2015

TABLE OF CONTENTS

1.0 CERTIFICATIONS

Certified Aircraft Appraisal Report
20150999C-GABC

Conducted in conformity with the
Uniform Standards of Professional Appraisal Practice

I certify that to the best of my knowledge and belief:

A. The statement of facts contained in this report is true and correct.

B. The reported analysis, opinion, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, unbiased professional analysis, opinions, and conclusions.

C. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved.

D. I have no bias with respect to the property that is the subject of this report or to the parties involved with the assignment.

E. My engagement in this assignment is not contingent upon developing or reporting predetermined results.

F. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this certified appraisal report.

G. My analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the current edition of the Uniform Standards of Professional Appraisal Practice.

H. I have inspected the property that is the subject of this report.

I. No one provided significant professional or personal property appraisal assistance to the person signing this certification and report.

J. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three (3) year period immediately preceding acceptance of this assignment

_____

Gary Gaudreau, NSCA
AVIATION BUSINESS SUPPORT INC.

2.0 CERTIFIED AIRCRAFT APPRAISAL REPORT

Client: Any Customer
Address: Main Street
Toronto, Ontario

Attention: Any Reference
Phone: (123) 456-7890

This certified appraisal report is intended to be used by:

User A

This certified appraisal report is to be held strictly confidential and should not be disseminated to anyone other than the intended user(s) without the client's permission.

The purpose of this certified appraisal report is to form an opinion of the Market Value of the subject aircraft in U.S. Dollars for sales purposes. For the purposes of this certified aircraft appraisal report the aircraft is considered to be free and clear of all liens and encumbrances, unless noted within the report. This certified aircraft appraisal report is intended to be used by the client for the purpose noted. It should not be used for any other purpose, nor should it be considered valid after the effective date expressed in the report. The entire appraisal is based on this appraiser's visual examination of the aircraft and its records on the effective date of this report. This report is not intended to be an evaluation of the mechanical condition of the aircraft, nor is any of the data herein intended to be used for evaluating the mechanical condition of the aircraft. This appraiser urges the client and/or purchaser of this aircraft to engage a Transport Canada Aircraft Maintenance Engineer (AME) who has knowledge of the aircraft make and model to inspect the aircraft for mechanical defects prior to completing the purchase.

The scope of work for this assignment included:

A. A physical examination of the subject aircraft identified in the Aircraft Identification Section of this report.
B. A physical examination of the aircraft's logbooks and records.
C. Determination whether the Sales Comparison, Cost, or Income approach is relevant to the subject aircraft. The Cost and Income approaches were deemed to lack relevance with regard to this aircraft as this type of aircraft is priced based on market activity.
D. Determination of Market Value and Orderly Liquidated Value of the subject aircraft.
E. The appropriate research included many sources including but not limited to aircraft advertised for sale, published value information, and the use of proprietary databases.
F. The preparation of this Certified Appraisal Report.
G. The registered owner of the aircraft was established using the aircraft's registration and Transport Canada records as verification. It appears that the ownership does not have a bearing on the value of this aircraft. The registered owner is assumed to have full and legal title to the aircraft, and it is further assumed that the registered owner has the unconditional power to dispose of the property as it sees fit.

NOTE: All dates in this report are shown as MONTH / DAY / YEAR (mm/dd/yyyy).

3.0 AIRCRAFT IDENTIFICATION

Make: Pilatus **Model:** PC-12/47E **Serial No:** 1234

Registration No.: C-GABC **Year Manufactured:** 2008

Type of Aircraft: Single Engine Prop Jet **Airframe Total Time:** 5,686.33 **Hrs.**

Airframe Total Cycles: 5,443

Airframe Total Time Detail of Calculation:

Total flight time and cycles is based on the time and cycles recorded in the aircraft Journey log book by the pilot after each flight. Air time and cycles are then transposed to the Airframe, Engine and Propeller electronic record keeping system.

The time shown above was taken from the last entry in the Journey Log Book kept in the aircraft.

Airframe Condition: Very Good

Comments on Visual Inspection:

The airframe shows very well and appears to be corrosion and damage free.

Fuselage. The entire fuselage is in excellent condition and there is no evidence of damage or damage repairs.

Doors. Cabin and baggage door fit well when closed and the latches and seals are in excellent condition with little evidence of wear.

Cowling. The cowling and its latches and doors fit well and all hinges are free of play.

Wings. The left and right wings are free of any dents or scratches on the upper and lower surfaces.

Tail. The left and right horizontal stabilizer is free of any dents or scratches on the upper and lower surfaces.

Flight Control Surfaces. All flight control surfaces are free of any dents or scratches.

Landing Gear. All tires are in excellent condition. There are no brake fluid leaks evident. The main and nose landing gear doors are free of play.

Fuel Leaks. There are no fuel leaks evident anywhere on the aircraft.

Windows. All cabin windows are in excellent condition with only a few very fine scratches and no distortion.

Log Books in Aircraft Appear: Original

Airframe Logbook Inventory and Comments:

There is one (1) hard copy Canadian airframe log book. It was created when the aircraft was imported from the United States and time was transferred from the Swiss log books. The first entry is 3/26/2009 at 35.3 hours and 17 cycles since new. The last manual airframe log book entry is on 06/07/2010 at 1,200.9 hours and 1,209 cycles since new. Time was then transferred to an electronic record keeping system of [redacted].

There is one (1) Compact Disc (CD) that contains all airframe electronic records maintained by [redacted] from 06/01/2010 at 1,170.6 hours TTSN and 1,170 cycles since new to 06/27/2012 at 3,464.6 hours TTSN and 3,336 cycles since new when electronic record keeping was transferred to [redacted] where it currently resides.

Aircraft Registered To: [redacted]
Address: [redacted]
City, Prov, Postal Code: Toronto, Ontario [redacted]

Date of Registration: 03/05/2009 **Registration Expiration Date:** N/A

Location of Registration and Airworthiness Certificates: The C of A and C of R are kept in a document pouch located in the cockpit behind the co-pilots seat and carried on board the aircraft for each flight.

Location of Aircraft Flight Manual (AFM): The AFM is made up of Volume 1 and Volume 2 and they are located in the cockpit during each flight.

Location of Weight and Balance, FAA 337 Forms, Equipment List: Weight and Balance and Equipment List is in a binder located in the cockpit and carried on board the aircraft for each flight. Release certificates are kept on file with company Technical Records located in Mississauga, ON.

4.0 MAINTENANCE STATUS

Last Maintenance Inspection Date: 6/13/2014

Comments:

The aircraft has been maintained through a series of 100 hour / Annual inspections. The log books indicate that routine maintenance has been carried out as required and that defects are corrected as they occur.

This aircraft is on a high utilization maintenance program which allows the operator to perform 100 hour inspections each 150 hours.

The last 100 inspection was completed on 06/13/2014 and 5,557.17 hours TTSN.

The last Annual inspection was carried out on 10/07/2013 at 4,897.13 hours TTSN.

Known Airframe Maintenance Issues: There were no reported maintenance issues.

Estimated Cost to Repair: N/A

Transponder/Encoder Recertification Date: 09/30/2013

ELT Battery Due Date: ELT replaced 09/27/2013

Service Bulletin Status: It appears that some Service Bulletins have been complied with according to the logbooks.

AD's Complied With: Yes **Estimated Cost for AD's Compliance:** N/A

Tire Condition: Good.

Exterior Paint Condition: Good.

Repaint Date: N/A **Repainted By:** N/A

Paint Comments:

The aircraft is painted overall grey with charcoal grey trim. This is the original factory paint.

The paint is in good condition with no peeling or crazing and just very minor paint chips around a few rivets and inspection panel screws. Some of the paint on cowl latches has peeled off and there is paint chipped off at the leading edge of the wing root fairings. There is also paint chipped off some windscreen retaining screws. The paint is scratched around the RH wing fuel filler cap.

Repainted and touched up areas are not noticeable. Painted surfaces are well protected and has good eye appeal. Some of the sheen in the paint has been lost; however, polishing and waxing should bring back the sheen and give it a glossy and rich appearance.

Interior Condition: Good. **Cabin Configuration:** Medevac

Panel Layout: Good. **Window Condition:** Good.

Interior Comments:

The aircraft is configured specifically for medevac which includes purpose built cabin headliner and side panels with a smooth glossy white surface for ease of cleaning. The medevac cabin interior components were provided by LifePort and include the following major components:

- Forward LH storage cabinet
- Forward RH storage cabinet
- RH aft facing mission seat
- LifePort Plus aerosled on RH side of cabin
- LifePort Serviplex mounted above the aerosled on the RH cabin ceiling
- LH forward facing mission seat just forward of the cargo door
- Left and right aft cabin storage cabinets

Also installed is a Pilatus forward facing jump seat on the LH side of the aft cabin adjacent to the cargo door and Bucher Heavy Duty Floor Panels. The RH cabin side panel includes an NAT PTA12 dialer and NAT AA95 audio panel. The LH cabin side panel includes an NAT PTA12 dialer, NAT AA95 audio panel and NAT NPX FM Transceiver.

All cabin windows have pull down shades.

There are a few chips and chaffed areas on cabin side panels and cabinets. The steps on the cabin door have several areas where the paint is chipped or chaffed.

The cockpit section is in good condition. Pilot and co-pilot seat covers and arm rest covers were replaced with new on 02/19/2014 and are in like-new condition.

5.0 AIRFRAME MODIFICATIONS

Date of Modification: 08/17/2009
Modification: Medevac System

A LifePort medical interior was installed in accordance with Transport Canada LSTC C-LSA09-178/D. Aircraft is configured with a LifePort Plus aerosled, CP-153-04 Serviplex, 60188-100 aft cabinet, 60187-100 LH forward cabinet and 60186-100 RH forward cabinet. Cabin side panels and headliner have been custom fabricated and installed for this medevac system.

Date of Modification: 08/12/2014
Modification: Medevac Mission Seating

Two (2) LifePort model 17-0017 mission seats are installed. One is RH aft facing and the other is LH forward facing.

Date of Modification: 08/17/2009
Modification: Mission System Avionics

Avionics installed for Medevac operations includes: NAT AA95-729 Audio Panel in LH & RH medic side panels; NAT VHF FM Comm transceiver P/N NPX138N-000 in LH side panel.

Date of Modification: 08/17/2009
Modification: Satphone and Tracker

A Latitude SkyNode Satphone w/Tracker P/N S200-21 is installed with a NAT PTA12-100 dialer in co-pilot RH crossbar panel and one each PTA12-100 dialer in Medic 1 & 2 side panels.

Date of Modification: 08/17/2009
Modification: Cabin Briefer

An Avionics Innovations Digital Media Player/Cabin Briefer P/N DMP200 is installed in cockpit RH crossbar.

6.0 DAMAGE HISTORY

Current Damage: None Listed

Historical Damage: None Listed

7.0 ENGINE & PROPELLER

Engine Manufacturer: Pratt and Whitney **Model:** PT6A-67P

Engine Type: Prop Jet **Engine Fire Detection:** Yes

Engine Logbook Inventory and Comments:

There is one (1) hard copy of the engine Power Section log book and one (1) hard copy of the engine Gas Turbine log book. This engine was first installed new on 03/03/2009 in Pilatus PC-12/47E serial number [redacted] registered as [redacted]. The last maintenance entry in the engine log books is on 06/01/2010 at 808.9 hours and 935 cycles since new. An entry dated 11/6/2013 shows the engine was removed from [redacted] at 3,932.4 hours and 4,207 cycles and sent to Standard Aero for overhaul. The engine was overhauled by Standard Aero on 12/23/2013 and installed in [redacted] on 02/12/2014. Time was then transferred to an electronic record keeping system of [redacted].

There is one (1) Compact Disc (CD) that contains all engine electronic records maintained by [redacted] starting on 06/03/2010 at 983.6 hours TTSN and 1,026 cycles since new. An entry dated 06/27/2012 states that electronic record keeping was transferred to [redacted] where it currently resides.

The last entry on this CD is dated 07/09/2012 at 2,295.2 hours TTSN and 2,325 cycles since new.

Engine Serial Number: [redacted] **Recommended TBO:** 4,000 Hrs

Engine Total Time Since New: 4,453.88 Hrs

Engine Total Time Since Overhaul: 521.45 Hrs

Engine Total Cycles Since New: 4,737

Engine Total Cycles Since Overhaul: 530

Engine Comments:

The engine was overhauled by Standard Aero. The technical records indicate that routine maintenance has been carried out as required and defects are corrected as they occur.

Known Engine(s) Issues: There are no known engine issues.

PROPELLER

Propeller Type: Constant Speed **No. Blades:** 4

Make: Hartzell **Model:** HC-E4A-3D/E10477SK **Serial No.:** [redacted]

Total Time Since New: 3,904.23 Hrs. **Recommended TBO:** 4,000 Hrs

Propeller Comments:

There is one (1) hard copy of the Canadian propeller log book. This propeller was first installed new on Pilatus PC-12/47E serial number 1225 registered as C-GRXO. The first entry in this propeller log book is dated 06/01/2010 with 37.9 hours TTSN and the last entry in this propeller log book is date 11/11/2010 with 37.9 hours TTSN. Time was then transferred to an electronic record keeping system of [redacted].

There is one (1) Compact Disc (CD) that contains all this propellers electronic records maintained by [redacted] starting on 11/11/2010 at 37.9 hours TTSN. An entry dated 12/07/2010 shows the propeller removed from [redacted] and installed on [redacted] at 37.9 hours TTSN.

The last entry on this CD is dated 06/27/2012 at 1,682.5 hours TTSN where it states that electronic record keeping was transferred to [redacted] where it currently resides.

Current TTSN is 3,904.23 Hrs.

8.0 ENGINE MODIFICATIONS

None Known or Reported.

9.0 INSTRUMENTATION

Full Panel: Yes **Dual Panel:** Yes

Panel Configuration: Average **Panel Condition:** Good. **IFR Equipped:** Yes

Comments:

The instrument panel is clean and the gauges are easy to read. There is no hazing or cloudiness in the glass. Lettering for the switches, controls and circuit breakers are like new and easy to read.

10.0 AVIONICS

Type of Avionics	Manufacturer	Model	Qty
INTEGRATED AVIONICS SYSTEM. LRU's includes: • dual KGS200 GPS/WAAS/LPC, • KSG7200 ADAHRS, • KRA405B Radar Altimeter, • KTR2280 MMDR, • KN63 DME, • ADF • (3) KSA2700 Autopilot Servos, • XW Satellite Weather, • dual KXP2290 mode S transponders, • KMH980 Mark VI EGPWS TAWS, TCAS I • MMH980 Multi-Hazard Awareness System, • dual KMA29 Audio Panel, • KMC9200 Guidance Panel, • KDU1080 Flat Panel Displays (3-PFD, 1-MFD), • dual KMC2210 PFD Controller, • KMC2220 MFC, • RDR2000 Weather Radar, 12U MAU. • Honeywell ChartLink	Honeywell	Apex	1
VHF Comm	Collins	VHF-20B	1
Cockpit Voice Recorder	Universal Avionics	CVR-30B	1

The avionics installed in this aircraft is considered to be Average when compared to other aircrafts of the same make, model, and year.

Avionics Comments:

Avionics installed in the cockpit and cabin for medevac purposes is included in Airframe Modifications section Article 5.0 above.

11.0 ADDITIONAL EQUIPMENT

Dual Controls: Yes **Type:** Yoke **Stall Warning:** Yes

Rotating Beacon: Yes **Strobe Light:** Yes

Taxi Lights: Yes **Navigation Lights:** Yes

Long Range Fuel: No **Total Fuel Capacity:** 406 Gallons US

Other Equipment:

The aircraft has the following additional equipment:

- Passenger life vests
- Winter operations equipment
- Commuter seat #3
- 110 volt power outlets in cabin and cockpit
- Additional Air Conditioning (VCCS)
- Cockpit Footwarmer
- (2) Nicad batteries in exchange for lead acid batteries
- Cargo Kit
- Pulsing Recognition Lights
- RS170 Video Input
- Logo Light (Vertical Stabilizer)

12.0 DE-ICING SYSTEMS

Known Ice System: Yes **Ice Lights:** Yes

Type of De-Ice: Boots **Boots Condition:** Good

Prop De-Ice: Yes **De-Ice Type:** Electric

Windshield De-Ice: Yes **Windshield Wipers:** No

Pitot Heat: Yes

Comments:

All wing and tail deice boots are in good condition. The LH and RH wing deice boot each have a 3 inch patch just inboard of the pitot tube and the LH horizontal stabilizer boot has a 3 inch patch about 18 inches from the root. Prop deice boots are in good condition.

13.0 AIRCRAFT APPRAISER'S COMMENTS

This is a certified aircraft appraisal and the opinion on the Market Value of this aircraft is the value of the aircraft as of 08/12/2014. The opinion on Market Value in this report is based on market conditions and market data at that time.

The Orderly Liquidated Value is for information purposes only. The calculation is *not certified.* The calculation represents the informed opinion of Aviation Business Support Inc. and Gary Gaudreau as of the date of this report and is not representative of any National Aircraft Appraisers Association data or any other work product derived in conjunction with that organization.

The value arrived at is based on the aircraft's use as a personal, corporate, or charter aircraft transporting passengers, which was the manufacturer's original intent.

This aircraft, [redacted] was personally examined on 08/12/2014 by Gary Gaudreau, Senior Certified Aircraft Appraiser, member of the National Aircraft Appraisers Association at the [redacted] Airport ([redacted]), [redacted], Ontario.

SUBJECT AIRCRAFT BACKGROUND

The aircraft was exported new from the manufacturer in Switzerland to its North American sales organization in the United States and registered as [redacted]. The aircraft was then exported from the United States to [redacted] on 03/04/2009.

The aircraft was delivered new from the factory without any cabin equipment and furnishings. The cabin was then modified to a medevac configuration and sold to its current owner, [redacted].

The aircraft has operated all of its time from bases in the province of Ontario.

COMPARABLE AIRCRAFT

The first comparable aircraft is a 2010 model Pilatus PC-12/47E serial number 1196 with approximately 840 hours since new on the airframe, engine and propeller. The aircraft was listed for sale by its UK owner on 05/10/2013 at an asking price of $3,600,000. Details regarding the aircraft equipment include Honeywell Primus Apex Integrated Avionics, additional air conditioning (VCCS), 77.1 cu ft 8 place oxygen system, baggage net, fly away kit, Pulselight recognition lights, RVSM certified, deluxe leather seating, L-3 WX-500 stormscope, dual Honeywell KGS-200 GPS w/WAAS/LPV, Honeywell KMH-980 Class B TAWS, Honeywell KMH-980 TCAS-I, mode S diversity transponder, coupled VNAV, Honeywell Chartlink, cursor control device on CCD pedestal and 406 Mhz ELT. Original log books, no damage history and all AD's complied with. The aircraft was reported sold to a US buyer on 04/01/2014 and had been on the market for 311 days.

The second comparable aircraft is a 2010 model Pilatus PC-12/47E serial number 1203 with approximately 690 hours since new on the airframe, engine and propeller. The aircraft was listed for sale by its US owner on 11/21/2013 and sold to a US buyer on 04/17/2014 at an actual selling price of $3,795,000. The aircraft had been on the market for 146 days. Details regarding the aircraft equipment include Honeywell Primus Apex Integrated Avionics, additional air conditioning, 8 place oxygen system, Pulselight recognition lights, sheepskin crew seats, refreshment cabinet, storage cabinet, three (3) 110 volt outlets, fully enclosed lavatory with flushing toilet, L-3 WX-500 stormscope, dual Honeywell KGS-200 GPS w/WAAS/LPV, Honeywell KMH-980 Class A TAWS, Honeywell KMH-980 TCAS-I, dual mode S diversity transponders, coupled VNAV, copilot audio/mark panel, uplink graphical weather, Honeywell Chartlink, cursor control device on CCD pedestal, cockpit foot warmers and 406 Mhz ELT. Original log books, no damage history and all AD's complied with.

It is important to note that the data regarding the two (2) comparable aircraft selected came from database information. I did not see the aircraft or their records, therefore, the information presented does not constitute appraisals of those aircraft. The information is included strictly for comparison to the subject aircraft.

BACKGROUND – PILATUS PC-12

The Pilatus PC-12 is a single engine turboprop passenger and cargo aircraft manufactured by Pilatus Aircraft of Switzerland. First deliveries of the PC-12 began in 1995 with the PC-12/45 and extended through 2005 with a total of 583 aircraft produced. The PC-12/47 model began delivery in 2006 and extended through 2008 with a total of 205 aircraft produced. The current production aircraft is the PC-12/47E, also known by its marketing designation as the PC-12 NG began production in 2008 and continues in production to this day with approximately 484 aircraft produced. The total amount of PC-12 aircraft produced to date is approximately 1,272 aircraft.

Special mission versions of the aircraft exist that include airborne surveillance and medevac. According to Pilatus sales literature, seventy five (75) of the PC-12`s are operating in medevac configuration. This includes [redacted] PC-12`s operated by [redacted].

MARKET BACKGROUND – PILATUS PC-12 – 5 YEAR TREND

The JetNet database, a proprietary information gathering services, indicates a small fluctuating number of used Pilatus PC-12`s for sale over the five (5) year period from 2009 through 2013. This is due largely to the relatively small number of aircraft listed for sale during that period.

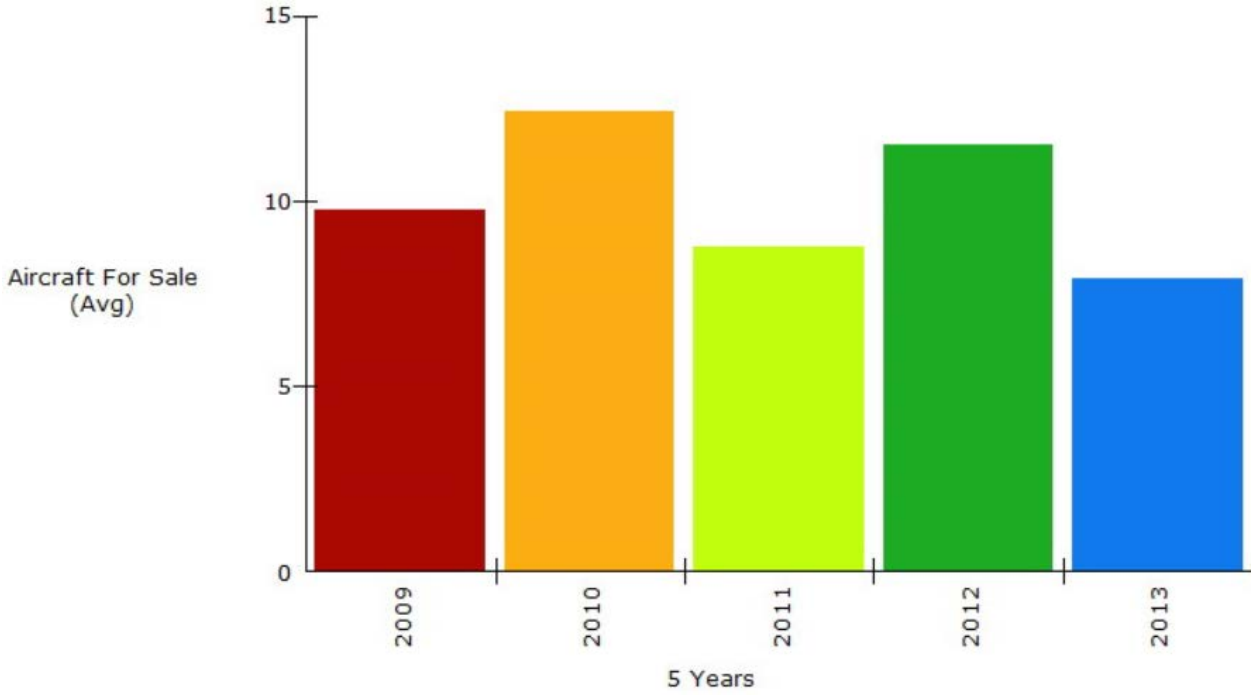

Figure 13-1
Pilatus PC-12 for Sale per Year
2009 through 2013

The average model year of the used Pilatus PC-12 aircraft on the market in the period below is 2009. The average asking price shows a slight decline coming out of the worldwide economic recession of 2008-2009 with signs of a price recovering in 2013. The average airframe time on the aircraft in this example is 439 hours.

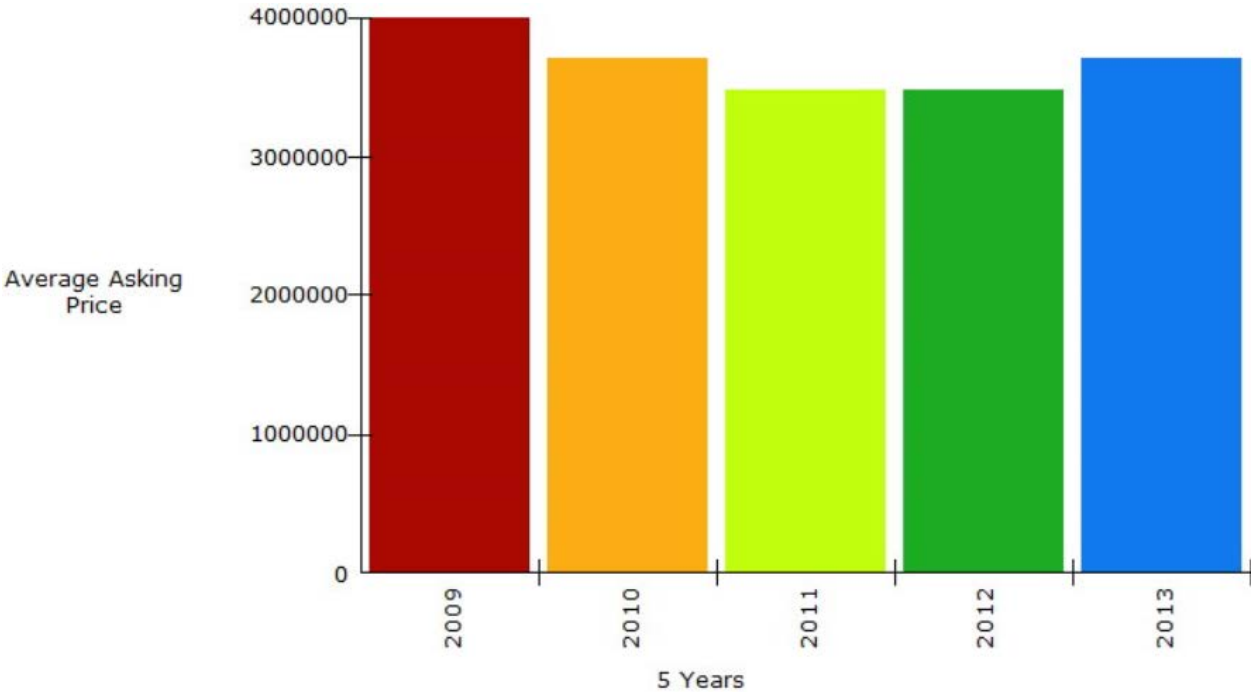

Figure 13-2
Pilatus PC-12 Average Asking Price
2009 through 2013

The average days these used Pilatus PC-12 aircraft were on the market before resulting in a sale over this five (5) year period was 186 days.

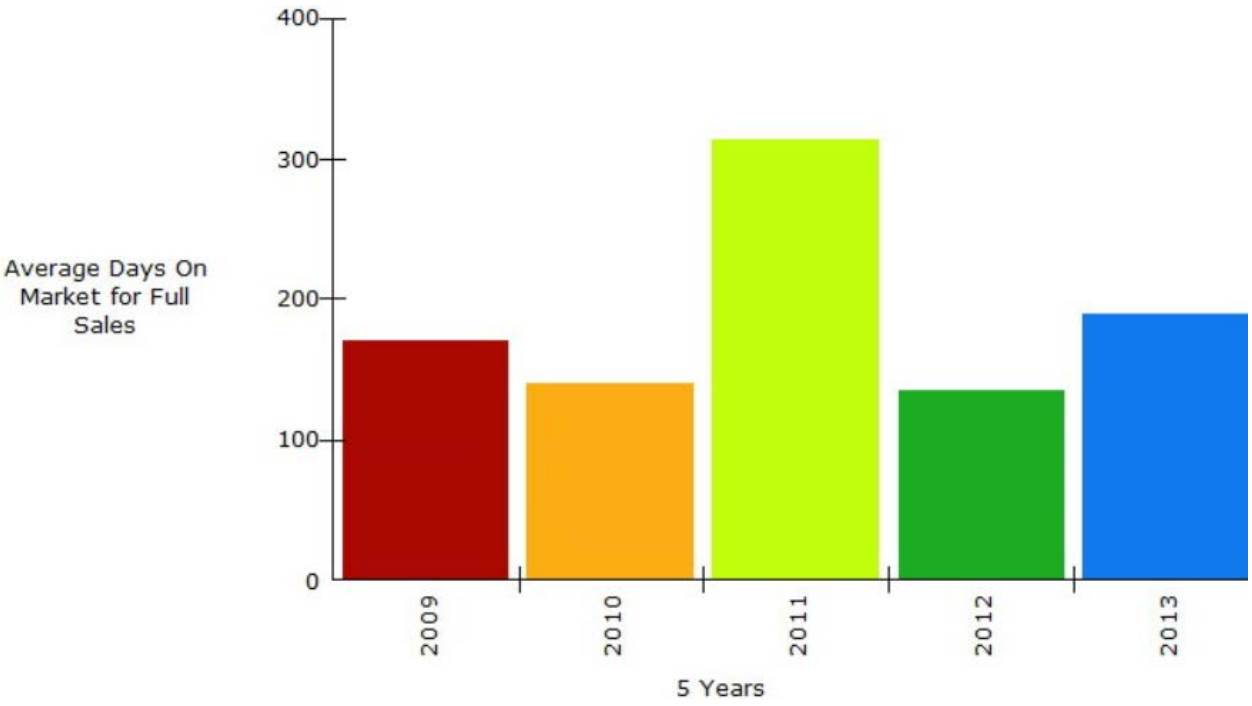

Figure 13-3
Pilatus PC-12 Average Days on Market to Sell
2009 through 2013

MARKET BACKGROUND – PILATUS PC-12 – FIRST 6 MONTHS OF 2014

The JetNet database, a proprietary information gathering services, indicates a world-wide average of eleven (11) used Pilatus PC-12 aircraft listed for sale per month in the six month period of January through June 2014. The average model year of those for sale in this period is 2010.

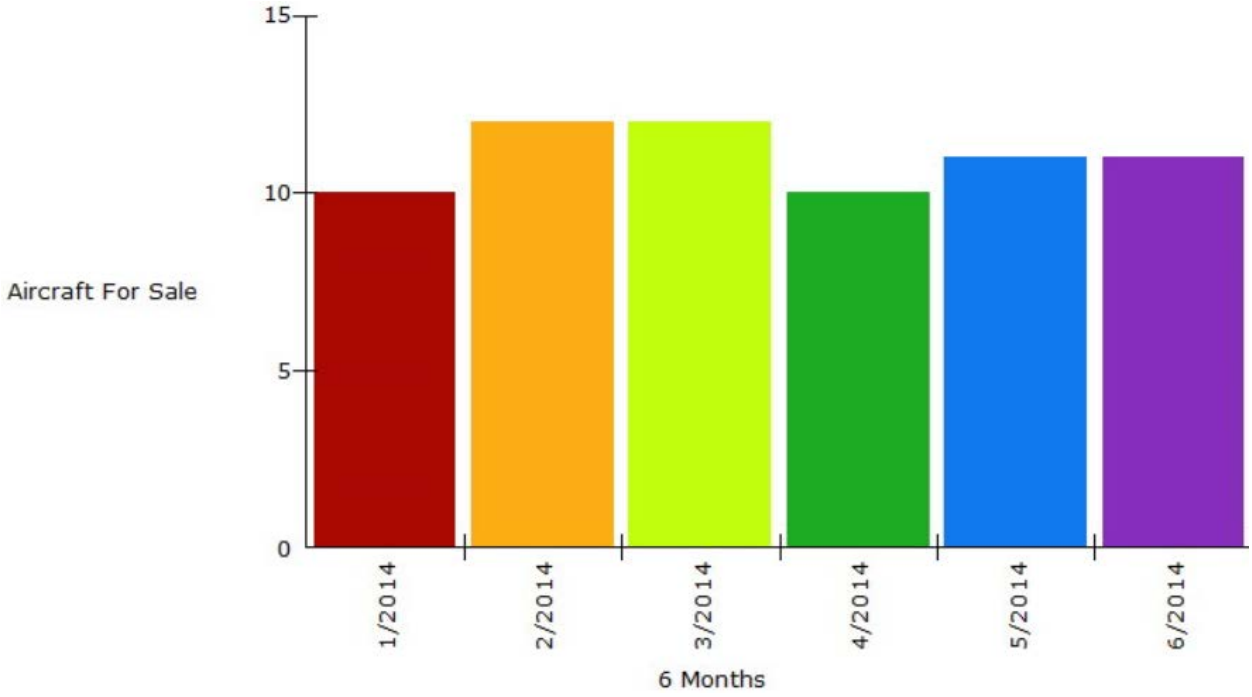

Figure 13-4
Pilatus PC-12 for Sale per Month
January 2014 through June 2014

The average asking price was $3,745,238 with the highest asking price of $3,926,000 and the lowest asking price of $3,549,000.

JetNet indicates there were twenty seven (27) world-wide sales involving used Pilatus PC-12 aircraft in the six month period between the months of January 2014 and June 2014.

Of the twenty seven (27) used PC12 aircraft sold, the average asking price was $3,790,000 with the highest asking price of $3,980,000 and the lowest asking price of $3,600,000. The average model year of these aircraft was 2011. Included in the mix were five 2008 models and five 2010 models. Note that all the sales were reported in the months of January and March.

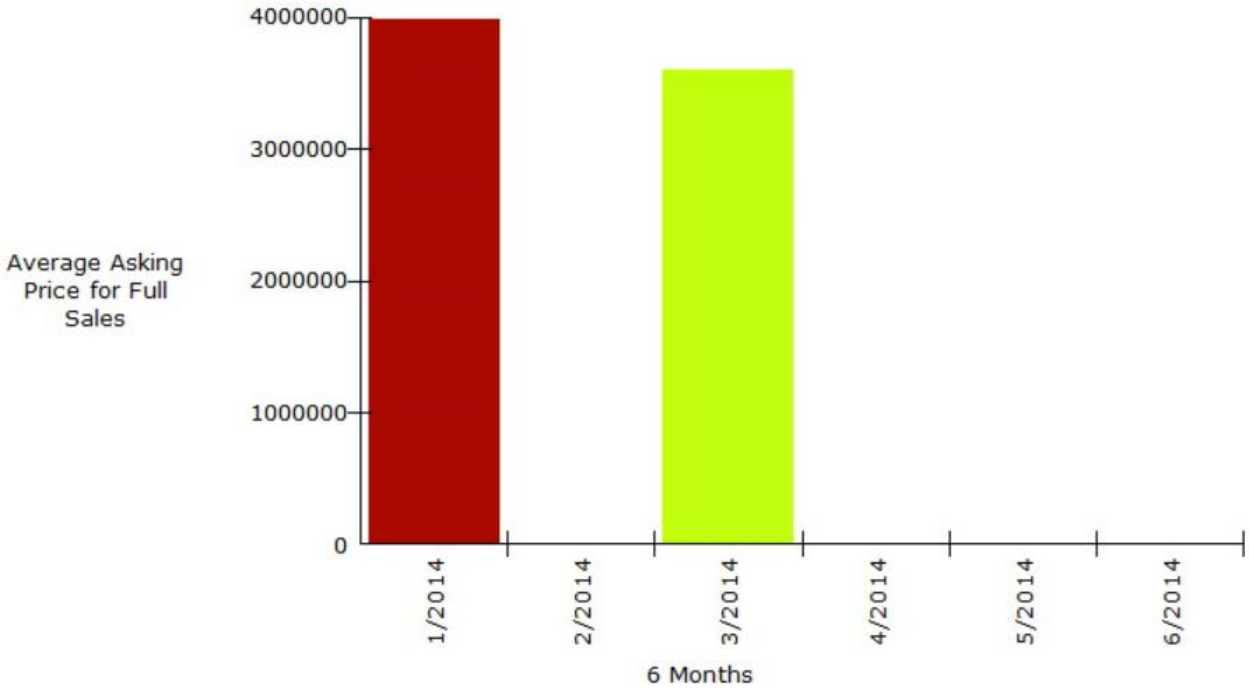

Figure 13-5
Pilatus PC-12 Average Asking Price of Sold Aircraft
January 2014 through June 2014

The Average Days on Market for the twenty seven (27) used PC12`s to sell during the above mentioned six month period was 140 days.

Aircraft selected for the comparison chart in Article 14.0 below were obtained from JetNet. The aircraft selected were the closest to the subject aircrafts model year and with sufficient detail on their equipment to make a comparison.

Comparison information and valuations can be found in the pages below.

SUMMARY

The aircraft's technical records are kept at the owner's central location in [redacted], Ontario where they were examined. The aircraft's records are in excellent condition.

The records indicate that the aircraft has received and is receiving top tier maintenance during its life. The aircraft has been flown by a professional crew and hangared at its home base.

Overall, the aircraft is well maintained, both mechanically and cosmetically.

The worldwide economic recession of 2008-2009 had a significant impact on used aircraft values in the years to follow. However, based on aircraft sales data tracked by JetNet for the Pilatus PC-12, it appears the PC-12 held its value better than most.

Under normal circumstances and in normal markets, the gap between the asking price and selling price is usually somewhere between 5% and 10%. The appraised value of our subject aircraft in comparison to the adjusted asking price of the comparable aircraft in this appraisal is 3.7% below comparable aircraft #1 and 8.2% below comparable aircraft #2.

The Orderly Liquidated Value (OLV) opinion is that of this appraiser and takes in to consideration the limited market for the Pilatus PC-12 modified specifically for medevac purposes. The best price for this aircraft in its current medevac configuration would be received if the aircraft was sold to a buyer for medevac purposes. However, the larger market for this aircraft would be in an executive cabin configuration and as such a prospective buyer for that type of cabin configuration would be faced with the cost to strip all medevac equipment from the cabin and purchase and install a complete executive passenger interior.

14.0 AIRCRAFT COMPARISON CHART BASED ON NAAA DATA

Make: Pilatus **Model:** PC-12/47E **Year Manufactured:** 2008

	Comparable Aircraft (1)		Subject Aircraft
	Aircraft #1	Aircraft #2	
Year	2010	2010	2008
Model	PC-12/47E	PC-12/47E	PC-12/47E
Serial Number	1196	1203	[redacted]
Asking Price	**$3,600,000**	**$3,795,000** (2)	
Airframe Time (Hours)	840	690	5,686 Hrs
Engine Hours SMOH	840	690	521 Hrs
Engine TBO (Hrs.)	3,500	3,500	4,000 Hrs
Days Listed for Sale	311	146	N/A
Adjust For: (3)	[redacted]		
Airframe Time (4)	-$305,410	-$352,015	
Engine Residual Value	$27,438	$16,724	
Prop Residual Value	-$4,596	-$4,821	
Avionics	$0	$0	
Airframe Mods / Additional Equip.	-$13,841	-$13,841	
Model Year	-$520,625	-$520,625	
Adjusted Value Based on Asking Price	$2,782,966	$2,920,422	
Subject Aircraft Appraised Value			**$** [redacted]

(1) Aircraft selected for this comparison were obtained from JetNet and were chosen due to the similarity to the Subject aircraft and because they represent the typical Pilatus PC-12 market at this time. The specifications are based on proprietary information, and the accuracy of the information has not been verified. The comparison was made under the assumption that the Comparable aircraft are accurately represented.

(2) Price shown for Comparable aircraft #2 is actual selling price.

(3) The purpose of the Adjustments is to make up for the differences affecting value between the Comparable aircraft and the Subject aircraft. Adjustments are made to the Comparable aircrafts value to compare them to the Subject aircraft and its appraised value. A positive number indicates addition to equate to the Subject aircraft. A negative number indicates subtraction to equate to the Subject aircraft.

(4) Based on the JetNet database, the average hours since new for a 2008 model Pilatus PC-12/47E is 811 hours.

NOTE: See Appraisers Comments Article 13.0 for a description of comparable aircraft and value analysis

15.0 AIRCRAFT COMPARISON CHART BASED ON BLUEBOOK (3)

Based on Aircraft Bluebook Data for Summer 2014
(See Above Chart for Aircraft Details – This information is for comparison purposes of subject and comparable aircraft to Bluebook value)

Make: Pilatus **Model:** PC-12/47E **Year Manufactured:** 2008

	Comparable Aircraft (1)		Subject Aircraft
	Aircraft #1	Aircraft #2	
Year	2010	2010	2008
Asking Price	$3,600,000	(4) $3,795,000	N/A
Bluebook Average Value	$3,300,000	$3,300,000	$[redacted]
Engine Time (2)	$51,997	$60,568	$[redacted]
Airframe Time (2)	$188,100	$224,400	-$[redacted]
Avionics (2)	$97,100	$131,000	$[redacted]
Medevac Equipment (2)	$0	$0	$[redacted]
Executive Interior (5)	$0	$0	-$[redacted]
Comparable Aircraft Bluebook Value	**$3,637,197**	**$3,715,968**	
Year/Model Difference (2)	-$500,000	-$500,000	
Adjusted Bluebook Value	**$3,137,197**	**$3,215,968**	
Subject Bluebook Value			**$**[redacted]

Bluebook average aircraft includes: Honeywell Primus Apex Integrated Avionics, Dual PFD, Dual MFD, Integrated Autopilot Flight Director, TAWS B, TCAS, Airconditioning, WAAS, Modified Landing Gear, Enclosed Lav, Cargo Door, Executive Interior, Average Airframe Time, Mid-time Engine, Original Log Books, Excellent Paint and Interior, No Damage History, AD's Complied With, Current Annual.

(1) Aircraft selected for this comparison were obtained from JetNet and were chosen due to the similarity to the Subject aircraft and because they represent the typical Pilatus PC-12 market at this time. The specifications are based on proprietary information, and the accuracy of the information has not been verified. The comparison was made under the assumption that the Comparable aircraft are accurately represented.

(2) A positive number indicates addition to average Bluebook aircraft value. A negative number indicates subtraction from average Bluebook aircraft value.

(3) The reader should note that the values used in Bluebook are updated on a quarterly basis and are generally behind the market. Also, avionics values are generalities based on an average equipped aircraft making it difficult to value the avionics appropriately. Interpretation is made on an individual basis and is likely to differ among Bluebook users.

(4) Price shown for Comparable aircraft #2 is actual selling price.

(5) Comparable aircraft have standard executive interior, subject aircraft does not.

16.0 APPRAISAL COMPUTATION

Average Green Airframe Value	**$[redacted]**
Additions	
Add for Airframe Condition	$[redacted]
Add for Annual and Mandatory Inspection	$0
Add for Exterior Paint Value	$[redacted]
Add for Interior Value	$0
Add for Airframe Modifications	$[redacted]
Add for Engine Residual Value	$[redacted]
Add for Propeller Residual Value	$[redacted]
Add for Time-Limited Components	$0
Add for Avionics Value	$[redacted]
Add for De-Ice Systems Value	$[redacted]
Add for Additional Equipment	$[redacted]
	==========
Total Additions	**$[redacted]**
Deductions	
Deduct for Airframe Condition	$0
Deduct for Airframe High Total Time	-$[redacted]
Deduct for Damage History	$0
Deduct for Airframe/Engine Maintenance Items	$0
Deduct for Exterior Paint Value	$0
Deduct for Interior Value	-$[redacted]
Deduct for AD's Estimated Cost for AD Compliance	$0
Deduct for Estimated Cost to Repair Avionics	$0
	==========
Total Deductions	**-$[redacted]**
Based on the above, the Market Value of [redacted] is:	**$[redacted]**
Based on the above, the Orderly Liquidated Value of [redacted] is:	**$[redacted]**

The above Orderly Liquidated Value is for information purposes only. The calculation is *not certified.* The calculation represent the informed opinion of Aviation Business Support Inc. and Gary Gaudreau as of this date only and are not representative of any National Aircraft Appraisers Association data or any other work product derived in conjunction with that organization.

17.0 DEFINITIONS, ACRONYMS & ABBREVIATIONS *

AD: Airworthiness Directive

AFM: Aircraft Flight Manual

AME: Aircraft Maintenance Engineer

AMO: Aircraft Maintenance Organization

APPRAISAL: The act or process of developing an opinion of value; an opinion of value.

APPRAISER: One who is expected to perform valuation services competently and in a manner that is independent, impartial, and objective.

ASSUMPTION: That which is taken to be true.

BLUEBOOK: Aircraft Bluebook is a publishing company that tracks aircraft values and provides opinions on the market value of aircraft. There data is available through a printed publication or on-line to subscribers.

C of A: Certificate of Airworthiness

C of R: Certificate of Registration

CLIENT: The party or parties who engage, by employment or contract, an appraiser in a specific assignment.

CONFIDENTIAL INFORMATION: Information that is either; identified by the client as confidential when providing it to an appraiser and that is not available from any other source; or classified as confidential or private by applicable law or regulation.

EFFECTIVE DATE: The specific date that the value(s) contained within a report are valid.

EXPOSURE TIME: Estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consumation of a sale at market value on the effective date of the appraisal.

EXTRAORDINARY ASSUMPTION: An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions.

FAA: Federal Aviation Administration

GREEN AIRFRAME VALUE: A credible value of the basic airframe with no components considered on an aircraft being traded in the retail aircraft market whole and in an airworthy condition or with airworthiness issues that are specified and considered with regards to their effect on value. On some aircrafts the Green Airframe Value may be a negative number which signifies that the airframe has less value than the logical sum of its major components.

HYPOTHETICAL CONDITION: A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

IFR: Instrument Flight Rules

INTENDED USE: The use or uses of an appraiser's reported appraisal, appraisal review, or appraisal consulting assignment opinions and conclusions, as identified by the appraiser based on communication with the client at the time of the assignment.

INTENDED USER: The client and any other party as identified, by name or type, as users of the appraisal, appraisal review, or appraisal consulting report by the appraiser on the basis of communication with the client at the time of the assignment.

MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

NAAA: National Aircraft Appraisers Association

NTSB: National Transportation Safety Board

ORDERLY LIQUIDATED VALUE (OLV): OLV is an individual opinion on the gross amount an aircraft would receive where the seller needs to sell the aircraft in less time than the normal exposure time of similar aircraft that have been sold. It is assumed this liquidation process would allow for a reasonable time to identify prospective buyers and the seller would have control of the sales process.

SB: Service Bulletins

SCOPE OF WORK: The type and extent of research and analysis in an assignment.

SI: Service Instructions

SMOH: Since Major Overhaul

TBO: Time Before Overhaul

TC: Transport Canada

USPAP: Uniform Standards of Professional Appraisal Practice

VFR: Visual Flight Rules

VHF: Very High Frequency

VOR: VHF Omnidirectional Range

*Definitions from the 2014-2015 edition of USPAP except the definitions of Market Value, Green Airframe Value, Effective Date, and USPAP Endorsed are from NAAA.

18.0 STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS

The information herein has been prepared from many sources and believed to be correct. AVIATION BUSINESS SUPPORT INC. does not warrant the accuracy of the source material.

An examination and inventory was conducted by a physical examination of the external surfaces of the aircraft, cockpit and passenger cabin. It includes an inventory and assessment of general condition of avionics, instrumentation and aircraft systems. No inspection plates were removed for internal examination. Further, the log books and other records were carefully examined for compliance with Transport Canada regulations relating to damage and maintenance history, along with other required inspections.

All opinions of value presented in this report are the appraiser's professional opinion.

No equipment was operated nor was any power applied to the aircraft by the appraiser.

The following extraordinary assumptions were made:

1. All aircraft records were assumed to be authentic and unaltered unless specific comments indicate otherwise. Signatures attesting to, and inspections detailed therein, were assumed to be entered by persons designated and appropriately licensed to make such entries.

2. The subject aircraft is assumed to be airworthy to Transport Canada standards and capable of being operated and flown on the effective date of the report unless the appraiser has reason to believe that it is not. In that case an explanation is included within the report.

3. AD compliance was attested to by referencing the date of last annual inspection or other appropriate inspections.

No hypothetical conclusions were made within this report.

The appraiser hereby certifies that he has no personal interest in the aircraft identified in this appraisal, nor any bias toward any of the parties who may be involved in the resulting transaction coincident to this report. The appraiser's fee is not contingent upon a predetermined value being reported or a percentage of the value being reported.

All values expressed in this report are in United States Dollars unless otherwise stated.

The effective date of this report is 08/12/2014. This report was completed on 08/18/2014.

The appraiser is not responsible for the source material used in this report. The material was supplied by the client, aircraft owner, operator or some other person familiar with the aircraft. Chain of custody through the life of the aircraft has not been established. Therefore, the party supplying the records has the full responsibility for their content.

The writer of this report reserves the right to recall all copies of this report to correct any omission or error.

In the event of error or omission, the liability of AVIATION BUSINESS SUPPORT INC., if any, is limited and may not, in any event, exceed the amount paid for the appraisal. Further, AVIATION BUSINESS SUPPORT INC. accepts no responsibility for usage of this report unless signed by an officer of the company.

Gary Gaudreau, NSCA
President

AVIATION
BUSINESS SUPPORT INC.

CERTIFICATE OF AIRCRAFT APPRAISAL

PILATUS PC-12/47E
SERIAL NUMBER 1234 C-GABC

IT IS THE OPINION OF THIS APPRAISER THAT THE MARKET VALUE OF THE ABOVE AIRCRAFT AS OF 08/12/2014 IS

$[redacted].00

[redacted] *Dollars and No Cents*

THIS APPRAISAL IS VALID ONLY WHEN ACCOMPANIED BY WORK SHEET NUMBER

20140999C-GABC

Gary Gaudreau
Appraiser Certification Number 20140999C-GABC
Stated value in US Dollars