

# AirBASE

## Welcome to AirBASE Aircraft Brokerage

This document sets out in plain language the brokerage terms under which we sell customers' aircraft and parts. It also contains a Brokerage Agreement Form which must be signed by the owner and an authorised representative of AirBASE before marketing & sales activity can start.

### THE AIRBASE SELLING CHECKLIST

(see terms & conditions for more detail)

- ✦ We'll carefully appraise the aircraft and tell the seller if anything needs doing to optimise its sale price.
- ✦ We'll value the aircraft taking many factors into account. (See the Valuation page of the website for more details).
- ✦ We'll take professional quality pictures.
- ✦ We'll make a short professional edited video of the aircraft for the web. *(this is a free-of-charge service, but is at our discretion, dependant on a variety of factors).*
- ✦ We'll co-ordinate all the logs & paperwork with you to be ready for inspection by the buyer's engineer.
- ✦ We'll prepare a professional specification sheet with pictures for web & mailing use.
- ✦ We'll place the aircraft's full details on the AirBASE website for all to find.
- ✦ We'll also place the aircraft on a number of other effective websites, with links to ours.
- ✦ From time to time we direct mail airfields & flying clubs, listing our aircraft for sale.
- ✦ We'll design magazine ads on the aircraft (subject to agreement with the seller).
- ✦ We'll deal with the magazines and place ads on the owners behalf. (see note \* below).
- ✦ We'll take all the enquiries and sift the real buyers from the 'tyre-kickers'.
- ✦ Having identified the real buyer prospects, we'll co-ordinate viewing of the aircraft with the seller and oversee the process.
- ✦ We'll guide the sales process into negotiation – and do the 'dealing' (in collaboration with the seller). We are professionals at this and may get a better price than you will.
- ✦ We'll close the deal and co-ordinate the funds transfer and the aircraft hand-over. (note – the buyer pays the seller direct). Our fees are billed to the seller during the contract period and at the end – see Terms & Conditions for details.
- ✦ The Terms & Conditions contained in this document may apply in full or in part, dependent on the precise circumstances of each sale. Those that apply or do not apply shall be clearly defined prior to signature by AirBASE and the Owner.

# THE SELLER'S CHECKLIST

If we are to successfully sell your aircraft, it must be in a condition to sell, so before you ask us to find a buyer and before we can take it on, please use the following 'vital actions' checklist.

1. **Is the paintwork in good order? If not, have it tidied up. Nothing invites a buyer to make a low offer more than tatty paintwork!**
2. **Is the exterior clean & shiny? If not, get it professionally cleaned & polished. The difference can be dramatic and you will get more than the cost back in a higher selling price.**
3. **Is the inside clear of rubbish? If not, clean it out! No buyer wants to see the residue of your last few flights.**
4. **Is the interior clean and free of damage? If not, get the seats, carpets and trim professionally cleaned and any damage fixed. The cost will be more than covered by a higher selling price.**
5. **Are the windscreen & windows free of serious scratches and dirt? If not, get them re-furbished or replaced if necessary. Scratched glass makes an aircraft look old & tired and weakens the saleability.**
6. **Think of it as a used car on a user car dealer's forecourt. The condition & presentation of your aircraft should meet the standards you would expect from a well prepared used car.**
7. **Have all the Log Books, the C of A, ARC, Radio Licence, Noise Certificate and any relevant documents to hand for inspection. Lack of these items when the buyer is present can lose his confidence and the sale.**
8. **Are all Ads and SBs and limited time/hours items complied with? They should be if the aircraft has been properly maintained, but items are frequently overlooked. If an AD has not been implemented the aircraft is un-airworthy.**

## Documentation Checklist

ITEM	CHK		ITEM	CHK
• Current Airframe Log			• Certificate of Airworthiness	
• Current Engine logs (L)			• EASA Airworthiness Review	
• Current Engine logs (R)			• Certificate (If applicable)	
• Current Propeller logs (L)			• LAA Annual certificate (if applicable)	
• Current Propeller logs (R)			• Registration certificate	
• Historic log books (important as they contain data on past incidents & damage history)			• Noise certificate	
• EASA Part M life items log (CAP 543)			• Insurance certificate	
• Aircraft Technical log (if applicable)			• Aircraft Radio licence	
			• Copies of recent maintenance bills	

# Sales Brokerage Agreement

between Alan McNeal t/a 'AirBASE' (hereinafter referred to as 'AirBASE'), and

[the Owner(s)]

being the legal owner or the authorised trustee of the legal owner(s) (hereinafter referred to as the 'Owner') of aircraft. . . .

Registration Mark:                      Serial No:

Manufacturer:                      Type:                      Year of manufacture:

authorises AirBASE to market the aircraft for sale under the Brokerage Terms and Conditions contained in this document.

## **Exclusivity**

The Owner agrees that for the purposes of marketing and selling, the aircraft subject to this agreement shall be made exclusively available to AirBASE from the date of this agreement until the aircraft is sold, subject to 60 days notice in writing at any time from AirBASE or the Owner to terminate the agreement. During the agreement period no marketing, advertising or other sales activity shall be carried out by the Owner or any other person or organisation acting for or on behalf of the Owner during that time without the express agreement in writing of AirBASE . If the Owner or any such person shall introduce a buyer for the aircraft leading to a sale being completed the Owner accepts liability for fees and costs at the discretion of AirBASE up to but not exceeding the maximum agreed commission plus costs incurred to date.

## **Fees & Commission**

Our brokerage work is covered by a small initial registration fee and a commission payment at the time of sale.

1. The Owner agrees to pay a Registration fee on signature of this Agreement of £250 + VAT to cover initial inspection & marketing costs.
2. The Owner agrees to pay AirBASE a sales commission fee of ..... percent + VAT of the actual selling price of the aircraft on a 'no sale no fee' basis, normally including marketing & advertising costs and disbursements as detailed in Terms & Conditions overleaf. If a particular Brokerage Agreement differs from this the details of that agreement shall be clearly stated in the Agreement.

## **Withdrawal or Cancellation**

In the event that the Owner withdraws the aircraft from sale through AirBASE or cancels this agreement before the termination date for whatever reason the Owner accepts liability for fees and costs as set out in the Terms & Conditions attached.

Owners Name .....

Address .....

.....

Postcode/Zip ..... Telephone..... Fax .....

..... Signature:

**Owner/Authorised Trustee of Owner(s)**

..... Signature:

**For AirBASE**

Date .....

## AirBASE

### The Brokerage Agreement

Before our work can begin the aircraft owner must sign this Brokerage Agreement giving us exclusive rights to market & sell the aircraft on your behalf. This is a contract which is legally binding.

### Viewing

We or our representatives will view the aircraft. If any aspect of the aircraft's condition will adversely affect its saleability we will say so at the time and discuss possible solutions.

### Photography

Exterior and interior photos will be taken, or if the owner has good pictures (particularly air-air) we will use them as well.

### Video

We may produce a short video of the aircraft featuring its exterior & interior condition. The video will be available for download with the aircraft specifications from our website. This service is optional and at our discretion as the additional time needed for video shooting has to be available when the aircraft is being appraised.

### Legalities & Aircraft Documents

We will view the aircraft documents to check its maintenance and repair history and to ensure all Service Bulletins and Airworthiness Directives have been complied with. If there are any outstanding, they will have to be completed before we take the aircraft on. We will check with the CAA that the aircraft is actually yours to sell and that there are no outstanding mortgages on it. **Caution: The owner/operator of the aircraft is responsible for the aircraft's airworthiness. The owner must ensure the Certificate of Registration, Certificate of Airworthiness, ARC, Radio Installation Certificate, Airframe, Engine(s), & Propeller(s) log books, Noise Certificate, insurance documents and all other relevant maintenance documentation required by law are complete, up-to-date comply with the law and manufacturers recommended maintenance procedures & service bulletins.**

### Location for viewing & customer access.

To facilitate our access for customer viewing and demonstration, in certain circumstances we may require the aircraft to be positioned at our home base airfield or another suitable airfield for the duration of the agreement.

### Price

We will discuss pricing for the aircraft, agree an asking price and a minimum offer price, to give us a negotiating window to operate within. Be realistic about the value of the aircraft. An inflated price discourages enquiries and slows down the selling process. A realistic price usually gets a quick sale.

### Marketing

We will make up magazine ads. We will upload a detailed specification sheet to our website and place basic details on other websites with links to our own for full specifications which can be downloaded.

Using aircraft registers we will filter out the most likely aircraft owners, operators, groups and other flying organisations and at our discretion direct mail the aircraft details to potentially interested parties.

## Pre-owned aircraft

We will filter out the serious buyers and establish their buying motives & purchasing situation - for example, do they have an aircraft to sell, are the purchase funds available and most important - are they serious buyers?

### Viewing & Demonstrations

We will liaise with the Owner over viewing and trial flights. We may attend, but normally we expect the Owner or their representative to do the flying for reasons of type familiarity and insurance cover. If you need us to do the demo flights we will provide an appropriately experienced pilot at your expense, with insurance cover having been pre-arranged with you.

### Closing the deal

We will negotiate the best possible selling price with the purchaser, discuss it with the Owner, close the sale, and if requested, organise the settlement on your behalf. Normally the main part of the sale price of the aircraft will be paid direct to the owner by the purchaser but occasionally for practicality reasons we may take a deposit of the Owners behalf. AirBASE will provide the sales documents and will oversee this process.

### Brokerage – the Service & Fees

The Registration Fee is payable at the time of signing the Brokerage Agreement.

### Commission

On the sale of the aircraft AirBASE will invoice for its Commission fee as set out in this Agreement plus any other expenses payable within seven days.

### Expenses

Some expenses are included in our commission, some are extras....

### INCLUDED in our fees are;

- Aircraft photography costs
- Video filming & editing costs.
- Travel & car mileage costs on the initial inspection/photography visit subject to a round-trip distance of 150 road miles Distance over that will be charged at 50p per mile, whatever the method of transport chosen.
- A professional valuation of the aircraft.
- Design & production of mailing literature.
- Spec sheet design & production.
- Design & layout of magazine ads if applicable.
- Placing of magazine ads at our discretion and the cost thereof.
- Website posting & management.
- Postal costs.
- Telephone costs.

### CHARGEABLE (at our discretion) are;

- Travel & mileage costs incurred in excess of those listed above.
- Cost of moving aircraft to selected location for inspection by prospective buyer by agreement between AirBASE and the owner.
- Hangarage or tie-down costs if the aircraft is in our charge by agreement between AirBASE and the owner.
- Cost of pilot for demo flights if provided by us.
- Fuel and landing fees for demo flights.
- Overnight costs, if applicable.
- CAA mortgage search fee.
- Licensed Engineer's Inspection Fees if applicable.

## Brokerage Terms & Conditions

### VAT on our fees & expenses

VAT at the current standard rate will be added to all invoices.

### Should there be VAT on your aircraft?

If the owner as an individual or a company that is VAT registered, VAT will probably have to be added to the selling price of the aircraft, or the seller will be liable for the VAT element of the gross selling price, but ask our advice.

### Our obligations to you

We will present the aircraft professionally and as accurately as possible and represent your interests in the same manner.

We will keep the Owner informed of progress in marketing the aircraft and of the identity of all likely buyers.

We will negotiate on the Owners behalf and recommend whether offers should be accepted or not, but in all cases the final decision on whether to sell to a particular buyer at a particular price shall be that of the Owner.

### Your obligations to us

The Owner must provide evidence that he/she/it has legal title to the aircraft and tell us about any outstanding mortgages on the aircraft. We will check this ourselves with the relevant Airworthiness Authority.

The Owner must inform us if the aircraft is moved from its regular base or if has become unavailable for viewing or demo flights or if it has become un-airworthy for whatever reason.

### Location for inspection

The aircraft must be positioned somewhere suitable for technical inspection and the taking of good photos.

### Insurance

Before potential customers are taken up for trial flights, we must have sight of passenger & third party liability insurance that complies with the law.

### IMPORTANT!

**WHAT IF – AFTER COMMISSIONING US, THE OWNER COMES ACROSS A BUYER OR WANTS TO WITHDRAW THE AIRCRAFT FROM SALE?**

We can only work effectively for our clients if we have exclusive rights to sell aircraft for the period of this Brokerage Agreement. When the Owner signs an Brokerage Agreement he/she/it is agreeing to AirBASE having exclusive selling rights as broker to the aircraft for the full time period shown in the agreement.

If during the contract period the Owner comes across a customer for the aircraft yourself, under the terms of this Agreement you must pass the enquiry on to us. In practice, we cannot prevent clients selling their aircraft to anyone, but under the terms of this Brokerage Agreement the Owner is legally liable for brokerage fees based on the listed percentage of the full asking price as shown in the sales literature for the aircraft current at the time, plus expenses incurred to that date.

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