



EPIC AIRCRAFT RESERVATION DEPOSIT AGREEMENT

THIS AIRCRAFT RESERVATION DEPOSIT AGREEMENT (hereinafter, the "Agreement") is made and entered into as of this \_\_\_\_ day of \_\_\_\_\_, 201\_\_ (hereinafter, the "Effective Date") by and between Epic Aircraft, LLC, a Delaware limited liability company, with its principal business located at 22590 Nelson Road, Bend Oregon 97701 (hereinafter, "Epic") and \_\_\_\_\_, an Individual or company with an address of \_\_\_\_\_ (hereinafter, the "Customer"). For purposes of this Agreement, Epic and Customer may, from time to time, be individually referred to as a "Party" and collectively as the "Parties".

WHEREAS, Epic is designing and developing a single-engine, turboprop aircraft called the E1000 pursuant to and in accordance with Federal Aviation Regulation (FAR) Part 23 (hereinafter, the "Aircraft");

WHEREAS, Epic intends to obtain certification of the Aircraft for sale in the United States and to begin sales of the Aircraft in 2015 or 2016;

WHEREAS, the Customer has expressed an interest in purchasing the Aircraft once certified and available to the general public, subject to the Parties entering into a binding purchase agreement;

WHEREAS, Epic requires a good faith deposit from Customer in the amount of \$29,500.00 (US) (hereinafter, the "Deposit") to be held on deposit to secure Customer's production reservation of the Aircraft; and

NOW THEREFORE, in consideration of the foregoing and for the other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows.

- 1. Base Price. Effective January 1, 2015 (the base period), the Base Price for the Aircraft shall be \$2,950,000, adjusted by the WPU1425 (other aircraft and equipment) Producer Price Index. The Base Price does not include customer requested options.
2. Deposit Account, Purpose of Deposit and Limitations. Customer shall, upon execution of this Agreement, deliver to Epic, by bank check, wire transfer or other cash equivalent, the full amount of the Deposit as set forth herein. This Agreement is void if the Deposit is not received by Epic within five (5) calendar days after the Agreement is fully executed. If the Parties enter into a Purchase Agreement, the Deposit shall be credited towards the purchase price of the Aircraft. The deposit will not bear interest for the benefit of Customer and may be commingled with Epic's other funds.
3. Reservation. Subject to full execution of a Purchase Agreement. Epic reserves for Customer an Epic E1000 aircraft delivery position at the base price set forth herein.
4. Termination, Release of Deposit. The Customer may, at any time prior to the execution of a definitive Purchase Agreement, and for any or no reason, elect to terminate this Agreement and receive a refund of the Deposit. Epic may terminate this Agreement prior to the execution of a definitive Purchase Agreement only if Epic terminates its program to certify and/or produce the Aircraft or the Parties do not enter into a final Purchase Agreement within 30 days after Epic presents that agreement to Customer for signature.
5. Purchase Agreement. This Agreement shall not be construed or interpreted as a purchase agreement with respect to the Aircraft and does not contain any obligation on the part of Customer to purchase or Epic to sell an Aircraft. Customer and Epic may enter into a Purchase Agreement upon mutually agreeable terms. If the Parties enter into a Purchase Agreement, the terms of the Purchase Agreement shall supersede the terms of this Agreement.

- 6. No Warranties. The Parties acknowledge the Aircraft is in the developmental stage. Epic makes no representations or warranties, either express or implied, with respect to the Aircraft or Epic's ability to produce and/or deliver the Aircraft nor does Epic make any representation or warranty regarding the Aircraft's ultimate performance specifications.
7. Prohibition. If a deposit has been refunded, a new Deposit shall be required to obtain a new reservation. When a deposit is withdrawn by the Customer, the reservation held is forfeited.
8. Amendment and Transferability. This Agreement may not be amended, transferred or assigned without the advance written consent of both Parties.
9. No Relationship Created. This Agreement may not be amended, transferred or assigned without the advance written consent of both Parties, which either party may withhold in its sole discretion.
10. Severability. Should a court or other entity of competent jurisdiction find any provisions of this agreement invalid or otherwise unenforceable, the remainder of this Agreement shall be interpreted as if the invalid provision(s) had been deleted.
11. Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the Deposit and supersedes all prior proposals, agreements representations and understanding, both oral and written.
12. Waiver. The failure by either Party to exercise any right provided for within this Agreement shall not be construed as a waiver of prior or subsequent rights to exercise and such right or enforcement action.
13. Governing Law and Venue. This Agreement and all acts and transaction pursuant hereto shall be construed, interpreted and enforced in accordance with the laws of the State of Oregon, without regards to its principles of conflicts of law. Each of the Parties consents to the exclusive jurisdiction and venue of the Courts of Deschutes County, Oregon.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed and executed as of the Effective Date.

Customer (Individual or Company):

Signature: \_\_\_\_\_
Printed Name: \_\_\_\_\_
Title: \_\_\_\_\_
Tax Number: \_\_\_\_\_
Social Security #: \_\_\_\_\_
Date Signed: \_\_\_\_\_

Epic Aircraft, LLC

Signature: \_\_\_\_\_
Douglas W. King, CEO