

Aviation Asset Management Inc

Equipment Asset Management and Financial Appraisal Services

Accredited Senior Appraisers

Daniel H. Rausch, ASA
Robert C. Vermillion, ASA
Gary A. Webster, ASA



12002 Miramar Pkwy
Miramar, FL 33025-7000

Tel: (954) 441-0844
Fax: (954) 441-0855
e-mail: info@aami.cc
www.aami.cc



AVIATION CONSULTANTS

12002 Miramar Parkway
Miramar, FL 33025-7000

Telephone: (954) 441-0844
Facsimile: (954) 441-0855
E-Mail: info@aami.cc
Web: www.aami.cc



MEMBERS



AVIATION ASSET MANAGEMENT, INC.

COMPANY OVERVIEW

Aviation Asset Management, Inc. (AAMI) was founded in August, 1997. The experienced staff at AAMI brings over 100 years of aviation experience in an integrated consulting group. We provide financial/technical services, appraise and physically inspect individual aircraft, fleets, support inventory, tooling and equipment. AAMI's staff is composed of professionals who have held key operational, maintenance, financial and marketing positions at airlines, business flight operations, and aviation consulting firms and possess an intimate knowledge of the worldwide aviation industry.

AAMI is able to provide both aviation and investment clients with the highest level of resources and experience. Our experience includes work for air carriers, aircraft manufacturers and corporate clients, attorneys, banking, finance, leasing and investment concerns, federal and local assessing, taxing authorities, government and military authorities, insurance companies, and repair stations.

AAMI has assembled an aviation asset management group with decades of experience in all aspects of the aviation industry. From financial to portfolio monitoring, maintenance management, marketing and legal assistance, AAMI is able to provide hands-on management as well as expert strategic analysis to meet our client's requirements. AAMI is able to provide expertise tailored to each individual client while maintaining an overall "big picture" perspective of how each client's needs relate to the company's goals and the larger worldwide aviation industry.

- Dan Rausch, Gary Webster and Robert Vermillion are: members of The American Society of Appraisers (ASA) and are Accredited Senior Appraisers.
- Members of International Society of Transport Aircraft Trading (ISTAT) and Mr. Rausch is an ISTAT Certified Appraiser.
- Members of National Business Aviation Association (NBAA)
- Members of Helicopter Association International
- Members of the Aviation Suppliers Association

ASSET MANAGEMENT SERVICES

Inventory Appraisals

AAMI specializes in the audit and appraisal of inventories and support equipment. We have built up an extensive database of prices for parts and support equipment. Our method consists of a variety of processes to obtain the closest approximation of current market value in the industry today. We always use the most current values and actual transaction prices when valuing an inventory.

Aircraft Appraisals and Value Forecasts

We perform “full” and “desk top” appraisals on Commercial Jets, Regional/Commuter and Executive/Business aircraft. Each appraisal determines an aircraft Current Fair Market Value, its Forecasted Value, and Residual Value using refined methodology developed over many years of appraisal experience.

AAMI utilizes experienced personnel who are experts in each type of aircraft to perform physical inspections. We have compiled accurate airframe, engine and component overhaul cost information, which we update constantly.

On-Site Technical Representation

AAMI provides on-site technical representation to perform aircraft pre-purchase and acceptance inspections, facility technical capability and performance audits, on-site coordination of maintenance and modification projects, furnish long term on-site program management, and monitor budget and schedule compliance and quality of workmanship at contracted facility.

Aircraft Surveys

We conduct a detailed physical inspection, as well as a general walk around inspection with photographs for your file. We provide a detailed written report with our findings and will tailor our report to meet your particular needs. We recommend this option when confirmation of physical existence, file photos or damage assessment is required and cost is paramount.

Maintenance Records Audits

Historical records are an extremely important aspect of an aircraft's value. Improper record keeping can have a major negative impact on your asset's value. It is imperative that a thorough review of the records be conducted both to determine traceability, accuracy and completeness.

Portfolio Management & Monitoring

Acting as our client's representative, we carry out periodic inspections and review reporting to keep investors informed on an aircraft's condition. By monitoring and auditing the operations, regulatory, and contract compliance by a lessee, AAMI ensures complete compliance by that lessee. AAMI ensures full compliance with Service Bulletins, Airworthiness Directives and other FAA requirements.

Tax Letters

AAMI gives owners, operators, airlines and taxing authorities the valuations and documentation they require to support their claims by accurately calculating airline fleet values, institution portfolio values, or individual aircraft values.

Expert Testimony and Legal Support

AAMI will assist litigating parties in the preparation and presentation of their cases. We also provide expert testimony by gathering a detailed analysis and review of the facts. A retrospective appraisal gives the court proof of what the value of an asset was at the time of loss - and we can testify to that!

Finance & Strategic Planning

AAMI is pleased to provide a broadened level of client service in the areas of aviation strategic planning and finance through an association with one of the industry leaders in these specialized areas. Klaskin, Kushner & Company, Inc. (KKC) is a Miami-based firm whose personnel bring more than eighty years of aviation experience to our organization. KKC's principals and associates are experienced in air carrier and aviation maintenance facility feasibility evaluation, business planning and development, aviation-related capital sourcing and investment opportunity evaluation, and bankruptcy workout organization.

Safety Assessments

AAMI provides complete and comprehensive reviews of manuals, training programs, record keeping, flight operations, station operations, dispatch centers, maintenance facilities & procedures, and overall management effectiveness. AAMI's experienced and qualified personnel in airline management, operations and maintenance, enable AAMI to provide excellent results that are responsive to the clients needs.

AVIATION ASSET MANAGEMENT, INC.

SENIOR MANAGEMENT PERSONNEL

DANIEL H. RAUSCH, ASA
Accredited Senior Appraiser

Mr. Rausch's thirty-nine year aviation career began as a flight instructor while attending college in Daytona Beach, Florida. He then became chief pilot for the National Association of Stock Car Auto Racing (NASCAR), with the added responsibilities of overseeing all maintenance of the company's fleet. He then went on to work for the Federal Aviation Administration in Los Angeles and Miami, where he spent eleven years and held various positions including Air Traffic Control Specialist and Military Liaison and Security Specialist. He participated in feasibility studies and was instrumental in the writing and re-writing of various Federal Air Regulations (FARs). Mr. Rausch is a former Senior Vice President of Avmark Services Ltd (ASL), a law firm specializing in the aviation and related equipment fields. During his thirteen and-a-half years at ASL, he performed aircraft inspections and appraisals, tracked Department of Transportation and airline industry data for determining aircraft half-life values, and maintained an extensive up-to-date aviation library. He is widely known in his position of co-editor of the company's Aircraft Marketletter, where it was his responsibility for the gathering of all aircraft and engine transactions and offerings around the world. He has extensive knowledge of aircraft and engine values relative to such transactions. In 1998 he co-founded Aviation Asset Management Inc, which specializes in the appraisal and consulting areas concerning physical assets of airlines including ground equipment, OEM & wholesale suppliers, and FAR 145 Overhaul & Repair Facilities. He is a Commercial Pilot and Certified Flight Instructor (instrument & multi-engine) and holds Masters Degrees in Business Administration and Aeronautical Science, from Embry-Riddle Aeronautical University in Daytona Beach, Florida. Mr. Rausch is a member of the International Society of Transport Aircraft Trading (ISTAT) and is an ISTAT Certified Appraiser. Mr. Rausch is also a member of The American Society of Appraisers and is an Accredited Senior Appraiser. He is one of seven listed appraisers under the specialty of Machinery, Technical Specialties/Aircraft in the USA. He also is an Accredited Senior Appraiser under the specialty of Machinery, Technical Specialties/Machinery & Equipment Machinery, Technical Specialties. In addition, Mr. Rausch holds a certificate from The American Society of Appraisers for advanced training in the appraisal of inventory.

AVIATION ASSET MANAGEMENT, INC.

GARY A. WEBSTER, ASA
Accredited Senior Appraiser

Mr. Webster's thirty-eight year business career began with employment with the Federal Aviation Administration and remained for eleven years as an Air Traffic Control Specialist. During his FAA employment he was involved in the training department and instrumental in evaluations of computer operations and training devices in the Miami facility. From 1974-2002 he has owned several businesses including: aircraft rentals and leasing for fixed base operators and sky diving. He has extensive experience in the sales, leasing, rental and appraisals of light and heavy construction and excavation equipment. Both as a hobby and a business owner he has been in the custom furniture manufacturing business for residential applications. As President of Alphatec Communications & Electronics Inc, a wholesale electronic equipment business, since 1989, he has gained considerable experience in the appraisals and evaluations of office electronics for businesses, telephone switching systems, and satellite transmitting and receiving equipment for audio/video as well as internet by satellite applications. He is an active member of the Satellite Broadcasting and Communications Association. In 2001 Mr. Webster became a member of The American Society of Appraisers and is an Accredited Senior Appraiser (ASA) under the specialty of Machinery, Technical Specialties/Machinery & Equipment. He has also taken various courses on Aircraft Appraisal and Evaluation. He has been active in the appraisal of construction equipment, industrial machine shop equipment, including overhaul and manufacturing (OEM) companies and airline ground support equipment. Mr. Webster graduated from Miami Dade Junior College in 1971 with an Associate in Science degree. He holds a Commercial Pilot's Certificate with Instrument Rating.

AVIATION ASSET MANAGEMENT, INC.

ROBERT C. VERMILLION, ASA
Accredited Senior Appraiser

Increasing responsibilities in the Commercial and Regional Air Carrier maintenance management field have marked Mr. Vermillion's fifty-year aviation career. He began his career as a mechanic and worked his way up to the position of Vice President Maintenance & Engineering for various Commercial and Regional airlines, including *Northeastern International*, *PBA* and *Columbia Air*. In these positions he was responsible for the maintenance, engineering and Stores departments, the acquisition of aircraft, tooling, parts inventory, and facilities. He was also responsible for the remarketing of these items. Mr. Vermillion spent over eleven years as Executive Vice President for Avmark Services Ltd. During this time he performed appraisals for all types of aircraft, engines, facilities, inventory, tooling and ground support equipment. He has performed audits of aircraft and engine records for conformity to governmental regulations. He has also been involved in managing portfolios for banks and leasing companies, including lending assistance on the purchase, sale and leasing of aircraft and engines, for such prestigious companies as Fleet Business Credit Corporation, GMAC Commercial Credit LLC, First Union Bank, City Bank, GE Capital Corp., Bank America and others. Mr. Vermillion has been involved in the lease/return conditions of aircraft and engines and has also conducted various feasibility studies for major air carriers and suppliers. He is a veteran of the U.S. Navy Air force serving nine years of military duty. He holds an A&P license, private pilot license and a Bachelor of Science degree in Business Management from Barry University in Miami, Florida. Mr. Vermillion, ASA, is a member of *The American Society of Appraisers* and is an *Accredited Senior Appraiser*. He is one of six listed appraisers under the specialty of Machinery, Technical Specialties/Aircraft in the USA. In addition Mr. Vermillion, ASA holds a certificate of completion from The American Society of Appraisers for advanced training in the appraisal of inventory.

AVIATION ASSET MANAGEMENT, INC.

JERRY R. FREDERICK Director Technical Services

Mr. Frederick's career in the aviation and heavy equipment industry spans 15 years and includes positions in; data services, accounting, operations and senior management. While in college he developed a least-cost routing and overflow software package for Metro Media, a predecessor of MCI/WorldCom. The software enabled the long distance reseller to purchase bulk circuits from first tier suppliers. (AT&T, Cable and Wireless, Sprint). He developed one of the first bar coding inventory software solutions for the aircraft parts aftermarket. He was instrumental in the modification and customization of SYMEX for heavy check facilities. The software featured a barcode system for all labor and materials. The system supported a workforce of over 100 mechanics and tracked both productive and non-productive time.

Mr. Frederick is in current development on a material clearinghouse system for the industrial power generation industry. The system, <http://www.ursmart.net>, will enable the IPG industry to pool and list items available for sale or lease worldwide.

Mr. Frederick developed customized database tools for Starman Auction Services enabling the capture of auction pricing on machinery, equipment, tools, and parts. He developed a customized calibration and tool database for Express One that tracked all equipment from outstation to FBO. He wrote the first fully integrated aircraft parts inventory / accounting (AAMM) packages for the Microsoft Windows environment, the package included a full accounting module that seamlessly integrated to all inventory, receipt, and purchase functions. Aircraft Equipment Industries, Gemini Air Cargo, Express One Airlines, UNC, Engine and Engine, Bender Aircraft Parts, Willis Aero, Custom Air Services, Av-Sets, and Bet-Air International have all used the system to maintain their operations. He developed and maintains Web sites for over fifty aviation related companies. In 1996 he created the ipls.com web site, which gave commercial aviation parts dealers a master database to check availability. Currently the system supports over 400 member companies.

He developed the new client server automated system for the Coordinating Agency for Supplier Evaluations (CASE: <http://www.caseinc.org>). The CASE organization includes over 80% of the world's largest airlines. The mission of CASE is the ability to pool the airlines' quality control resources around the globe. An evaluation performed by any member provides all sustaining companies with the ability to use the audit findings. The organization saves a significant amount of redundant work that would otherwise need to be done.

Mr. Frederick graduated from Florida Atlantic University with a BS in Computer Science.

AVIATION ASSET MANAGEMENT, INC.

ROBERT A. ANDREA

Mr. Andrea's thirty-five year aviation career began with the United States Air Force. He remained in military service for seven years with various duties and assignments, such as technical and management report preparation, etc. From 1974-1976 he was self employed as Engineering Consultant and Contract Pilot, specializing in flight test engineering of fixed wing and helicopter operations. In 1976 he then became Assistant General Manager of a company certified under FAR 133 (Helicopter External Load Operations), 119/135, 137, 141, and 145. He helped develop systems for inventory, life-limited parts control and pilot training. He is a former chief pilot and flight instructor for several FAA approved flight schools. Presently, he is involved in engineering, operations and management. Mr. Andrea has a Master of Science degree in Aeronautical & Astronautical Engineering from Ohio State University. Other accomplishments include various publications such as FAA Supplemental Type Certificates, FAA PMA Quality Control Procedures Manual, F-15 FOT&E Data Analysis Guide, Fuel Optimal Interplanetary Orbital Transfer and Design, Performance, Stability and Control of a High Performance Turboprop Aircraft. Mr. Andrea is an Airline Transport rated pilot in both Airplanes and Helicopters, and has been an FAA Certified Flight Instructor since 1974 for Airplane, Single & Multi-engine, Rotorcraft-Helicopter Instrument. He is an FAA designated Check Airman and FAA Pilot Examiner.

DANIEL B. FREEMAN

Mr. Freeman's thirty-seven year aviation career began at the age of fifteen as a mechanic's helper. During the last two years of high school he enlisted in the Naval Air Reserves and was assigned to an aircraft maintenance support squadron. After graduation he completed his military obligation in the U.S.A.F. serving in Europe. He is an accomplished pilot, having flown both privately and for commercial carriers. He has owned his own FAA repair station and additionally a company specializing in parting out aircraft. When he accepted an outside position, he moved rapidly upward to Director & Vice President positions in both Maintenance and Quality Assurance positions for several large passenger and international airfreight carriers including FAR 145 repair stations. He has been instrumental in successfully solving problems in both production & quality assurance areas for numerous air carriers. He has gained the reputation for organizing and introducing innovative programs and production methods for all phases of aircraft maintenance. Mr. Freeman is well respected within the aviation industry and maintains an excellent working relationship with the FAA. He holds an A&P license, Inspection Authorization and was an FAA Designated Maintenance Examiner for 12 years. He holds a degree in Aviation Maintenance Technology & Management from Embry Riddle Aeronautical University.

AVIATION ASSET MANAGEMENT, INC.

B. G. (BILL) GRISCOM

Mr. Griscom's fifty year aviation career began as an engine mechanic for the U.S.A.F. He also held positions as an aircraft mechanic and field representative. He then went on to work for General Electric Company, where he spent his next thirty-four years, and held positions as Senior Program Representative, Senior Field Representative and Airline/Engineering Representative. He assigned and supported various maintenance programs, supported South African Airways maintenance programs for A300 aircraft and C6-50 engines, managed all areas of technical operation, engineering, maintenance, and warranty programs for Delta, and managed a product line of large aircraft engines at Eastern Airlines. After GE, Mr. Griscom spent two years at Avmark Services Ltd., consulting and performing engine inspections and appraisals on regional to wide-body type aircraft, large aircraft engines, spare parts inventories, ground support equipment, aircraft value forecasting, and coordination of lease return, storage and maintenance programs. He has specialized training in various types of engine, engine overhaul, line maintenance, A300 and DC-10 General Information, Basis Management Training, GE-PEM, Basic, and Tech Rep Training Courses. He is fully knowledgeable in all areas of jet engine operations, systems, maintenance, and troubleshooting.

WILLIAM D. MEENAN

Mr. Meenan has worked in the aviation industry since 1958 where he began his career as a ramp worker and aircraft mechanic while attending Embry Riddle. After graduation he moved on to work as an aircraft mechanic at the National Air Facilities Experimental Center (NAFEC) at Atlantic City, NJ. He enlisted in the U.S. Air Force and served in aircraft maintenance. He has worked as a professional pilot in both the corporate and airline area as well as acquiring extensive background in general aviation and airline aircraft maintenance. Mr. Meenan has held the position of Director of Maintenance for a large FAR 121 aircraft operator and He has held the Director of Operations position for both FAR 121 and FAR 135 air carriers. He also possesses a strong background in airline management having held the positions of Vice President of Operations and Maintenance as well as President and part owner of an air carrier operating large jet passenger and cargo aircraft on a worldwide basis. During his career Mr. Meenan has managed the FAA certification process of several air carriers under FAR 121 and FAR 135 and an FAR 145 Repair Station where he served as General Manager. Mr. Meenan has achieved and maintains an excellent working relationship with the FAA. He holds an FAA Airframe & Powerplant license and an Airline Transport Rating.