

1980

James B. Johnston v. Maureen H. Simpson and
Wayne Simpson, Dba the Flight School : Brief of
Defendants, Appellants Maureen H. Simpson and
Wayne Simpson, Dba the Flight School

Utah Supreme Court

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John T. Anderson; Attorneys for Respondent Frank S. Warner; Attorneys for Appellants

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IN THE SUPREME COURT
OF THE STATE OF UTAH

JAMES B. JOHNSON,

Plaintiff,
Respondent.

vs.

Case No. 18859

MAUREEN H. SIMPSON and WAYNE
SIMPSON, dba The Flight School,

Defendants,
Appellants.

BRIEF OF DEFENDANTS, APPELLANTS
MAUREEN H. SIMPSON and WAYNE SIMPSON,
dba The Flight School

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IN THE SUPREME COURT
OF THE STATE OF UTAH

JAMES B. JOHNSTON,)	
Plaintiff,)	
Respondent.)	
vs.)	Case No. 16859
MAUREEN H. SIMPSON and)	
WAYNE SIMPSON, dba The)	
Flight School,)	
Defendants,)	
Appellants.)	

PRELIMINARY STATEMENT

This is an appeal from a decision of Judge John F. Wahlquist of the Second Judicial District Court for Weber County permitting the respondent to rescind the purchase of an airplane.

DISPOSITION IN LOWER COURT

Upon findings that the appellants, in the sale of the airplane in question to the respondent, had failed to pass good title to the airplane to the respondent by virtue of the failure to obtain a Certificate of Registration for the airplane from the Federal Aviation Administration (hereafter FAA) for a period of 18 months after the purchase of the airplane, the Court permitted the respondent to rescind the purchase and allowed a recovery of the purchase price.

RELIEF SOUGHT ON APPEAL

Appellants ask that Judge Wahlquist's decision be reversed and that the respondent's complaint be dismissed.

FACTS

Maureen and Wayne Simpson, the appellants, operate a business known as The Flight School located at the Ogden Municipal Airport. In this business they teach flying, rent airplanes and sell new and used aircraft. They are the Ogden dealer for the Cessna Aircraft Company.

On July 29, 1977 the respondent ordered from the Simpsons a new model 1978 Cessna airplane. He signed a Retail Purchase Order (Appendix 1) and made a down payment of \$3,000.00 on a total purchase price of \$41,125.00. On or about October 17, 1977 a second Retail Purchase Order was prepared and signed by the parties (Appendix 2) superseding the July 29th document. With the minor exception of field installation of a radio rather than factory installation of it, all terms, including price, remained "constant" and paralleled the first document.

On October 17, 1977 respondent paid the balance of the purchase price in cash and decided to go to Wichita, Kansas to personally take delivery of the airplane directly from the Cessna factory in Wichita. (TR.16-17). On either October 19th or 20th, 1977 the airplane was physically delivered into the possession of the respondent in whose possession it has remained ever since.

Of the terms of the Retail Purchase Order, the only one relevant to this case (located on the back of the document) is Paragraph 5 of the Terms, Conditions, Warranty and Limitations of Liability:

5. Title to aircraft products herein sold and purchased shall pass to Purchaser when full purchase price shall have been paid to Dealer or upon Dealer's accepting other financial arrangements satisfactory to Dealer in lieu of full purchase price. All risk of loss shall be on Purchaser from and after receipt of possession of the aircraft products.

The manner in which this airplane was sold was that the respondent ordered the airplane from the Simpsons, doing business as The Flight School. They, in turn, ordered the airplane from the general Utah Cessna dealer, Trans-West Aircraft Sales, Salt Lake City, Utah. Trans-West ordered the airplane from its distributor, Skyways, Inc. of Portland, Oregon who in turn ordered the airplane from the Cessna Aircraft Company. Financing for the purchase of the airplane by the respective distributor/dealers was arranged through the Cessna Finance Company in what was essentially a "floor plan" financing arrangement by which Cessna would ordinarily make aircraft available to its dealers for sale to the public. The only difference in this instance from a normal "floor planning" arrangement by which a dealer is left in physical possession of an airplane subject to the manufacturer's unrecorded chattel mortgage on the airplane was that instead of entrusting the airplane first into the custody of its dealer, the respondent elected to take possession of the

airplane directly from the manufacturer who turned over physical possession of the airplane directly to the respondent. This manner of sale and system of financing aircraft to distributor/dealers for sale to the public is the common way aircraft are sold within the industry. (TR.51). Thereafter, as soon as the Cessna Finance Company received payment for the airplane any chattel mortgages retained on the airplane were immediately released. (See Appendix 3, FAA registry for this particular airplane).

On or about October 17, 1977, in conjunction with the payment of the balance of the purchase price, a bill of sale from the Simpsons to the respondent was prepared. Purely as a courtesy to the respondent, and not in any way part of the sale of the airplane itself, the Simpsons agreed to mail to the FAA the bill of sale from themselves to the respondent; a bill of sale from Trans-West Aircraft Sales to The Flight School; and an application for the issuance of a certificate of registration to the airplane in the name of the respondent. The recording of these instruments with the FAA is actually the responsibility of the purchaser of an aircraft but it is the custom in the industry that when an airplane is purchased from a dealer, the dealer forwards this information to the FAA for recordation. (TR.28-29). Mrs. Simpson testified at trial that these documents were immediately sent to the FAA when the respondent paid the balance of the purchase price on

on October 17, 1977 (TR.29-30) although for reasons completely unknown to anyone these original documents were never posted in the FAA registry.

Approximately 5 months later, when it had become apparent that there must be a problem in the issuance of the certificate of registration in the name of the respondent, rather than merely a delay, Mrs. Simpson made inquiry with the FAA to ascertain the problem. (TR.31-33). It was then, for the first time, learned that the FAA had no record of having received the original bills of sale mentioned above. The Simpsons prepared duplicate bills of sale and these were forwarded to the FAA which received them on July 6, 1978. A second Aircraft Registration Application on behalf of the respondent had been received by the FAA on April 10, 1978. Thereafter, due to wording or spelling changes on the bills of sale, requested to be made by the FAA, no certificate of registration was issued. (TR.33-35). Then on February 15, 1979 a third set of bills of sale were resubmitted to the FAA and this time a certificate of registration, in the name of the respondent, was approved for issuance on February 21, 1979. The certificate of registration was received by the respondent on March 9, 1979. (TR.22).

In the meantime, on or about January 25, 1979 the respondent purportedly attempted to rescind his purchase of the airplane on the premise that he had not received good title to the airplane because no certificate of registration,

in his name, had been issued by the FAA. (TR.8-9). His complaint requesting rescission based upon failure to receive good title to the airplane was filed in March, 1979. (R.1-2). Thereafter, despite the purported rescission and the commencement of litigation, the respondent continued to use the airplane for his personal use and exercised ownership control over it. He acknowledged at trial that he used the airplane to fly to California on July 9 or 10, 1979 for personal business and also continued to loan the airplane to his neighbor for use by his neighbor. (TR.15-16).

At trial, Judge Wahlquist, also equating the concept of good title with the issuance of a certificate of registration from the FAA in the name of the respondent ruled that the Simpsons had failed "to convey free and clear title to plaintiff on October 17, 1977" and had failed "to perform their promise to promptly and properly register and record plaintiff's purported title with the office of the Federal Aviation Administration prior to January 25, 1979." Because he considered these findings to be material breaches of contract, Judge Wahlquist ruled that rescission was proper.

ARGUMENT

POINT I

WHILE FEDERAL LAW HAS PREEMPTED THE FIELD OF RECORDATION OF INSTRUMENTS OR CONVEYANCES AFFECTING TITLE TO AIRCRAFT, ISSUES OF TITLE OR OWNERSHIP OF AIRCRAFT ARE LEFT TO BE DECIDED UNDER THE APPLICABLE STATE LAW.

In 1958 the Federal Aviation Act of 1958, 49 U.S.C.A. §1301-1542, was enacted which established a national system of recordation for conveyances and instruments affecting

title to aircraft. With the passage of this act there was set up a single federal registry which preempted state systems for recordation of conveyances or instruments affecting title to aircraft. 49 U.S.C.A. §1403 among other matters, states the following:

(a) The Administrator shall establish and maintain a system for the recording of each and all of the following:

(1) Any conveyance which affects title to, or any interest in, any civil aircraft of the United States; . . .

It is generally accepted however, that while federal law requires the recordation of all conveyances and instruments affecting title to aircraft state law determines the underlying validity of any such conveyances or instruments as well as ownership and title. 22 A.L.R. 3d 1270, 1275; 49 U.S.C.A. §1406.

Haynes v. General Electric Credit Corp., 432 F. Supp. 763-765 (W.D. Va. 1977) is on point. In that case the court was squarely faced with the question of whether the Federal Aviation Act of 1958 displaced or preempted state law that would otherwise govern on priorities of lien and title interests in aircraft. The Court ruled that issues of priority of liens and title interests in aircraft are matters for state law determination. The Court stated:

The purpose of Congress in enacting the Federal Aviation Act and its predecessor statute was reportedly to eliminate the confusion engendered by a multitude of state recording systems by providing a single national filing system for registering documents of title and security documents of the kind normally comprehended by state laws.

The reason was that the ready mobility of aircraft and their common use across state lines made it cumbersome and burdensome for persons having concern with title to or incumbrances on aircraft to have to record or search title in all jurisdictions that could arguably constitute the proper recording situs of the aircraft security interest. Congress did not intend, however, to create affirmative priority of federally recorded interests as against competing rights declared by state law. Industrial Bank of Rhode Island v. Butler Aviation International, Inc., 370 F. Supp. 1012 (E.D.N.Y. 1974), Southern Jersey Airways, Inc. v. National Bank of Secaucus, 108 N.J. Super, 369, 261 A. 2d 399 (1970).

See also Lockhead v. G.A.C. Finance Corp. of Camelback, 434 P.2d 655 (Ariz. App. 1967); Idabel National Bank, Idabel v. Tucker, 544 P.2d 1287 (Okla. App. 1976); Norris v. Insurance Co. of North America, 215 S.E. 2d 379 (Ct. App. N.C. 1975).

An examination of the cases cited above makes it readily apparent, then, that the concept of good title to an airplane is completely separate and distinct from any federal requirement for recordation of conveyances or instruments affecting title required to be placed in the FAA registry. Therefore, Judge Wahlquist erred when he equated the concept of good title with the issuance of a certificate of registration by the FAA and in allowing rescission by the respondent.

In Norris v. Insurance Co. of North America, *supra*, 388-389 the Court stated:

Execution of a bill of sale by the seller and recordation of ownership with the Federal Aviation Agency as provided for in Title 49 U.S.C. §1403(a) was not essential to transfer

ownership. See Annot., 22 A.L.R. 3d 1270 (1968). . . . In this State a bill of sale or other document is not necessary to transfer of title to personal property, at least absent some statute, such as our motor vehicle law, applicable to the particular type of property involved. We have no statute applicable particularly to aircraft, and we find G.S. §25-2-401(2) above cited, which is applicable to sales of "goods" generally, to be here controlling.

Similarly, Utah has no statute specifically applicable to the sale of aircraft, therefore, the applicable law in this case is the Utah Commercial Code applicable to the sale of "goods" generally.

POINT II

UNDER THE UTAH COMMERCIAL CODE THE RESPONDENT RECEIVED GOOD TITLE TO THE AIRPLANE ON OCTOBER 17, 1977 AND RESCISSION WAS NOT PROPER IN THIS INSTANCE.

In this case there is no dispute that on or about October 17, 1977, pursuant to the Retail Purchase Order, respondent paid the balance of the purchase price on the airplane and 2 or 3 days later received physical possession of the airplane; nor that the airplane has remained in his possession ever since. It is likewise not in dispute that from October 17, 1977 onward, no other person claimed any interest in the airplane in any way adverse to the ownership or title of the respondent to the airplane. (TR.18).

Since an airplane is personal property issues of title and ownership are determined by the Utah Commercial Code, specifically Section 70A-2-401, U.C.A. 1953. In relevant portion, it states:

(1) . . . Subject to these provisions and to the provisions of the chapter on Secured Transactions (chapter 9), title to goods passes from the seller to the buyer in any

manner and on any conditions explicitly agreed on by the parties.

(2) Unless otherwise explicitly agreed title passes to the buyer at the time and place at which the seller completes his performance with reference to the physical delivery of the goods, despite any reservation of a security interest and even though a document of title is to be delivered at a different time or place; and in particular and despite any reservation of a security interest by the bill of lading.

Because these parties agreed that title passed upon payment of the purchase price in full, from that moment forward, the respondent was the owner of the airplane in question and his interest in the airplane was total.

Under the Utah Commercial Code the respondent was also a buyer in the ordinary course of business pursuant to the definition outlined in Section 70A-1-201(9), U.C.A. 1953. That section states:

(9) "Buyer in ordinary course of business" means a person who in good faith and without knowledge that the sale to him is in violation of the ownership rights or security interest of a third party in the goods buys in ordinary course from a person in the business of selling goods of that kind but does not include a pawnbroker. "Buying" may be for cash or by exchange of other property or on secured or unsecured credit and includes receiving goods or documents of title under a pre-existing contract for sale but does not include a transfer in bulk or as security for or in total or partial satisfaction of a money debt.

As a buyer in the ordinary course of business Section 70A-9-307, U.C.A. 1953 and 49 U.S.C.A. §1403(c) resolve any claim of the respondent that his title was not free and clear of any other parties claim or purported claim

against the airplane.

Section 70A-9-307(2) states:

(2) In the case of consumer goods, a buyer [in the ordinary course of business] takes free of a security interest even though perfected if he buys without knowledge of the security interest, for value and for his own personal, family or household purposes unless prior to the purchase the secured party has filed a financing statement covering the goods.

49 U.S.C.A. §1403(c) specifically in regard to aircraft states:

(c) No conveyance or instrument the recording of which is provided for by subsection (a) of this section shall be valid in respect of such aircraft, aircraft engine or engines, propellers, appliances, or spare parts against any person other than the person by whom the conveyance or other instrument is made or given, his heir or devisee, or any person having actual notice thereof, until such conveyance or other instrument is filed for recordation in the office of the [Administrator]:

. . . .

These two portions of the law, read in conjunction with each other, and applied to aircraft clearly establish that not only did the respondent receive title to his airplane superior to that of any other person but that he received title free of any security interest purportedly retained by anyone. Here the security interests alleged to be a cloud upon the respondents title were those held by the Cessna Finance Company under the previously mentioned "floor plan" financing arrangement. Those chattel mortgages however were not filed with the FAA until October 26, 1977, six to seven days after the respondent had already received physical possession of his airplane. Also the chattel mortgages

ran only between Cessna and its distributor/dealers. By virtue of the above cited sections these chattel mortgages had absolutely no affect on the respondent's title or ownership to the airplane because he was a buyer in the ordinary course of business from parties in the business of selling goods of this kind. Further, by his own testimony he had no knowledge that the sale was in violation of any security interest purportedly retained by any third party. (Deposition 45-46). In these circumstances no other result can be reached other than that the respondent received, on October 17, 1977, title free of any other person or entities claim or possible infringement. No better title can be given a buyer.

State Security Co. v. Aviation Enterprises, Inc., 355 F.2d 225 (10th Cir. 1966) is squarely on point. In that case the Court ruled that a chattel mortgage on an aircraft which was not registered with the Federal Aviation Administration in accordance with the provisions of 49 U.S.C. §1403 was invalid as to a good-faith purchaser of the aircraft. See also Aircraft Invest. Corp. v. Pezzani and Reid Equipment Co., 205 F. Supp. 80 (D.C. Mich. 1962); 22 A.L.R. 3d Section 12[a], page 1289-1290.

In this case the trial court erred in finding that the title passed to the respondent on October 17, 1977 was in any way defective.

POINT III

THE TRIAL COURT ERRED IN ADMITTING INTO EVIDENCE AT TRIAL ANY TESTIMONY OR DOCUMENTS CONCERNING ANY DELAY IN THE ISSUANCE OF A CERTIFICATE OF REGISTRATION BY THE FAA TO THE AIRPLANE IN QUESTION IN THE NAME OF THE RESPONDENT. THIS EVIDENCE WAS NOT RELEVANT TO THE ISSUE OF TITLE.

The entire case of the respondent, seeking rescission, was premised upon the erroneous assumption of the respondent that a certificate of registration from the FAA was synonymous with good title. (See Deposition of Respondent, pages 21-22, 38-39). Over the objections of appellants counsel (TR.5) at trial the Court permitted receipt of evidence on what the Court termed "official title", (TR.5). Ultimately, the Court ruled that because no certificate of registration was issued for a period of 18 months following the sale of the airplane that the title passed was defective. Taking away this evidence, the respondent failed to prove any case whatsoever. Therefore, this evidence was highly prejudicial to the appellants and was further barred by statute. 49 U.S.C.A. §1401(f) states:

(f) Effect of registration. Such certificate shall be conclusive evidence of nationality for international purposes, but not in any proceedings under the laws of the United States. Registration shall not be evidence of ownership of aircraft in any proceeding in which such ownership by a particular person is, or may be, in issue. (emphasis added).

Based upon this statutory provision it was error for the trial court to have allowed into evidence any testimony concerning issuance of a certificate of registration by the FAA. On this ground alone the case requires reversal.

POINT IV

THE RESPONDENT'S SUBSEQUENT PERSONAL USE OF THE AIRPLANE AFTER HIS PURPORTED RESCISSION OF PURCHASE BARS THE REMEDY OF RESCISSION.

By his own testimony the respondent acknowledged that after his purported rescission of the purchase of the airplane in question, he continued to use the airplane for his personal use and also loaned the same to his neighbor to use. (TR.15-16; Deposition of Respondent, pages 33-34). He flew the airplane to California on or about July 9 or 10, 1979 and used the airplane to complete his instrument qualifications. This use was contrary to his purported rescission and bars the remedy of rescission, Porter v. Porter, 577 P.2d 111 (Utah 1978); Buehner Block Co. v. Glezos, 310 P.2d 517. Based on the respondent's own testimony it was error for the court to allow rescission.

CONCLUSION

On or about October 17, 1977 respondent, in accordance with the Retail Purchase Order between the parties, paid the full purchase price on his airplane and received good title to it. The matter of whether or when the respondent received a certificate of registration for the airplane from the FAA is wholly irrelevant to the issue of title. The two concepts are separate and distinct and it was error on the part of the trial court to equate the two concepts synonymously thereby awarding rescission of the purchase of the airplane.

Appellants therefore respectfully ask that the trial court's decision be reversed and that respondent's complaint be dismissed.

DATED this 2nd day of April, 1980.

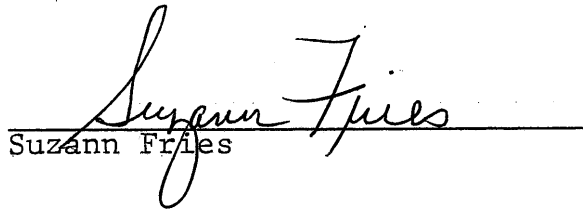
Respectfully submitted,



Frank S. Warner
WARNER, MARQUARDT & HASENYAGER
Attorney for Appellants

CERTIFICATE OF MAILING

I hereby certify that I mailed two copies of the foregoing Brief to John T. Anderson, Roe & Fowler, 340 East Fourth South, Salt Lake City, Utah, postage prepaid, this 2nd day of April, 1980.


Suzann Fries

J 21 need? Name your Cessna!"
 Name Johnson Lsg & PRY mgmt Date: 7-29-77
861 E 5550 Sout Seller's Name Flight School
 So. Ogden, UT 84403. Address Ogden, UT
 I, the undersigned Purchaser, hereby enter my order for a Cessna aircraft as detailed below. The attached deposit of \$3,000.00 against the total purchase price. I agree to complete this agreement, accept delivery of the aircraft at 1 CT within 5 days after notification that the aircraft is ready for delivery, and pay the balance of the price or make financial arrangements satisfactory to Seller at the time of delivery, subject to the terms set forth below in the conditions, warranty and limitations of liability printed on the reverse side of this Purchase Order.

172XP-W/N/P. Exterior Color: FLYING Red SATIN Blue #920C Interior Color: Hunter Red 710H

OPTIONAL EQUIPMENT (See Accessory Price List)	PRICE	
	Dollars	Cents
Base Price F.A.F., Wichita, Kansas includes STD	41,125	—
equip plus- 400 G/S Recvr.		
3 Lite Bcn. Fire ext, G/SIP		
EGT, VERT adj LH, REAR VENT		
TINTED windows Adj REAR SEATS		
WNTY explained		

BE FINANCED:
 \$ —
 I, the undersigned PURCHASER AGREES THAT I HAVE READ AND UNDERSTANDS THE TERMS, CONDITIONS, WARRANTY AND LIMITATIONS OF LIABILITY SET FORTH ON THE REVERSE SIDE HEREOF. THE SAME ARE INCLUDED IN AND ARE PART OF THIS PURCHASE ORDER AND AS IF SET FORTH ON THE FACE HEREOF.

PURCHASER'S SIGNATURE
 SALESMAN'S SIGNATURE

FURNISHED BY BUYER

Finance Company:

NEW AIRCRAFT SHOULD BE REGISTERED

TRADE-IN REGISTRATION CARRIES

SIGNATURE OF SELLER

ADDRESS OF SELLER

DATE OF ACCEPTANCE

EXPECTED DELIVERY DATE

Price with accessories and equipment	41,125	—
Gas, oil and delivery cost		
State and local taxes, if any exempt C66031		
License, transfer and registration fee		
TOTAL PURCHASE PRICE		
Cash deposit with this order	3000	—
Trade value of used aircraft		
TOTAL CREDIT TO PURCHASE PRICE	3000	—
BALANCE DUE		38,125 —

RETAIL PURCHASE CONTRACT

Terms, Conditions, Warranty and Limitations of Liability

- This Purchase Order when accepted by Dealer becomes a contract subject to the terms and conditions of the aircraft products shown on the face hereof and the terms and conditions thereon set forth and upon the terms, conditions, warranty and limitations of liability:
1. Dealer's supplier has reserved the right to increase the price of the aircraft products shown on the face hereof and optional equipment without notice. In the event Dealer's supplier increases the price of the aircraft products shown on the face hereof or optional equipment of the type ordered herein prior to delivery, the price to Purchaser of such aircraft products and optional equipment shall be increased the same percentage as Dealer's supplier increases its price to Dealer.
2. Purchaser agrees to pay, in addition to the price specified on the face of this Purchase Order, for all additional equipment not specified thereon subsequently ordered.
3. Purchaser agrees that if he fails to accept the aircraft products shown on the face hereof when notified by Dealer that the same are ready for delivery that such failure shall be deemed a breach of this contract. Such retention of the aircraft products shall not be Dealer's exclusive remedy for such breach. Dealer shall be entitled to such other relief and such additional damages as Dealer may sustain as a result of said breach.
4. Dealer shall not be liable for any delay in making delivery to any cause whatsoever; provided, however, if Dealer should fail to make delivery within six (6) months after the expected delivery date, Purchaser shall have the right to demand return of his deposit, in which event upon the return of his deposit this contract shall end.
5. Title to aircraft products herein sold and purchased shall pass to Purchaser when full cash price thereof shall have been paid to Dealer. Dealer's accepting other financial arrangements satisfactory to Dealer in full cash price. All risk of loss shall be on Purchaser from the time of receipt of possession of the aircraft products.
6. Material shortages from time to time may necessitate the substitution of new supplies, accessories and equipment. Dealer reserves the right to substitute aircraft with such installations without notice. The Cessna Aircraft Company Warranty shown below applies to such surplus accessories and equipment.
7. The products purchased herein are covered by the Cessna Aircraft Company Warranty of The Cessna Aircraft Company.

CESSNA WARRANTY

The Cessna Aircraft Company, Wichita, Kansas, U.S.A., expressly warrants each new, reciprocating engine-powered aircraft manufactured by it and such new aircraft equipment, accessories and service parts therefor as are sold through its Commercial Aircraft Marketing Division to be free from defect in material or workmanship under normal use and service for a period of six (6) months after delivery to the original retail purchaser or for a period of twelve (12) months after delivery in the case of gyros and Cessna Avionics as herein defined and service parts therefor for a period of twelve (12) months after delivery in the case of gyros and Cessna Avionics (which term includes all communication equipment, autopilot systems, etc.) are sold through its Commercial Aircraft Marketing Division, beginning at the date of delivery to the aircraft owner. This warranty includes "black boxes", antennas, microphones, speakers and other components and associated wiring and service parts therefor.

Cessna's obligation under this warranty is limited to repair or replacement, at its option, any part or parts which within the applicable period of six (6) or twelve (12) months period as above set forth shall be returned by the owner to any Cessna-appointed or Cessna Distributor-appointed Dealer authorized by such appointment to sell the aircraft, equipment, accessories and service parts of the type involved and which upon examination shall disclose to Cessna a defect in the applicable six (6) or twelve (12) months original warranty period. The repair or replacement of defective parts under this warranty shall be at the Dealer's expense, but the owner shall be responsible for parts or labor for removal, installation and/or actual repair of such defective parts, except in part but not in whole, of any, on replacements, which are the owner's responsibility. Location of such Cessna Dealers will be furnished by Cessna upon request.

The provisions of this warranty do not apply to any aircraft equipment, accessories, including Cessna Avionics or service parts therefor manufactured or sold by Cessna which have been modified, altered, repaired, or which have been repaired or altered outside of Cessna's factory in any way so as to in the judgment of Cessna affect adversely its performance, stability or reliability, or to normal maintenance services (such as engine tune up, oil changes, etc.) or to the mechanical adjustments and maintenance inspections and the replacement of service items (such as spark plugs, etc.) or to the replacement of parts and tires made in connection with such services or required as maintenance, or to normal deterioration of soft trim and upholstery items such as paint, upholstery or rubber-like items due to wear and exposure, or to Cessna Avionics or other aircraft equipment, accessories, or service parts sold separately which have been improperly installed.

To the extent allowed by applicable law, THIS WARRANTY IS EXPRESSLY IN LIEU OF ANY OTHER WARRANTY EXPRESSED OR IMPLIED IN FACT OR BY LAW, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THE REMEDIES OF REPAIR OR REPLACEMENT AS ABOVE SET FORTH ARE THE ONLY REMEDIES UNDER THIS WARRANTY. CESSNA DISCLAIMS ANY OBLIGATION OR LIABILITY FOR LOSS OF USE OF THE PRODUCT WARRANTED, LOSS OF TIME, INCONVENIENCE, COMMERCIAL LOSS OR ANY OTHER DIRECT OR CONSEQUENTIAL, SPECIAL OR INCIDENTAL DAMAGES. THIS WARRANTY IS IN LIEU OF ANY OTHER OBLIGATION OR LIABILITY OF CESSNA OF ANY NATURE WHATSOEVER by reason of the manufacture, sale, lease or use of such aircraft products. Cessna neither assumes nor authorizes anyone to assume for it any other obligation or liability in connection with such aircraft products.

8. Purchaser acknowledges that the Cessna Aircraft Company Warranty set forth in paragraph seven (7) is the only warranty by The Cessna Aircraft Company applicable to the aircraft products covered by this Purchase Order, and that all exclusions, conditions and limitations in such warranty are applicable to this Purchase Order. To the extent allowed by applicable law, THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED IN FACT OR BY LAW, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE, WHICH EXTEND BEYOND THE DESCRIPTION ON THE FACE HEREOF. NO ORAL WARRANTIES OR GUARANTEES OF ANY KIND HAVE BEEN MADE TO PURCHASER BY THE CESSNA AIRCRAFT COMPANY OR DEALER OR ANY OF THEIR AGENTS.

PURCHASER AGREES THAT THE WARRANTIES OF THE CESSNA AIRCRAFT COMPANY AND THE DEALER ABOVE SET FORTH, ARE EXPRESSLY IN LIEU OF ANY OTHER OBLIGATION OR LIABILITY ON THE PART OF THE CESSNA AIRCRAFT COMPANY AND DEALER TO ANYONE OF ANY NATURE WHATSOEVER BY REASON OF THE MANUFACTURE, SALE, LEASE, OR USE OF THE AIRCRAFT PRODUCTS PURCHASED HEREIN, THAT THE REMEDIES PROVIDED IN THE CESSNA WARRANTY ARE THE EXCLUSIVE REMEDIES UNDER SAID WARRANTY AND THAT NEITHER CESSNA NOR DEALER SHALL HAVE ANY RESPONSIBILITY FOR LOSS OF USE, LOSS OF TIME, INCONVENIENCE, COMMERCIAL LOSS OR ANY OTHER DIRECT, CONSEQUENTIAL OR INCIDENTAL DAMAGES, BY REASON OF THE MANUFACTURE, SALE, LEASE, OR USE OF THE AIRCRAFT PRODUCTS PURCHASED HEREIN. Dealer neither assumes nor authorizes any person or business organization to assume for it any other obligation or liability in connection with the manufacture, sale, lease or use of the aircraft products purchased herein.

It is further agreed that the Cessna Aircraft Company Warranty set forth in paragraph seven (7) is the only warranty by The Cessna Aircraft Company applicable to the aircraft products covered by this Purchase Order, and that all exclusions, conditions and limitations in such warranty are applicable to this Purchase Order. To the extent allowed by applicable law, THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED IN FACT OR BY LAW, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE, WHICH EXTEND BEYOND THE DESCRIPTION ON THE FACE HEREOF. NO ORAL WARRANTIES OR GUARANTEES OF ANY KIND HAVE BEEN MADE TO PURCHASER BY THE CESSNA AIRCRAFT COMPANY OR DEALER OR ANY OF THEIR AGENTS.

James B. Johns, RECIPROCATING ENGINE POWERED AIRCRAFT
 Name Johnston, Lsg. Property my Date 10-17-77
 861 E 5550 South Dealer's Name Flight School
 State South Ogden, UT 84403 Address Ogden, UT
 I, the undersigned Purchaser, hereby enter my order for a Cessna aircraft as detailed below with the above named Dealer. I recognize my order is with my Dealer.
 The Cessna Aircraft Company is not a party to this Agreement and has no liability thereunder except for its Warranty set forth on the reverse side hereof.
 The cash deposit of \$ is to apply against the total purchase price. I agree to complete this Agreement, accept delivery of the aircraft at the purchase price or make financial arrangements satisfactory to Dealer at the time of delivery, subject to the terms set forth below and the terms, conditions and limitations of liability printed on the reverse side of this Purchase Order.

Exterior Color:

Interior Color:

STATEMENT ABOUT AIRCRAFT TO BE FINANCED:

Optional Equipment (See Accessory Price List)

PRICE
Dollars

No.:

Base Price F.A.F., Wichita, Kansas This P.O. Replaces P.O. Dated 7-29-77 All conditions of 7-29-77 P.O. Constant. All equipment constant except A/C will have no radios at time of delivery. Radios to be field installed as follows - 222. KX 170 B. #1 with G/S. KMA. 20 with 3 LITE. KT 78 XP. KR-85. ADF

IT TO BE FINANCED:

\$

UNDERSIGNED PURCHASER AGREES THAT HE READ THE TERMS, CONDITIONS, WARRANTY LIMITATIONS OF LIABILITY SET OUT ON THE REVERSE SIDE HEREOF AND THAT THE SAME ARE INCORPORATED IN AND ARE A PART OF THIS PURCHASE ORDER AS IF SET FORTH ON THE FACE OF THIS ORDER.

PURCHASER'S SIGNATURE

A/C TO be Released TO REP. OF Buyer

DEALER'S SIGNATURE

Coverage:

to be supplied by buyer

Date:

Insurance Company:

NAME IN WHICH NEW AIRCRAFT SHOULD BE REGISTERED

WHICH TRADE-IN REGISTRATION CARRIES

ED BY:

SIGNATURE OF DEALER

ADDRESS OF DEALER

DATE OF ACCEPTANCE

Price with accessories and equipment

41,125

Gas, oil and delivery cost

State and local taxes, if any exempt C66031

License, transfer and registration fee

TOTAL PURCHASE PRICE

41,135

Cash deposit with this order

38,125 -

Trade value of used aircraft

3,000 -

TOTAL CREDIT TO PURCHASE PRICE

41,125 -

BALANCE DUE

APPENDIX II

RETAIL PURCHASE ORDER

Terms, Conditions, Warranty and Limitations of Liability

This Purchase Order when accepted by Dealer becomes a binding contract of purchase and sale of the aircraft products shown on the face hereof upon the terms and conditions thereon set forth and upon the following terms, conditions, warranty and limitations of liability:

1. Dealer's supplier has reserved the right to increase the price to Dealer of new aircraft, accessories and optional equipment without notice. In the event Dealer's supplier increases the price to Dealer of new aircraft, accessories or optional equipment of the type ordered herein prior to delivery to Purchaser, the price to Purchaser of such aircraft, accessories or optional equipment shall be increased the same percentage as Dealer's supplier increases its price to Dealer.

2. Purchaser agrees to pay, in addition to the price specified on the face of this Purchase Order, for all additional equipment not specified thereon but subsequently ordered.

3. Purchaser agrees that if he fails to accept the aircraft products as agreed when notified by Dealer that the same are ready for delivery that the deposit made with this order shall be retained by Dealer to apply on Dealer's damages for Purchaser's failure to fulfill this contract. Such retention of deposit shall not be Dealer's exclusive remedy for such breach and Dealer shall be entitled to such other relief and such additional damages as Dealer may sustain as a result of said breach.

4. Dealer shall not be liable for any delay in making delivery for any cause whatsoever, provided, however, if Dealer should fail to make delivery within six (6) months after the expected delivery date, Purchaser shall have the right to demand return of his deposit, in which event upon the return of deposit this contract shall end.

5. Title to aircraft products herein sold and purchased shall pass to Purchaser when full purchase price thereof shall have been paid to Dealer or upon Dealer's accepting other financial arrangements satisfactory to Dealer in lieu of full purchase price. All risk of loss shall be on Purchaser from and after receipt of possession of the aircraft products.

6. Material shortages from time to time may necessitate the installation of new surplus accessories and equipment. Dealer reserves the right to deliver aircraft with such installations without notice. The Cessna Aircraft Company Warranty shown below applies to such surplus accessories and equipment.

7. The products purchased herein are covered by the following warranty of The Cessna Aircraft Company:

CESSNA WARRANTY

The Cessna Aircraft Company, Wichita, Kansas, ("Cessna") expressly warrants each new, reciprocating engine-powered aircraft manufactured by it and such new aircraft equipment, accessories and service parts therefor as are sold through its Commercial Aircraft Marketing Division to be free from defects in material and workmanship under normal use and service for a period of six (6) months after delivery to the original retail purchaser or first user in the case of aircraft, aircraft equipment and accessories (except gyros and Cessna Avionics as herein defined) and service parts therefor, and for a period of twelve (12) months after such delivery in the case of gyros and Cessna Avionics (which term includes all communication, navigation and autopilot systems as are sold through its Commercial Aircraft Marketing Division, beginning at the connection to the aircraft electrical system bus bar and including "black boxes", antennas, microphones, speakers and other components and associated wiring) and service parts therefor.

Cessna's obligation under this warranty is limited to repairing or replacing, at its option, any part or parts which within the applicable six (6) or twelve (12) months period as above set forth shall be returned by the owner to any Cessna-appointed or Cessna Distributor-appointed Dealer authorized by such appointment to sell the aircraft, equipment, accessories and service parts of the type involved and which upon examination shall disclose to Cessna's satisfaction to be thus defective. A new warranty period is not established for replacements. Replacements are warranted for the remainder of the applicable six (6) or twelve (12) months original warranty period. The repair or replacement of defective parts under this warranty will be made by the Dealer without charge to the owner for parts or labor for removal, installation and/or actual repair of such defective parts, except in part duties, sales or use taxes, if any, on replacements, which are the owners' responsibility. Location of such Cessna Dealers will be furnished by Cessna on request.

The provisions of this warranty do not apply to any aircraft equipment, accessories (including Cessna Avionics) or service parts therefor manufactured or sold by Cessna which have been subject to misuse, negligence or accident or which shall have been repaired or altered outside of Cessna's factory in any way so as in the judgment of Cessna to affect adversely its performance, stability or reliability, or to normal maintenance services (such as engine tune up, cleaning, control rigging, brake and other mechanical adjustments and maintenance inspections) and the replacement of service items (such as spark plugs, brake linings, filters, hoses, belts and tires) made in connection with such services or required as maintenance, or to normal deterioration of soft trim and appearance items (such as paint, upholstery and rubber-like items) due to wear and exposure, or to Cessna Avionics or other aircraft equipment, accessories, or service parts sold separately which have been improperly installed.

To the extent allowed by applicable law, THIS WARRANTY IS EXPRESSLY IN LIEU OF ANY OTHER WARRANTIES, EXPRESSED OR IMPLIED IN FACT OR BY LAW, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THE REMEDIES OF REPAIR OR REPLACEMENT AS ABOVE SET FORTH ARE THE ONLY REMEDIES UNDER THIS WARRANTY. CESSNA DISCLAIMS ANY OBLIGATION OR LIABILITY FOR LOSS OF USE OF THE PRODUCT WARRANTED, LOSS OF TIME, INCONVENIENCE, COMMERCIAL LOSS OR ANY OTHER DIRECT, CONSEQUENTIAL, SPECIAL OR INCIDENTAL DAMAGES. THIS WARRANTY IS IN LIEU OF ANY OTHER OBLIGATION OR LIABILITY OF CESSNA OF ANY NATURE WHATSOEVER by reason of the manufacture, sale, lease or use of such aircraft products and Cessna neither assumes nor authorizes anyone to assume for it any other obligation or liability in connection with such aircraft products.

8. Purchaser acknowledges that in The Cessna Aircraft Company Warranty contained in paragraph seven (7) is the only warranty by The Cessna Aircraft Company applicable to the aircraft products covered by this Purchase Order and that all exclusions, conditions and limitations contained in such warranty are applicable to this Purchase Order. To the extent allowed by applicable law, THERE ARE NO WARRANTIES BY DEALER, EXPRESSED OR IMPLIED IN FACT OR BY LAW, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE WHICH EXTEND BEYOND THE DESCRIPTION ON THE FACE HEREOF. NO ORAL WARRANTIES OR GUARANTEES OF ANY KIND HAVE BEEN MADE TO PURCHASER BY THE CESSNA AIRCRAFT COMPANY OR DEALER OR ANY OF THEIR AGENTS.

PURCHASER AGREES THAT THE WARRANTIES OF THE CESSNA AIRCRAFT COMPANY AND THE DEALER, AS ABOVE SET FORTH, ARE EXPRESSLY IN LIEU OF ANY OTHER OBLIGATION OR LIABILITY ON THE PART OF SAID COMPANY AND DEALER TO ANYONE OF ANY NATURE WHATSOEVER BY REASON OF THE MANUFACTURE, SALE, LEASE, OR USE OF THE AIRCRAFT PRODUCTS PURCHASED HEREIN, THAT THE REMEDIES PROVIDED IN THE CESSNA WARRANTY ARE THE EXCLUSIVE REMEDIES UNDER SAID WARRANTY AND THAT NEITHER CESSNA NOR DEALER SHALL HAVE ANY RESPONSIBILITY FOR LOSS OF USE, LOSS OF TIME, INCONVENIENCE, COMMERCIAL LOSS OR ANY OTHER DIRECT, CONSEQUENTIAL, SPECIAL OR INCIDENTAL DAMAGES. The Cessna Aircraft Company disclaims and Dealer neither assume nor authorize any other person or business organization to assume for said Company and Dealer any obligation or liability in connection with the manufacture, sale, lease or use of the aircraft products purchased herein.

9. It is further agreed that this Purchase Order, when accepted by the Dealer, is a binding contract controlling this purchase and sale, that it contains the agreement, expressed or implied, that the parties hereto, and their heirs, assigns, administrators, executors, personal representatives and assigns, shall be bound by the terms and conditions hereof. Except for price changes as set forth in paragraph one (1) hereof, the terms and conditions hereof shall be binding on all parties hereto. Purchaser and Dealer intend that this Purchase Order shall be the entire agreement between them.

CERTIFICATE OF TRUE COPY

I HEREBY CERTIFY that the attached ~~is a true copy~~ of the ~~original~~ are true copies

records in the aircraft folder as of October 22, 1979, pertaining to
Cessna R172K aircraft, serial R1722807, registration N736UW,

on file in the Aircraft Registration Branch, Federal Aviation Administration, and
that I am the legal custodian thereof.

Signed and dated at Oklahoma City, Oklahoma

this 22nd day of October, 19 79

by *Agnes M. Jones*

Supervisory Conveyances Examiner
(Title)

I HEREBY CERTIFY that AGNES M. JONES

who signed the foregoing certificate is now, and was, at the time of signing Supervisory
Conveyances Examiner, Aircraft Registration Branch, and the legal custodian
of the aforesaid records,

and that full faith and credit should be given his certificate as such.

IN WITNESS WHEREOF, I have hereunto subscribed

my name and caused the seal of the Department of

Transportation to be affixed this 22nd

day of October, 19 79

at Oklahoma City, Oklahoma.

James E. Henderson
JAMES E. HENDERSON

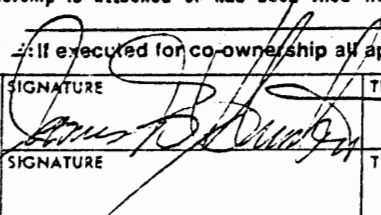
(Signature)

Chief, Aircraft Registration Branch

(Title)

Airmen and Aircraft Registry

Department of Transportation

UNITED STATES OF AMERICA DEPARTMENT OF TRANSPORTATION — FEDERAL AVIATION ADMINISTRATION			
AIRCRAFT REGISTRATION APPLICATION			
TYPE OF REGISTRATION (Check one box) <input checked="" type="checkbox"/> 1. Individual <input type="checkbox"/> 2. Partnership <input type="checkbox"/> 3. Corporation <input type="checkbox"/> 4. Co-Owner <input type="checkbox"/> 5. Gov't.			
NATIONALITY AND REGISTRATION MARKS N736UW			
AIRCRAFT MAKE AND MODEL CESSNA 172XP			
AIRCRAFT SERIAL No. R1722807			
FOR FAA USE ONLY			
NAME OF APPLICANT (Person(s) shown on evidence of ownership. If individual, give last name, first name, and middle initial.) Johnston, James B. dba Johnston Leasing and Property Management			
ADDRESS (Permanent mailing address for first applicant listed.) Number and street: <u>861 East 5550 South</u> Rural Route: _____ P. O. Box: _____			
<input type="checkbox"/>	CHECK HERE IF ADDRESS CHANGE	CITY <u>S. Ogden</u>	STATE <u>Utah</u>
		ZIP CODE <u>84403</u>	
(No fee required for revised Certificate of Registration)			
ATTENTION! Read the following statement before signing this application. A false or dishonest answer to any question in this application may be grounds for punishment by fine and/or imprisonment (U.S. Code, Title 18, Sec. 1001).			
CERTIFICATION			
I/WE CERTIFY that the above described aircraft (1) is owned by the undersigned applicant(s), who is/are citizen(s) of the United States as defined in Sec. 101(13) of the Federal Aviation Act of 1958; (2) is not registered under the laws of any foreign country; and (3) legal evidence of ownership is attached or has been filed with the Federal Aviation Administration.			
If executed for co-ownership all applicants must sign. Use reverse side if necessary.			
EACH PART OF THIS APPLICATION MUST BE SIGNED IN INK.	SIGNATURE	TITLE	DATE
		Owner	20 June 78
	SIGNATURE	TITLE	DATE
SIGNATURE	TITLE	DATE	
NOTE: Pending receipt of the Certificate of Aircraft Registration, the aircraft may be operated for a period not in excess of 90 days, during which time the PINK copy of this application must be carried in the aircraft.			

OKLAHOMA CITY
OKLAHOMA
JUL 9 10 AM '78
AIRCRAFT REGISTRY
FILED WITH FAA
CONVENTION

UNITED STATES OF AMERICA DEPARTMENT OF TRANSPORTATION - FEDERAL AVIATION ADMINISTRATION AIRCRAFT REGISTRATION APPLICATION		0 6 5 6 CERT. ISSUE DATE
UNITED STATES REGISTRATION NUMBER N 736 UW		FOR FAA USE ONLY
AIRCRAFT MANUFACTURER & MODEL CESSNA 172XP		
AIRCRAFT SERIAL No. R1722807		
TYPE OF REGISTRATION (Check one box) <input checked="" type="checkbox"/> 1. Individual <input type="checkbox"/> 2. Partnership <input type="checkbox"/> 3. Corporation <input type="checkbox"/> 4. Co-Owner <input type="checkbox"/> 5. Gov't.		
NAME OF APPLICANT (Person(s) shown on evidence of ownership. If individual, give last name, first name, and middle initial.) <p style="text-align: center;">Johnston, James B. dba Johnston Leasing & Property Management</p>		
ADDRESS (Permanent mailing address for first applicant listed.) Number and street: 861 East 5550 South Rural Route: _____ P. O. Box: _____		
CITY South Ogden	STATE Utah	ZIP CODE 84403
<input type="checkbox"/> CHECK HERE IF YOU ARE ONLY REPORTING A CHANGE OF ADDRESS		
ATTENTION! Read the following statement before signing this application. A false or dishonest answer to any question in this application may be grounds for punishment by fine and/or imprisonment (U.S. Code, Title 18, Sec. 1001).		
CERTIFICATION		
I/WE CERTIFY that the above described aircraft (1) is owned by the undersigned applicant(s), who is/are citizen(s) of the United States as defined in Sec. 101(13) of the Federal Aviation Act of 1958; (2) is not registered under the laws of any foreign country; and, (3) legal evidence of ownership is attached or has been filed with the Federal Aviation Administration.		
NOTE: If executed for co-ownership all applicants must sign. Use reverse side if necessary.		
EACH PART OF THIS APPLICATION MUST BE SIGNED IN INK.	SIGNATURE: <i>[Signature]</i>	TITLE: OWNER
	SIGNATURE: <i>[Signature]</i>	TITLE: _____
	SIGNATURE: _____	TITLE: _____
		DATE: 3-28-77
		DATE: _____
		DATE: _____
NOTE: Pending receipt of the Certificate of Aircraft Registration, the aircraft may be operated for a period not in excess of 90 days, during which time the PINK copy of this application must be carried in the aircraft.		

0 0 0 0 0 0 0 0

CONVEYANCE
FILED WITH FAA
AIRCRAFT REGISTRY
APR 10 3 22 PM '78
OKLAHOMA CITY
OKLAHOMA

UNITED STATES OF AMERICA DEPARTMENT OF TRANSPORTATION -- FEDERAL AVIATION ADMINISTRATION			
AIRCRAFT REGISTRATION APPLICATION			
TYPE OF REGISTRATION (Check one box)		CERT. ISSUE DATE	
<input checked="" type="checkbox"/> 1. Individual <input type="checkbox"/> 2. Partnership <input type="checkbox"/> 3. Corporation <input type="checkbox"/> 4. Co-Owner <input type="checkbox"/> 5. Gov't.			
UNITED STATES REGISTRATION NUMBER N 7610J			
AIRCRAFT MANUFACTURER & MODEL		FOR FAA USE ONLY	
AIRCRAFT SERIAL No. R 112 207			
NAME OF APPLICANT (Person(s) shown on evidence of ownership. If individual, give last name, first name, and middle initial.)			
Johnston, James G. DBA Johnston Aircraft Property, Inc.			
ADDRESS (Permanent mailing address for first applicant listed.)			
Number and street: 261 East 5th St Rural Route: _____ P. O. Box: _____			
<input type="checkbox"/> CHECK HERE IF ADDRESS CHANGE	CITY	STATE	ZIP CODE
	South Ogden	UTah	84403
(No fee required for revised Certificate of Registration)			
ATTENTION! Read the following statement before signing this application. A false or dishonest answer to any question in this application may be grounds for punishment by fine and/or imprisonment (U.S. Code, Title 18, Sec. 1001).			
CERTIFICATION			
I/WE CERTIFY that the above described aircraft (1) is owned by the undersigned applicant(s), who is/are citizen(s) of the United States as defined in Sec. 101(13) of the Federal Aviation Act of 1958; (2) is not registered under the laws of any foreign country; and (3) legal evidence of ownership is attached or has been filed with the Federal Aviation Administration.			
E: If executed for co-ownership all applicants must sign. Use reverse side if necessary.			
EACH PART OF THIS APPLICATION MUST BE SIGNED IN INK	SIGNATURE	TITLE	DATE
	[Signature]	OWNER	10-17-77
	SIGNATURE	TITLE	DATE
EACH PART OF THIS APPLICATION MUST BE SIGNED IN INK	SIGNATURE	TITLE	DATE
	SIGNATURE	TITLE	DATE
NOTE: Pending receipt of the Certificate of Aircraft Registration, the aircraft may be operated for a period not in excess of 90 days, during which time the PINK copy of this application must be carried in the aircraft, together with an appropriate and current airworthiness certificate or a special flight permit.			

0000000000

CONVEYANCE
FILED WITH FAA
AIRCRAFT REGISTRY
APR 10 3 22 PM '78
OKLAHOMA CITY
OKLAHOMA

UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
AIRCRAFT BILL OF SALE

FORM APPROVED:
OMB NO. 04-R0076

0000000519

FOR AND IN CONSIDERATION OF \$10.00 & O.V. C.
THE
UNDERSIGNED OWNER(S) OF THE FULL LEGAL
AND BENEFICIAL TITLE OF THE AIRCRAFT DES-
CRIBED AS FOLLOWS:

UNITED STATES
REGISTRATION NUMBER **N 736UW**
AIRCRAFT MANUFACTURER & MODEL

CESSNA 172X

AIRCRAFT SERIAL No.

R1722807

DOES THIS 5th DAY OF Feb. 1979
HEREBY SELL, GRANT, TRANSFER AND
DELIVER ALL RIGHTS, TITLE, AND INTEREST
IN AND TO SUCH AIRCRAFT UNTO:

FEDERAL AVIATION
ADMINISTRATION

FEB 21 1 08 PM '79

CONVEYANCE
RECORDED

788601

Not Written In This Block
FOR FAA USE ONLY

PURCHASER

NAME AND ADDRESS
(IF INDIVIDUAL(S), GIVE LAST NAME, FIRST NAME, AND MIDDLE INITIAL.)

Johnston, James B. dba
JOHNSTON LEASING AND PROPERTY MANAGEMENT
861 East 5550 South
South Ogden, Utah 84404

Please note: This bill of sale is a third
duplicate of an original bill of sale submitted
approximately 17 Oct 1977.

DEALER CERTIFICATE NUMBER

AND TO his EXECUTORS, ADMINISTRATORS, AND ASSIGNS TO HAVE AND TO HOLD
SINGULARLY THE SAID AIRCRAFT FOREVER, AND WARRANTS THE TITLE THEREOF.

IN TESTIMONY WHEREOF WE HAVE SET OUR HAND AND SEAL THIS 5 DAY OF Feb. 79

SELLER	NAME (S) OF SELLER (TYPED OR PRINTED)	SIGNATURE (S) (IN INK) (IF EXECUTED FOR CO-OWNERSHIP, ALL MUST SIGN.)	TITLE (TYPED OR PRINTED)
	Wayne G. Simpson	<i>Wayne G. Simpson</i>	Co-Owner
	Maureen H. Simpson	<i>Maureen H. Simpson</i>	Co-Owner
	dba THE FLIGHT SCHOOL		

ACKNOWLEDGMENT (NOT REQUIRED FOR PURPOSES OF FAA RECORDING; HOWEVER, MAY BE REQUIRED
BY LOCAL LAW FOR VALIDITY OF THE INSTRUMENT.)

ORIGINAL: TO FAA

AC FORM 8090-2 (8-76) (0052-629-0002)

CONVEYANCE
FILED WITH FAA
AIRCRAFT REGISTRY
FEB 15 1 30 PM '79
OKLAHOMA CITY
OKLAHOMA

UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION

FORM APPROVED:
OMB NO. 34-R0076

AIRCRAFT BILL OF SALE

000000039

FOR AND IN CONSIDERATION OF \$10.00 & OVC
THE
UNDERSIGNED OWNER(S) OF THE FULL LEGAL
AND BENEFICIAL TITLE OF THE AIRCRAFT DES-
CRIBED AS FOLLOWS:

UNITED STATES
REGISTRATION NUMBER **N 736UW**

AIRCRAFT MANUFACTURER & MODEL
Cessna 172XP

AIRCRAFT SERIAL No.
R1722807

DOES THIS **20th** DAY OF **June** 19**78**
HEREBY SELL, GRANT, TRANSFER AND
DELIVER ALL RIGHTS, TITLE, AND INTERESTS
IN AND TO SUCH AIRCRAFT UNTO:

Do Not Write In This Block
FOR FAA USE ONLY

PURCHASER

NAME AND ADDRESS
(IF INDIVIDUAL(S), GIVE LAST NAME, FIRST NAME, AND MIDDLE INITIAL.)

**James B. Johnston dba
Johnston Leasing and Property Management**

This bill of sale is a duplicate of one
issued October 25th, 1977.

DEALER CERTIFICATE NUMBER

AND TO **his** EXECUTORS, ADMINISTRATORS, AND ASSIGNS TO HAVE AND TO HOLD
SINGULARLY THE SAID AIRCRAFT FOREVER, AND WARRANTS THE TITLE THEREOF.

IN TESTIMONY WHEREOF I HAVE SET my HAND AND SEAL THIS **20 DAY OF Jun 78**

SELLER	NAME (S) OF SELLER (TYPED OR PRINTED)	SIGNATURE (S) (IN INK) (IF EXECUTED FOR CO-OWNERSHIP, ALL MUST SIGN.)	TITLE (TYPED OR PRINTED)
	The Flight School	<i>Maurice A. Smith</i>	Owner

ACKNOWLEDGMENT (NOT REQUIRED FOR PURPOSES OF FAA RECORDING; HOWEVER, MAY BE REQUIRED
BY LOCAL LAW FOR VALIDITY OF THE INSTRUMENT.)

ORIGINAL: TO FAA

AC FORM 8050-2 (1-76) (0002-019-0002)

CONVEYANCE
FILED WITH FAA
AIRCRAFT REGISTRY
JUL 6 9 10 AM '78
OKLAHOMA CITY
OKLAHOMA

UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
AIRCRAFT BILL OF SALE

FOR AND IN CONSIDERATION OF \$10.00 & O.V.C.
THE
UNDERSIGNED OWNER(S) OF THE FULL LEGAL
AND BENEFICIAL TITLE OF THE AIRCRAFT DES-
CRIBED AS FOLLOWS:

UNITED STATES
REGISTRATION NUMBER **N 736UW**

AIRCRAFT MANUFACTURER & MODEL
CESSNA 172XP

AIRCRAFT SERIAL No.
R1722807

DOES THIS **5th** DAY OF **Feb.** 1979

HEREBY SELL, GRANT, TRANSFER AND

DELIVER ALL RIGHTS, TITLE, AND INTEREST

IN AND TO SUCH AIRCRAFT UNTO:

NAME AND ADDRESS

(IF INDIVIDUAL(S), GIVE LAST NAME, FIRST NAME, AND MIDDLE INITIAL(S))

Simpson, Wayne G. &
Simpson, Maureen H.
dba

THE FLIGHT SCHOOL
3909 Airport Road
Ogden, Utah 84403

PURCHASER

DEALER CERTIFICATE NUMBER

AND TO ~~their~~ EXECUTORS, ADMINISTRATORS, AND ASSIGNS TO HAVE AND TO HOLD
SINGULARLY THE SAID AIRCRAFT FOREVER, AND WARRANTS THE TITLE THEREOF.

IN TESTIMONY WHEREOF I HAVE SET my HAND AND SEAL THIS **5** DAY OF **Feb** 1979.

SELLER	NAME (S) OF SELLER (TYPED OR PRINTED)	SIGNATURE (S) (IN INK) (IF EXECUTED FOR CO-OWNERSHIP, ALL MUST SIGN.)	TITLE (TYPED OR PRINTED)
	TRANS-WEST AIRCRAFT SALES, INC.		
	GENE C. JONES	<i>Gene Jones</i>	Secretary

ACKNOWLEDGMENT (NOT REQUIRED FOR PURPOSES OF FAA RECORDING; HOWEVER, MAY BE REQUIRED
BY LOCAL LAW FOR VALIDITY OF THE INSTRUMENT.)

ORIGINAL: TO FAA

CONVENT PLACE
FILED WITH FAA
AIRCRAFT REGISTRY
FEB 15 1 30 PM '79
OKLAHOMA CITY
OKLAHOMA

FORM APPROVED:
OMB NO. 04-R0076

010373

0000 0070 1

**Do Not Write In This Block
FOR FAA USE ONLY**

note:
This is
and Duplicate
of original
B.O.S. Issued
OCT-1977.

The Flight School
3909 AIRPORT Road
Ogden, Utah
84403

AND TO ~~THE~~ EXECUTORS, ADMINISTRATORS, AND ASSIGNS TO HAVE AND TO HOLD SINGULARLY THE SAID AIRCRAFT FOREVER, AND WARRANTS THE TITLE THEREOF.

IN TESTIMONY WHEREOF I HAVE SET MY HAND AND SEAL THIS 11th DAY OF Dec 1978

TITLE
(TYPED OR PRINTED)

TRANS-WEST
AIRCRAFT Sales
INC.

J. H. [unclear] Pres.

ORIGINAL: TO FAA

00000000

RECEIVED
JUL 6 1976
OKLAHOMA CITY
AIRPORT

CONVEYANCE
FILED WITH FAA
AIRCRAFT REGISTRY
JUL 6 9 10 AM '76
OKLAHOMA CITY
OKLAHOMA

CERTIFIED
COPY

17071778

FORM APPROVED
OMB NO. 34-83015

DO NOT WRITE IN THIS BLOCK
FOR FAA USE ONLY

UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

AIRCRAFT BILL OF SALE

0 0 0 0 0 0 0 4 0

FOR AND IN CONSIDERATION OF \$1.00 & OVC THE
UNDERSIGNED OWNER(S) OF THE FULL LEGAL AND
BENEFICIAL TITLE OF THE AIRCRAFT DESCRIBED AS
FOLLOWS:

AIRCRAFT MAKE AND MODEL

Cessna 172 XP II

MANUFACTURER'S SERIAL NUMBER

R172-2807

NATIONALITY & REGISTRATION MARKS

U S N736UW

DOES THIS 20th DAY OF June 19 78

HERESY SELL, GRANT, TRANSFER AND
DELIVER ALL RIGHTS, TITLE, AND INTERESTS
IN AND TO SUCH AIRCRAFT UNTO:

NAME AND ADDRESS
(IF INDIVIDUAL(S), GIVE LAST NAME, FIRST NAME, AND MIDDLE INITIAL.)

The Flight School
1431-26th Street
Ogden, Utah 84401

NOTICE
THIS BILL OF SALES IS
DUPLICATE OF ONE ISSUED
October 18, 1977 *JAB*

PURCHASER

AND TO their EXECUTORS, ADMINISTRATORS, AND ASSIGNS TO HAVE AND TO HOLD
SINGULARLY THE SAID AIRCRAFT FOREVER, AND WARRANTS THE TITLE THEREOF

IN TESTIMONY WHEREOF I HAVE SET my HAND AND SEAL THIS 20th DAY OF June 9 78

SELLER	NAME (S) OF SELLER (TYPED OR PRINTED)	SIGNATURE (S) (IN BLACK INK.) (IF EXECUTED FOR CO-OWNERSHIP, ALL MUST SIGN.)	TITLE (TYPED OR PRINTED)
	Trans-West A/C Sales, Inc.	<i>JAB</i>	President

ACKNOWLEDGMENT (NOT REQUIRED FOR PURPOSES OF FAA RECORDING; HOWEVER, MAY BE REQUIRED
BY LOCAL LAW FOR VALIDITY OF THE INSTRUMENT.)

ORIGINAL: TO FAA

AC FORM 8750-2 (4-71) (2052-529-0002)

SECRET
OFFICE OF THE ATTORNEY GENERAL
STATE OF OKLAHOMA
TULSA, OKLAHOMA

CONVEYANCE
FILED WITH FAA
AIRCRAFT REGISTRY
JUL 6 9 10 AM '78
OKLAHOMA CITY
OKLAHOMA

Use of this form is not required, and it is provided solely for your convenience. It is only intended to be a suggested form of release, which, however, meets the recording requirements of the Federal Aviation Act of 1958, and the regulations issued thereunder. It is important that the form of release used by the security holder be drafted in accordance with the pertinent provisions of the law applicable under Section 508 of the Federal Aviation Act of 1958 (49 USC 1408) and to conform to the circumstances of the particular transaction. If this release form meets these requirements, you may use this copy. This form may be reproduced.

RELEASE

The undersigned (herein described as the security holder) is the true and lawful holder of the note or other evidence of indebtedness secured by a conveyance on the following described collateral:

AIRCRAFT MAKE AND MODEL

Cessna Model 172

AIRCRAFT REGISTRATION NUMBER

N 736 UW

AIRCRAFT SERIAL NUMBER

2807

ENGINE MAKE AND MODEL

ENGINE SERIAL NUMBER

PROPELLER MAKE

PROPELLER SERIAL NUMBER(S)

WHERE PARTS AND LOCATION

CONVEYANCE
RECORDED
APR 20 1 24 PM '78
FEDERAL AVIATION
ADMINISTRATION

Do Not Write In This Block
FOR FAA USE ONLY

MICROFILM CODE

2E

KE

The conveyance dated October 17, 1977, was executed by Trans West Aircraft Sales, Inc.

to _____

and assigned to N/A

This conveyance was recorded by the Federal Aviation Administration on unknown

and was assigned conveyance number unknown

I hereby certify and acknowledge that the above described collateral was released from the terms of

the conveyance on November 21, 1977

Cessna Finance Corporation

(Name of Security Holder)

SIGNATURE (In Ink) _____

Assistant Secretary

TITLE _____

ACKNOWLEDGMENT (If Required By Applicable Local Law)

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NOTE AND CHATTEL MORTGAGE 0 0 0 0 2 0 4 3

(Security Agreement)

SEE RECORDED

No. 627758

CONVEYANCE

NUMBER T83004

October 17, 19 77
\$ 26,900.20 Principal
\$ 5,824.76 Total Amount of Interest
8.7 % per annum to
October 17, 1978
(Original Interest Rate)
11.5 % per annum to
March 17, 1982
(Revised Interest Rate)
\$ 32,724.96 Total Amount Due

Instalment Payment Schedule:

One (1) instalment of \$ 2,992.80
on March 17, 1978 and
Forty-eight (48) consecutive monthly in-
stalments of \$ 619.42
each, commencing on the 17th day
of April, 19 78
and on the same day of each subsequent
month until this Note and Chattel Mortgage
is paid in full. *

* (Computations assume all payments are made on the due dates. Late payments continue to accrue Interest at the Original and/or Revised Rate as applicable. The first instalment includes a Principal payment of \$ 2,800.20 plus one month's Interest at the Original Rate, the next eight (8) instalments include a Principal payment and Interest on the unpaid Principal at the Original Rate and the next forty (40) instalments include a Principal payment and Interest on the unpaid Principal at the Revised Rate)

Aircraft:

1978 Year
Cessna Make
172 Model
N736UW Registration
R172-2807 Serial No.

Optional equipment now installed:

Detectors, Navigational Lights
Light, Map
Light, Omni Flash Beacon
Lights, Instrument Post
Lights, Landing Dual Cowl Mounted
Lights, Strobe
Locator Beacon

Aircraft base:

Salt Lake City Municipal Airport
Salt Lake City, Utah

FOR VALUE RECEIVED, the undersigned Borrower (if more than one, such term when used herein shall refer to them individually and collectively) promises to pay to the order of CESSNA FINANCE CORPORATION ("CFC") at 3900 East MacArthur Road, Wichita, Kansas 67201 (P.O. Box 308) the Total Amount Due on the dates and in the amounts shown on the Instalment Payment Schedule. This Note and Chattel Mortgage shall not bear Interest if the Principal is paid in full on or before February 17, 1978. Should the herein described Aircraft be put into a flight status before March 17, 1978 (which shall only be with prior written notice to CFC), then Borrower promises to make consecutive monthly payments on the 17th day of each month up to and including March 17, 1978 at the rate of Ten and 96/100 Dollars (\$ 10.96) per hour for each hour the Aircraft is flown and with each payment to certify the hours the said Aircraft has been flown, such monthly payments to be applied against the first Instalment shown on the Instalment Payment Schedule. Borrower recognizes that prior to October 17, 1978 Interest on the unpaid Principal is computed at the Original Rate and thereafter at the Revised Rate and agrees to pay such Interest, all of which is included in the payments set forth in the Instalment Payment Schedule. Borrower agrees that Instalment payments shall be applied first to accrued Interest and the remainder to the unpaid Principal. If any Instalment is not paid by the due date, then the unpaid Principal shall continue to accrue Interest at the applicable rate indicated above until such Instalment or Instalments are paid. Failure to pay any Instalment when due shall, at the election of CFC, without demand or notice of any kind, mature the whole amount of the unpaid Principal and accrued Interest and such amounts shall be immediately due and payable. The unpaid Principal shall continue to accrue Interest at the applicable Rate indicated above until paid. In the event the Borrower sells or otherwise disposes of the Aircraft (which shall only be on the conditions herein set forth) the unpaid Principal and accrued Interest shall be due and remitted to CFC so as to be received within three (3) days of such event. If Borrower pays each Instalment when due and pays the unpaid Principal in full by May 17, 1978, Interest will be recomputed from February 17, 1978 to the prepayment date at the rate of Seven and 95/100 percent (7.95 %) per annum. Borrower may prepay this Note and Chattel Mortgage at any time without penalty in which event credit will be given for unearned Interest.

BORROWER, ENDORSERS AND GUARANTORS severally waive demand, presentment for payment, notice of dishonor or non-payment, protest, notice of protest and all other notices whatsoever.

To secure the payment of this Note and any future advances for equipment added to the Aircraft and evidenced by new Note(s) ("New Note(s)") and all other sums and obligations of the Borrower hereunder and all other present or future indebtedness of Borrower to CFC, howsoever created, arising or evidenced, due or to become due, and any renewals and extensions thereof and substitutions therefor, the Borrower mortgages to CFC and hereby grants to CFC a security interest in the herein described Aircraft together with all equipment and accessories now attached thereto or used in connection therewith and all future additions or replacements made to or upon said Aircraft (the "Aircraft") and all proceeds thereof, if any.

Borrower agrees that if any future advances for equipment added to the Aircraft as above set forth shall be made that the indebtedness covered by this Note and Chattel Mortgage and any New Note(s) shall be combined and that all payments made by Borrower hereunder or under such New Note(s) shall be credited to said single debt and that for all purposes of this Note and Chattel Mortgage (Security Agreement) this Note and Chattel Mortgage and any New Note(s) shall constitute and be one indebtedness.

BORROWER AND CFC UNDERSTAND AND AGREE THAT THE TERMS, CONDITIONS AND AGREEMENTS ON THE REVERSE SIDE HEREOF ARE HEREBY INCORPORATED BY REFERENCE AND CONSTITUTE A PART OF THIS AGREEMENT.

EXECUTED as of the date first above set forth, in triplicate originals, one of said originals being delivered to Borrower, the receipt of which is hereby acknowledged.

Trans West Aircraft Sales, Inc.

2382 West 580 North

Salt Lake City, Utah 84116

CESSNA FINANCE CORPORATION

By: [Signature] Ass't Sec.

INSTRUCTIONS:
Sign all copies in ink - NO CARBON SIGNATURES. Names and signatures on this Mortgage MUST agree exactly with the aircraft registration. Instruct insurance underwriter to give CFC written notice of full hull and breach of warranty coverages.

Form AC-18 POA
4-77 3M
Studio One

FAA Copy

TERMS, CONDITIONS AND AGREEMENTS

The Aircraft is hereby mortgaged to CFC for the purpose of securing in the order named:

First: The payment of all indebtedness evidenced by and according to the terms of the Note and all renewals and extensions thereof and any future advances for equipment added to the Aircraft and evidenced by New Note(s).

Second: The prompt and faithful discharge and performance of each agreement of the Borrower herein contained made with or for the benefit of CFC in connection with the indebtedness to secure which the mortgage and security interest has been made and granted to CFC, and the repayment of all sums expended or advanced by CFC for the maintenance or preservation of the Aircraft or in enforcing its rights hereunder.

Third: To the payment of other indebtedness of Borrower to CFC secured hereby in such order of application as CFC may from time to time select.

Borrower hereby declares and warrants to CFC that Borrower is the absolute owner of the legal and beneficial title to the Aircraft and is in possession thereof, that the same is free and clear of all liens, encumbrances and adverse claims of whatsoever kind or nature, and that the Aircraft is in flyable condition and currently licensed by the Federal Aviation Administration.

Any extensions, endorsements or assignments of this Note and Chattel Mortgage or any New Note(s) by CFC shall not waive any provision hereof. The Aircraft shall at all times be at Borrower's risk, and any loss, injury, damage to or destruction of the Aircraft shall not release Borrower's obligations under this Note and Chattel Mortgage or any New Note(s). As long as this Note and Chattel Mortgage or any New Note(s) are in effect, Borrower agrees not to dispose of said Aircraft or any interest therein, whether by sale, lease or otherwise, without the prior written consent of CFC, that Borrower will not encumber or permit said Aircraft to be encumbered with any other lien or security interest, will comply with and not use the Aircraft in violation of any laws and regulations of the United States, the several states or municipalities thereof or any foreign jurisdiction applicable to said Aircraft and the insurance policies covering said Aircraft and will at all times keep CFC informed of the whereabouts of said Aircraft. In the event of sale of the Aircraft, which shall only be with CFC's prior written consent as above set forth, Borrower will forthwith pay to CFC all sums due under this Note and Chattel Mortgage and any New Note(s) and until so paid such portion of the selling price shall be held by Borrower in trust for CFC and Borrower shall not commingle said funds with any other funds, or use said funds for any purpose or exercise any dominion over said funds except as trustee for CFC. Borrower further agrees to furnish CFC such reports concerning the Aircraft as CFC may require.

Borrower agrees to pay all taxes accruing upon the Aircraft and arising out of the use thereof or upon this Mortgage, Note, New Note(s) or debt, and to keep said Aircraft in good repair and in an airworthy condition at Borrower's expense.

Notwithstanding the other terms, conditions and agreements herein contained, Borrower and CFC agree the Aircraft shall not be flown by anyone for any purpose, except the initial ferry flight, prior to the due date of the first Instalment as shown in the Instalment Schedule, unless Borrower notifies CFC the Aircraft is to be flown, in which event Borrower agrees to make the payments as set forth on the face hereof. At all times during the term of this Agreement Borrower agrees, at Borrower's expense, to keep the Aircraft insured against fire, theft and against all damage while in flight or on the ground, all such insurance to be in form, manner, amount and type required by and satisfactory to CFC and to furnish CFC evidence of such insurance. Breach of this provision shall constitute a default hereunder and in addition to other available remedies, Borrower shall be liable to CFC for any loss or damage to the Aircraft resulting from such breach.

CFC shall have the right at its option to pay for insurance, taxes and for any necessary repairs to the Aircraft if Borrower shall fail to do so and the amount so paid and any other sums paid by CFC and chargeable to Borrower hereunder shall be an additional lien on and security interest in the Aircraft and added to the amounts secured by these presents, and payable upon demand with interest at the highest contractual rate permitted by law. Any sums which might at any time be in the possession of CFC which might be due to Borrower shall be held without any interest accruing thereupon.

Borrower agrees upon demand of CFC to furnish CFC evidence satisfactory to CFC that the Federal Aviation Administration records show the Aircraft to be registered in the name of Borrower and that title is free of all security interests, liens and encumbrances, except this Note and Chattel Mortgage, and Borrower agrees at Borrower's expense to take such steps as may be necessary to cause any other security interests, liens or encumbrances, if any, to be removed so that the Federal Aviation Administration records show title of Borrower to be free and clear of all security interests, liens and encumbrances except this Note and Chattel Mortgage.

It is hereby agreed that if default be made in the payment of any part of the Principal and Interest on the Note or any New Note(s), at the times and in the manner specified, or if any breach be made of any obligation or promise of the Borrower, herein contained or hereby secured, or if Borrower shall become insolvent, commit an act of bankruptcy, or if bankruptcy proceedings are begun by or against Borrower, or if a receiver is appointed for Borrower, or if for any reason CFC shall deem itself insecure, then in any of those events, CFC shall forthwith be entitled to possession of the Aircraft and the whole principal sum unpaid under the Note or any New Note(s) and secured hereby, with interest accrued thereon and any sums advanced under the terms of this Note and Chattel Mortgage shall become due and payable at the option of CFC without demand or notice to Borrower, and CFC may at its option and it is hereby empowered to do so, without rescinding this Note and Chattel Mortgage, take possession of the said Aircraft without demand or notice to Borrower, demand and notice being expressly waived, and with or without a foreclosure action, and Borrower hereby agrees to deliver possession of said Aircraft to CFC, without necessity of legal action to recover possession, and CFC may retain all money paid thereon, not by way of penalty, but for liquidated damages or for rent, use and depreciation of the aircraft, and it shall be lawful for CFC, with the aid and assistance of, any persons, without notice to Borrower, the same being expressly waived, to enter the premises where the Aircraft is or may be found, without liability for trespass for so entering and to seize, remove the Aircraft to any place it sees fit, sell and dispose of the same at public or private sale, for credit or cash, for the account of Borrower, in such manner and at such time and place as CFC shall deem most advisable for the best interests of the parties, and authority is expressly given to CFC to bid at any such sale, for said sale to be held or made at any place within or without the county or state where this Note and Chattel Mortgage was executed or where the Aircraft was at any time located and Borrower hereby waives any demand for performance, and the Aircraft may be sold without being physically present at said sale (If the Aircraft is to be sold at private sale, CFC shall give at least five (5) days' notice of the time after which such private sale may be made, such notice being stipulated by the parties to be reasonable.) CFC is expressly given the right to execute and deliver to the purchaser at any such sale, such instruments as may be required by law to transfer title to the Aircraft to said purchaser. The proceeds of any such sale shall be applied first to the payment of all expenses incurred by CFC in pursuing, taking possession of, keeping, removing and selling said Aircraft, including a reasonable commission for selling said Aircraft, and the expenses of liquidating any liens or claims upon said Aircraft, and all necessary expenses made for repairs so that said Aircraft may be sold to the best advantage and all court costs and attorneys' fees, if any are incurred, (when allowed by statute and at the highest rate allowable) then to payment of indebtedness owing by Borrower to CFC under the terms of this Note and Chattel Mortgage and any New Note(s), then to the payment of other indebtedness of Borrower to CFC secured hereby, and the balance, if any shall be paid to Borrower. If for any cause the said Aircraft shall fail to satisfy the amount due under this Note and Chattel Mortgage and any New Note(s), interest, costs, attorneys' fees, and other charges as aforesaid, the Borrower hereby covenants and agrees to forthwith pay the deficiency, and CFC is entitled to sue for any such deficiency in further consideration of the rent, use and depreciation of the Aircraft, notwithstanding CFC's exercise of its option to repossess and sell the Aircraft as aforesaid, and in case of suit to recover all costs and attorneys' fees. Borrower hereby waives all claims, damages, and demands against CFC arising out of the repossession, retention, reparation and sale as aforesaid.

Whenever CFC deems itself insecure, Borrower shall, at CFC's request, provide additional collateral satisfactory to CFC as security for performance of all Borrower's obligations hereunder and in connection therewith execute all documents as requested by CFC.

Time is of the essence of this Note and Chattel Mortgage and any New Note(s). The acceptance of any payment after Borrower's default, or any overdue payment, or the granting of any renewals or extensions, or the retaking and redelivery to Borrower, shall not operate as a waiver of any rights of CFC hereunder, and CFC shall be entitled to declare a forfeiture. The acceptance of part of the indebtedness owing from the Borrower to CFC hereunder when past due, shall not relieve Borrower of the obligation to make subsequent payments when due.

If this Note and Chattel Mortgage and any New Note(s) are placed in the hands of an attorney for enforcement or collection or if suit is filed thereon, Borrower shall be liable to CFC for all costs and reasonable attorney fees, where authorized by law and at the highest allowable rate.

CFC shall have the right to enforce any one or more remedies hereunder, either successively or concurrently, and such action shall not operate to bar or estop CFC from pursuing any other remedies that CFC may have hereunder, or otherwise, and any repossession or retaking of all or any part of the Aircraft, whether temporary or otherwise, or any sale thereof pursuant to the terms hereof, shall not operate to release or discharge Borrower until payment of the indebtedness due under this Note and Chattel Mortgage and any New Note(s) shall have been made in cash as herein agreed.

Any notice not hereinbefore waived may be mailed to the Borrower at the above address by United States Mail, postage prepaid, and the same shall be due notice to the Borrower irrespective of any change of business address or place of residence of Borrower.

This Note and Chattel Mortgage and any New Note(s) constitute the entire and exclusive agreement between the parties hereto with respect to the Aircraft, and no waiver or change in the terms of this Note and Chattel Mortgage shall be binding upon CFC unless evidenced in writing hereon and signed by CFC. No warranties, representations, promises or statements shall be binding upon CFC unless written hereon and signed by CFC.

As this Note and Chattel Mortgage is given in connection with a loan and mortgage secured by a civil aircraft of the United States, which may from time to time be removed from place to place in the United States, it is agreed that the construction, interpretation and validity of this Note and Chattel Mortgage and any New Note(s) shall be determined and be in accordance with, and this Note and Chattel Mortgage and any New Note(s) shall be governed by the laws of the State of Kansas, the same if the Note and Chattel Mortgage and any New Note(s) were between two parties who are residents of the State of Kansas and whose chief places of business are in the State of Kansas.

All terms, provisions, conditions and agreements herein contained shall be binding upon and shall inure to the benefit of the respective heirs, representatives, successors and assigns of the Borrower and CFC.

OKLAHOMA CITY, OKLA.
OCT 26 1 27 PM '77
FAN AIRCRAFT
CONVEYANCE FILED WITH

FAA FORM NO. 04-R0169; APPROVAL EXPIRES SEPTEMBER 30, 1972

This form is not required, and it is provided solely for your convenience. It is only to be a suggested form of release, which, however, meets the recording requirements of the Federal Aviation Act of 1958, and the regulations issued thereunder. It is important that the release used by the security holder be drafted in accordance with the pertinent law applicable under Section 508 of the Federal Aviation Act of 1958 (49 USC 1708) to conform to the circumstances of the particular transaction. If this release form meets the requirements, you may use this copy. This form may be reproduced.

RELEASE

Released (herein described as the security holder) is the true and lawful holder of the evidence of indebtedness secured by a conveyance on the following described

MAKE AND MODEL

Cessna Model R 172

REGISTRATION NUMBER

N 736 UW

AIRCRAFT SERIAL NUMBER

2807

MAKE AND MODEL

ENGINE SERIAL NUMBER

MAKE

PROPELLER SERIAL NUMBER(S)

ADDRESS AND LOCATION

FEDERAL AVIATION
ADMINISTRATION

NOV 16 9 07 AM '77

CONVEYANCE
RECORDED

Do Not Write In This Block
FOR FAA USE ONLY

MICROFILM CODE

2E

KE

Conveyance dated October 14, 1977, was executed by Skyways, Inc.

to Cessna Finance Corporation

and assigned to N/A

Conveyance was recorded by the Federal Aviation Administration on Unknown

Unknown

and was assigned conveyance number _____

by certify and acknowledge that the above described collateral was released from the terms of

Conveyance on OCT 27 1977

Cessna Finance Corporation

(Name of Security Holder)

SIGNATURE (In Ink) _____

TITLE _____

Assistant Secretary

ACKNOWLEDGMENT (If Required By Applicable Local Law)

previous edition

C

FAA AC 66-3539

OKLAHOMA CITY, OKLA.
AIRCRAFT REGISTRY

OCT 31 12 10 PM '77

OKLAHOMA CITY, OKLA.

NOTE AND CHATTEL MORTGAGE (Security Agreement)

0 0 0 0 1 8 8 8

SEE RECORDED
CONVEYANCE
NUMBER 203689

213708

24,854.20

October 14, 1977

FOR VALUE RECEIVED, the undersigned Borrower (if more than one, such term when used herein shall refer to them individually and jointly) promises to pay to the order of CESSNA FINANCE CORPORATION ("CFC") at 3900 East MacArthur Road, Wichita, Kansas 67201 Box 308) the Principal sum of **Twenty Four Thousand Eight Hundred Fifty Four & 20/100**

----- Dollars (\$ **24,854.20**) plus interest at the

Eight & 34/100 percent (**8.34** %) per annum on the unpaid portion of the Principal as follows: Borrower agrees to pay

on the unpaid Principal on the last day of each month during the term hereof (ii) five percent (5%) of the original Principal on **14** **19** **78** and (iii) additional instalments of five percent (5%) of the original Principal on the same day of each successive third

month thereafter until the Principal is paid in full. When not in default of payment hereunder, if Borrower prepays the Principal in full within **45** days (45) of the date hereof interest will be recomputed at the rate of **Seven & 34/100** percent (**7.34** %) per annum

from the date hereof to the date of prepayment or if Borrower prepays the Principal in full after forty-five (45) days from the date hereof but within ninety

days of said date, interest will be recomputed at the rate of **Seven & 84/100** percent (**7.84** %) per annum from the date of prepayment.

In the event the Borrower sells, leases or otherwise disposes of the aircraft described herein (which disposition shall only be on the conditions

set forth) the unpaid Principal with accrued interest at the rate first described above shall be due immediately and remitted to CFC so as to be

not later than three (3) days after the date of such disposition.

If any instalment of Principal or interest due hereunder is not paid by the due date, then the unpaid Principal shall continue to accrue interest from

the date first described above until such instalment or instalments are paid. Failure to pay any instalment of Principal or interest when due

at the election of CFC, without demand or notice of any kind, accelerate the maturity of the whole amount of the Principal unpaid, and the unpaid

Principal shall be immediately due and payable with accrued interest at the rate first described above and the unpaid Principal shall continue to accrue

at said rate until paid.

Borrower, ENDORSERS AND GUARANTORS severally waive demand, presentment for payment, notice of dishonor or non-payment, notice of protest and all other notices whatsoever.

To secure the payment of this Note and all other sums and obligations of the Borrower hereunder and all other present or future indebtedness of

the CFC howsoever created, arising or evidenced, due or to become due, and any renewals and extensions thereof and substitutions therefor, the

Borrower mortgages to CFC and hereby grants to CFC a security interest in the following described aircraft together with all equipment and accessories

thereto or used in connection therewith and all future additions or replacements made to or upon said aircraft (the "Aircraft") and all

thereof, if any:

Make	Model	FAA Registration	Serial No.
Cessna	B172	N736UW	R1722807

Equipment now installed:

factory invoice copy of which will be furnished by mortgagee upon request of any

interested party.

Portland-Troutdale Troutdale Oregon

Airport City State

OVER AND CFC UNDERSTAND AND AGREE THAT THE TERMS, CONDITIONS AND AGREEMENTS ON THE REVERSE SIDE

HEREBY INCORPORATED BY REFERENCE AND CONSTITUTE A PART OF THIS AGREEMENT.

EXECUTED as of the date first above set forth, in triplicate originals, one of said originals being delivered to Borrower, the receipt of which is

hereby acknowledged.

CESSNA FINANCE CORPORATION

BY: [Signature] Ass't.-Sec.

(Signature) (Title)

Skyways, Inc.

(Borrower)

Portland-Troutdale Airport

(Street Address)

Troutdale Oregon 97060

(City) (State) (Zip Code)

By: Cessna Finance Corporation-Attorney in Fact

BY: [Signature] Ass't.-Sec.

(Signature) (Title)

INSTRUCTIONS

Sign all copies in ink - NO CARBON SIGNATURES. Names and signatures on this Mortgage MUST agree exactly with the aircraft registration. Instruct insurance underwriter to give CFC written notice of full hull and breach of warranty coverages.

127 2071 2005.004

TERMS, CONDITIONS AND AGREEMENTS

The Aircraft is hereby mortgaged to CFC for the purpose of securing in the order named:

First: The payment of all indebtedness evidenced by and according to the terms of the Note and all renewals and extensions thereof.

Second: The prompt and faithful discharge and performance of each agreement of the Borrower herein contained made with or for the benefit of in connection with the indebtedness to secure which the mortgage and security interest has been made and granted to CFC, and the repayment of all expended or advanced by CFC for the maintenance or preservation of the Aircraft or in enforcing its rights hereunder.

Third: To the payment of other indebtedness of Borrower to CFC secured hereby in such order of application as CFC may from time to time select. Borrower hereby declares and warrants to CFC that Borrower is the absolute owner of the legal and beneficial title to the Aircraft and is in possession thereof, that the same is free and clear of all liens, encumbrances and adverse claims of whatsoever kind or nature, that the Aircraft is in flyable condition and is currently licensed by the Federal Aviation Administration.

Any extensions, endorsements or assignments of this Note and Chattel Mortgage by CFC shall not waive any provision hereof. The Aircraft at all times be at Borrower's risk, and any loss, injury, damage to or destruction of the Aircraft shall not release Borrower's obligations under this Note and Chattel Mortgage. As long as this Note and Chattel Mortgage is in effect, Borrower agrees not to dispose of said Aircraft or any interest therein, whether by sale, lease or otherwise, without the prior written consent of CFC, that Borrower will not encumber or permit said Aircraft to be encumbered with any other lien or security interest, will comply with and not use the Aircraft in violation of any laws and regulations of the United States, the several municipalities thereof or any foreign jurisdiction applicable to said Aircraft and the insurance policies covering said Aircraft and will at all times keep CFC informed of the whereabouts of said Aircraft. In the event of sale of the Aircraft, which shall only be with CFC's prior written consent as set forth, Borrower will forthwith pay to CFC all sums due under this Note and Chattel Mortgage and until so paid such portion of the selling price as may be held by Borrower in trust for CFC and Borrower shall not commingle said funds with any other funds, or use said funds for any purpose or extend dominion over said funds except as trustee for CFC. Borrower further agrees to furnish CFC such reports concerning the Aircraft as CFC may require.

Borrower agrees to pay all taxes accruing upon the Aircraft and arising out of the use thereof or upon this Mortgage, Note or debt, keep said Aircraft in good repair and in an airworthy condition at Borrower's expense, and keep the Aircraft insured against fire, theft and against all damage while in or on the ground, all such insurance to be in form, manner, amount and type required by and satisfactory to CFC. CFC shall have the right at its option to pay for insurance, taxes and for any necessary repairs to the Aircraft if Borrower shall fail to do so and the amount so paid and any other sums paid and chargeable to Borrower hereunder shall be an additional lien on and security interest in the Aircraft and added to the amounts secured by this Note and Chattel Mortgage, and payable upon demand with interest at the highest contractual rate permitted by law. Any sums which might at any time be in the possession of CFC which might be due to Borrower shall be held without any interest accruing thereupon.

Borrower agrees upon demand of CFC to furnish CFC evidence satisfactory to CFC that the Federal Aviation Administration records show the Aircraft to be registered in the name of Borrower and that title is free of all security interests, liens and encumbrances, except this Note and Chattel Mortgage, and Borrower agrees at Borrower's expense to take such steps as may be necessary to cause any other security interests, liens and encumbrances, if any, to be removed so that the Federal Aviation Administration records show title of Borrower to be free and clear of all security interests, liens and encumbrances except this Note and Chattel Mortgage.

It is hereby agreed that if default be made in the payment of any part of the Principal and interest on the Note, at the times and in the manner, or if any breach be made of any obligation or promise of the Borrower, herein contained or hereby secured, or if Borrower shall become insolvent, or commit an act of bankruptcy, or if bankruptcy proceedings are begun by or against Borrower, or if a receiver is appointed for Borrower, or if for any reason CFC shall deem itself insecure, then in any of those events, CFC shall forthwith be entitled to possession of the Aircraft and the whole sum unpaid under the Note and secured hereby, with interest accrued thereon and any sums advanced under the terms of this Note and Chattel Mortgage shall become due and payable at the option of CFC without demand or notice to Borrower, and CFC may at its option and it is hereby empowered without rescinding this Note and Chattel Mortgage, take possession of the said Aircraft without demand or notice to Borrower, demand and notice being expressly waived, and with or without a foreclosure action, and Borrower hereby agrees to deliver possession of said Aircraft to CFC, without the necessity of legal action to recover possession, and CFC may retain all money paid thereon, not by way of penalty, but for liquidated damages or for reimbursement of depreciation of the Aircraft, and it shall be lawful for CFC, with the aid and assistance of any persons, without notice to Borrower, the same being expressly waived, to enter the premises where the Aircraft is or may be found, without liability for trespass for so entering and to seize, remove the Aircraft to any place it sees fit, sell and dispose of the same at public or private sale, for credit or cash, for the account of Borrower, in such manner and at such time and place as CFC shall deem most advisable for the best interests of the parties, and authority is expressly given to CFC to bid at any public sale for said sale to be held or made at any place within or without the county or state where this Note and Chattel Mortgage was executed or where the Aircraft was at any time located and Borrower hereby waives any demand for performance, and the Aircraft may be sold without being physically present (If the Aircraft is to be sold at private sale, CFC shall give at least five (5) days' notice of the time after which such private sale may be made, notice being stipulated by the parties to be reasonable.) CFC is expressly given the right to execute and deliver to the purchaser at any such sale all instruments as may be required by law to transfer title to the Aircraft to said purchaser. The proceeds of any such sale shall be applied first to the payment of all expenses incurred by CFC in pursuing, taking possession of, keeping, removing and selling said Aircraft, including a reasonable commission on the sale of said Aircraft, and the expenses of liquidating any liens or claims upon said Aircraft, and all necessary expenses made for repairs to said Aircraft may be sold to the best advantage and all court costs and attorneys' fees, if any are incurred, (when allowed by statute and at the rate then allowable) then to payment of indebtedness owing by Borrower to CFC under the terms of this Note and Chattel Mortgage, then to the payment of indebtedness of Borrower to CFC secured hereby, and the balance, if any shall be paid to Borrower. If for any cause the said Aircraft shall fail to sell, the amount due under this Note and Chattel Mortgage, interest, costs, attorneys' fees, and other charges as aforesaid, the Borrower hereby agrees to forthwith pay the deficiency, and CFC is entitled to sue for any such deficiency in further consideration of the rent, use and depreciation of the Aircraft, notwithstanding CFC's exercise of its option to repossess and sell the Aircraft as aforesaid, and in case of suit to recover all costs and attorneys' fees. Borrower hereby waives all claims, damages, and demands against CFC arising out of the repossession, retention, reparation and sale of the Aircraft. Whenever CFC deems itself insecure, Borrower shall, at CFC's request, provide additional collateral to CFC as security for the performance of Borrower's obligations hereunder and in connection therewith execute all documents as required by CFC.

Time is of the essence of this Note and Chattel Mortgage. The acceptance of any payment after Borrower's default, or any overdue payment, or the granting of any renewals or extensions, or the retaking and redelivery to Borrower, shall not operate as a waiver of any rights of CFC hereunder and CFC shall be entitled to declare a forfeiture. The acceptance of part of the indebtedness owing from the Borrower to CFC hereunder when past due, shall not relieve Borrower of the obligation to make subsequent payments when due.

If this Note and Chattel Mortgage is placed in the hands of an attorney for enforcement or collection or if suit is filed thereon, Borrower shall be liable to CFC for all costs and reasonable attorney fees where authorized by law and at the highest allowable rate.

CFC shall have the right to enforce any one or more remedies hereunder, either successively or concurrently, and such action shall not operate to release or estop CFC from pursuing any other remedies that CFC may have hereunder, or otherwise, and any repossession or retaking of all or any part of the Aircraft, whether temporary or otherwise, or any sale thereof pursuant to the terms hereof, shall not operate to release or discharge Borrower until payment of the indebtedness hereby secured shall have been made in cash as herein agreed.

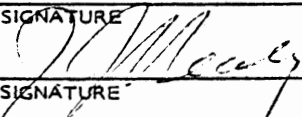
Any notice not hereinbefore waived may be mailed to the Borrower at the above address by United States Mail, postage prepaid, and the same shall be due notice to the Borrower irrespective of any change of business address or place of residence of Borrower.

This Note and Chattel Mortgage constitute the entire and exclusive agreement between the parties hereto with respect to the Aircraft, and no waiver or change in the terms of this Note and Chattel Mortgage shall be binding upon CFC unless evidenced in writing hereon and signed by CFC. No warranties, representations, promises or statements shall be binding upon CFC unless written hereon and signed by CFC.

As this Note and Chattel Mortgage is given in connection with a loan and mortgage secured by a civil aircraft of the United States, which may from time to time be removed from place to place in the United States, it is agreed that the construction, interpretation and validity of this Note and Chattel Mortgage shall be determined and be in accordance with, and this Note and Chattel Mortgage shall be governed by, the laws of the State of Kansas, the same if the Note and Chattel Mortgage were between parties who are residents of the State of Kansas and whose chief places of business are in the State of Kansas.

All terms, provisions, conditions and agreements herein contained shall be binding upon and shall inure to the benefit of the respective heirs, representatives, successors and assigns of the Borrower and CFC.

DEPARTMENT	AIRCRAFT
UNIT	REGISTERED
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AIRCRAFT	
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EACH PART OF THIS APPLICATION MUST BE SIGNED IN INK.	
NOTE	
AC FOR	

UNITED STATES OF AMERICA DEPARTMENT OF TRANSPORTATION - FEDERAL AVIATION ADMINISTRATION AIRCRAFT REGISTRATION APPLICATION			0000002041 CERT. ISSUE DATE 10420 '78
UNITED STATES REGISTRATION NUMBER N - 736UW			FOR FAA USE ONLY
AIRCRAFT MANUFACTURER & MODEL Cessna 172 XP			
AIRCRAFT SERIAL No. R172- 2807			
TYPE OF REGISTRATION (Check one box)			
<input type="checkbox"/> 1. Individual <input type="checkbox"/> 2. Partnership <input checked="" type="checkbox"/> 3. Corporation <input type="checkbox"/> 4. Co-Owner <input type="checkbox"/> 5. Gov't.			
NAME OF APPLICANT (Person(s) shown on evidence of ownership. If individual, give last name, first name, and middle initial.) <div style="text-align: center; padding: 10px;"> Trans-West Aircraft Sales, Inc. </div>			
ADDRESS (Permanent mailing address for first applicant listed.) Number and street: 2382 W. 580 North Rural Route: _____ P. O. Box: _____			
CITY	STATE	ZIP CODE	
Salt Lake City	Utah	84116	
<input type="checkbox"/> CHECK HERE IF YOU ARE ONLY REPORTING A CHANGE OF ADDRESS			
ATTENTION! Read the following statement before signing this application. A false or dishonest answer to any question in this application may be grounds for punishment by fine and/or imprisonment (U.S. Code, Title 18, Sec. 1001).			
CERTIFICATION			
WE CERTIFY that the above described aircraft (1) is owned by the undersigned applicant(s), who is/are citizen(s) of the United States as defined in Sec. 101(13) of the Federal Aviation Act of 1958; (2) is not registered under the laws of any foreign country; and, (3) legal evidence of ownership is attached or has been filed with the Federal Aviation Administration.			
NOTE: If executed for co-ownership all applicants must sign. Use reverse side if necessary.			
EACH PART OF THIS APPLICATION MUST BE SIGNED IN INK.	SIGNATURE	TITLE	DATE
		Assistant Secretary	Oct. 17, 1977
	SIGNATURE	TITLE	DATE
SIGNATURE	TITLE	DATE	
NOTE: Pending receipt of the Certificate of Aircraft Registration, the aircraft may be operated for a period not in excess of 90 days, during which time the PINK copy of this application must be carried in the aircraft, together with an appropriate and current airworthiness certificate or a special flight permit.			

MICROFILM CODE

1C JC

NOV 3 9 40 AM '77
FEDERAL AVIATION
ADMINISTRATION
COMPTANCE
RECEIVED

100320

\$10.00 and other consideration
and in consideration of \$ the undersigned owner(s)
the full legal and beneficial title of the aircraft described as follows:

AFT MAKE AND MODEL
CESSNA 172 XP II

FACTURER'S SERIAL NUMBER	NATIONALITY AND REGISTRATION MARKS
RL72-2807	U.S. N736UW

this 17th day of October 1977, hereby sell, grant, transfer
deliver all rights, title, and interests in and to such aircraft unto:

NAME AND ADDRESS
(If individual(s), give last name, first name, and middle initial)

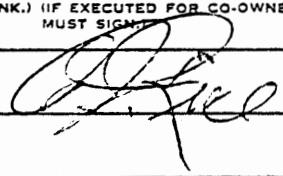
Trans West Aircraft Sales, Inc.
2382 West 580 North
Salt Lake City, Utah 84116

to its executors, administrators, and assigns to have and to hold singularly the said aircraft forever, and
as that same is not subject to any mortgage or other encumbrance except:

OF ENCUMBRANCE	AMOUNT	DATED

FOR OF

Timony whereof we have set out and seal this 17th day of October 19 77

NAME(S) (TYPED OR PRINTED)	SIGNATURE(S) (IN INK.) (IF EXECUTED FOR CO-OWNERSHIP, ALL MUST SIGN)	TITLE (IF SIGNED FOR A CORPORATION, PARTNERSHIP, OWNER, OR AGENT.)
SKYWAYS, INC.		President

OWLEDGMENT (Not required for purposes of FAA recording; however, may be required by local law for validity of the instrument.)

(SEAL) State of _____ On this _____ day of _____ 19 _____
County of _____ before me personally appeared the above named
and acknowledged that he executed the same as his free act and deed, and, if said bill of
sale be that of a corporation swore that he was duly authorized to execute the same.
Given under my hand and official seal the day and year written above.

10-10-77

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OKLAHOMA CITY, OKLA.

OCT 26 1 27 PM '77

FAA AIRCRAFT REGISTRY
CONVANCE FILED WITH

AIRCRAFT BILL OF SALE

Do not write in this block -
for FAA use only.

NOV 4 3 00 PM '77
FEDERAL AVIATION
ADMINISTRATION
COMMUNICATIONS

6167213

For and in consideration of \$1.00 and other valuable consideration the undersigned owner of the full legal and beneficial title of the aircraft described as follows:

Aircraft Make and Model

CESSNA R172K

Manufacturer's Serial Number

R1722807

Nationality and Registration Marks

US N736UW

Sells this 14th day of October 19 77, hereby sell, grant, transfer and deliver all rights, title and interests in and to such aircraft unto:

NAME AND ADDRESS

SKYWAYS INC
Portland-Troutdale Airport
Troutdale Oregon 97060

DEALER

Sold to its executors, administrators, and assigns to have and to hold singularly the said aircraft forever, and warrants the title thereof.

Testimony whereof we have set our hand and seal this 14th day of October 19 77

NAME

SIGNATURE

TITLE

THE CESSNA AIRCRAFT COMPANY



R D Moneyhun, Manager
Customer Accounting

OKLAHOMA CITY, OKLAHOMA

JUL 20 11 43 AM '77

RECEIVED JUL 20 1977

DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION
APPLICATION FOR AIRWORTHINESS CERTIFICATE

INSTRUCTIONS—Print or type. Do not write in shaded areas; these are for FAA use only. Submit original only to an authorized FAA Representative. If additional space is required, use an attachment. For special flight permits complete Sections II and VI or VII as applicable.

1. REGISTRATION MARK N736UW	2. AIRCRAFT BUILDER'S NAME (make) Cessna	3. AIRCRAFT MODEL DESIGNATION R172K	4. YR. MFG. 1977	FAA CODING 2072431
5. AIRCRAFT SERIAL NO. R1722807	6. ENGINE BUILDER'S NAME (make) Continental	7. ENGINE MODEL DESIGNATION IO-360-K	17025	
8. NUMBER OF ENGINES ONE	9. PROPELLER BUILDER'S NAME (make) McCauley	10. PROPELLER MODEL DESIGNATION 2A34C203/90DCA-14	11. AIRCRAFT IS: IMPORT	

APPLICATION IS HEREBY MADE FOR: (Check applicable items)

A	1	X	STANDARD AIRWORTHINESS CERT. (Indicate category)	X	NORMAL	X	UTILITY		ACROBATIC		TRANSPORT		GLIDER		BALLOON
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B SPECIAL AIRWORTHINESS CERTIFICATE (Check appropriate items)

2	LIMITED	1	CLASS I				
5	PROVISIONAL (Indicate class)	2	CLASS II				
3	RESTRICTED (Indicate operation(s) to be conducted)	1	AGRICULTURE & PEST CONTROL	2	AERIAL SURVEYING	3	AERIAL ADVERTISING
		4	FOREST (Wild life conservation)	5	PATROLLING	6	WEATHER CONTROL
		0	OTHER (Specify)				
4	EXPERIMENTAL (Indicate operation(s) to be conducted)	1	RESEARCH AND DEVELOPMENT	2	AMATEUR BUILT	3	EXHIBITION
		4	RACING	5	CREW TRAINING	6	MKT. SURVEY
		0	TO SHOW COMPLIANCE WITH FAR				
8	SPECIAL FLIGHT PERMIT (Indicate operation to be conducted then complete Section VI or VII as applicable on reverse side)	1	FERRY FLIGHT FOR REPAIRS, ALTERATIONS, MAINTENANCE OR STORAGE				
		2	EVACUATE FROM AREA OF IMPENDING DANGER				
		3	OPERATION IN EXCESS OF MAX. CERTIFICATED TAKE-OFF WEIGHT				
		4	DELIVERING OR EXPORT	5	PRODUCTION FLIGHT TESTING		

C 6 MULTIPLE AIRWORTHINESS CERTIFICATE (Check appropriate Restricted Operation and Standard or Limited as applicable above)

A. REGISTERED OWNER (As shown on Certificate of Aircraft Registration) IF DEALER, CHECK HERE → X

NAME Cessna Aircraft Company	ADDRESS 5800 East Pawnee Road Wichita, Kansas 67201
---------------------------------	---

B. AIRCRAFT CERTIFICATION BASIS (Check applicable blocks and complete items as indicated)

X	AIRCRAFT SPECIFICATION OR TYPE CERTIFICATION DATA SHEET (Give No. and Revision No.) 3A17 Rev. 31	X	AIRWORTHINESS DIRECTIVES (Check if all applicable AD's complied with and give latest AD No.) 77-18
	AIRCRAFT LISTING (Give page No(s).)		SUPPLEMENTAL TYPE CERTIFICATE (List number of each STC incorporated)

C. AIRCRAFT OPERATION AND MAINTENANCE RECORDS

X	CHECK IF RECORDS IN COMPLIANCE WITH FAR 91.173	TOTAL AIRFRAME HOURS— 19	3	EXPERIMENTAL ONLY—Enter hours flown since last certificate issued or renewed
---	--	-----------------------------	---	--

D. CERTIFICATION—I hereby certify that I am the owner (or his agent) of the aircraft described above; that the aircraft is registered with the Federal Aviation Administration in accordance with Section 501 of the Federal Aviation Act of 1958, and applicable Federal Aviation Regulations; and that the aircraft has been inspected and is airworthy and eligible for the airworthiness certificate requested.

DATE OF APPLICATION 9-28-77	NAME AND TITLE (Print or type) Gen. Mgr. William A. Boettger, Pawnee Div.	SIGNATURE William A. Boettger
--------------------------------	---	----------------------------------

A. THE AIRCRAFT DESCRIBED ABOVE HAS BEEN INSPECTED AND FOUND AIRWORTHY BY: (Complete this section only if FAR 21.187(d) applies)

2	FAR PART 121 OR 127 CERTIFICATE HOLDER (Give Certificate No.)	3	CERTIFICATED MECHANIC (Give Certificate No.)	6	CERTIFICATED REPAIR STATION (Give Certificate No.)
5	AIRCRAFT MANUFACTURER (Give Name of Firm)				

DATE	TITLE	SIGNATURE
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(Check ALL applicable blocks) I find that the aircraft described in Section I or VII meets the requirements for: ☒ The certification requested, or ☐ Amendment or modification of its current airworthiness certificate. Inspection for a special flight permit under Section VII was conducted by: ☐ FAA Inspector, ☐ Designated Representative, ☐ FAR 65, ☐ FAR 121 or 127, or ☐ FAR 145.

DATE 10-19-77	DISTRICT OFFICE ICT EMDO 3-0-43	DESIGNEE'S SIGNATURE AND NO. Cessna Aircraft Company Delegation of Inspection Authority, CE-1 By: [Signature] C. M. Fogel	FAA INSPECTOR'S SIGNATURE 1
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VI. PRODUCTION FLIGHT TESTING	A. MANUFACTURER			
	NAME		ADDRESS	
	B. PRODUCTION BASIS (Check applicable item)			
	<input type="checkbox"/> PRODUCTION CERTIFICATE (Give production certificate number) <input type="checkbox"/> TYPE CERTIFICATE ONLY <input type="checkbox"/> APPROVED PRODUCTION INSPECTION SYSTEM			
C. GIVE QUANTITY OF CERTIFICATES REQUIRED FOR OPERATING NEEDS:				
DATE OF APPLICATION		NAME AND TITLE (Print or type)		SIGNATURE
VII. SPECIAL FLIGHT PERMIT PURPOSES OTHER THAN PRODUCTION FLIGHT TEST	A. DESCRIPTION OF AIRCRAFT			
	REGISTERED OWNER		ADDRESS	
	BUILDER (Make)		MODEL	
	SERIAL NUMBER		REGISTRATION MARK	
	B. DESCRIPTION OF FLIGHT			
	FROM		TO	
	VIA		DEPARTURE DATE	DURATION
	C. CREW REQUIRED TO OPERATE THE AIRCRAFT AND ITS EQUIPMENT			
	<input type="checkbox"/> PILOT <input type="checkbox"/> CO-PILOT <input type="checkbox"/> NAVIGATOR <input type="checkbox"/> OTHER (Specify)			
	D. THE AIRCRAFT DOES NOT MEET THE APPLICABLE AIRWORTHINESS REQUIREMENTS AS FOLLOWS:			
E. THE FOLLOWING RESTRICTIONS ARE CONSIDERED NECESSARY FOR SAFE OPERATION (Use attachment if necessary)				
F. CERTIFICATION—I hereby certify that I am the registered owner (or his agent) of the aircraft described above; that the aircraft is registered with the Federal Aviation Administration in accordance with Section 501 of the Federal Aviation Act of 1958, and applicable Federal Aviation Regulations; and that the aircraft has been inspected and is airworthy for the flight described.				
DATE		NAME AND TITLE (Print or type)		SIGNATURE
(FAA use only)	<input checked="" type="checkbox"/> A. Operating Limitations and Markings in Compliance with FAR 91.31 as Applicable		G. Statement of Conformity, FAA Form 317 (Attach when required)	
	<input type="checkbox"/> B. Current Operating Limitations Attached		H. Foreign Airworthiness Certification for Import Aircraft (Attach when required)	
	<input type="checkbox"/> C. Data, Drawings, Photographs, etc. (Attach when required)		I. Previous Airworthiness Certificate Issued in Accordance with FAR _____ CAR _____ (Original attached)	
	<input checked="" type="checkbox"/> D. Current Weight and Balance Information Available in Aircraft		J. Current Airworthiness Certificate Issued in Accordance with FAR _____ (Original attached)	
	<input type="checkbox"/> E. Major Repair and Alteration, FAA 337 (Attach when required)			
	<input checked="" type="checkbox"/> F. This Inspection Recorded in Aircraft Record Book			

UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION—FEDERAL AVIATION ADMINISTRATION
STANDARD AIRWORTHINESS CERTIFICATE

1. NATIONALITY AND REGISTRATION MARKS	2. MANUFACTURER AND MODEL	3. AIRCRAFT SERIAL NUMBER	4. CATEGORY
N736UW	Cessna R172K	R1722807	Normal & Utility

5. AUTHORITY AND BASIS FOR ISSUANCE
This airworthiness certificate is issued pursuant to the Federal Aviation Act of 1958 and certifies that, as of the date of issuance, the aircraft to which issued has been inspected and found to conform to the type certificate therefor, to be in condition for safe operation, and has been shown to meet the requirements of the applicable comprehensive and detailed airworthiness code as provided by Annex 8 to the Convention on International Civil Aviation, except as noted herein.
Exceptions:

NONE

6. TERMS AND CONDITIONS
Unless sooner surrendered, suspended, revoked, or annulled, this airworthiness certificate is effective as long as the maintenance, preventative maintenance, and alterations are performed in accordance with Parts 21, 43, and 91 of the Federal Aviation Regulations, as appropriate, and the aircraft is registered in the United States.

DATE OF ISSUANCE	FAA REPRESENTATIVE By <i>[Signature]</i> G. M. FROST	DESIGNATION NUMBER
10-19-77		PC4

Any alteration, reproduction, or misuse of this certificate may be punishable by a fine not exceeding \$1,000, or imprisonment not exceeding 3 years, or both. THIS CERTIFICATE MUST BE DISPLAYED IN THE AIRCRAFT IN ACCORDANCE WITH APPLICABLE FEDERAL AVIATION REGULATIONS.