Membership Agreement

BETWEEN Comanche 250 LLC\_and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

WITH REGARD TO : Piper Comanche

MODEL: PA24-250

REGISTRATION : 24-3136

N7905P

DATE: April 11th 2023

**Purpose of Organization**

The person/s above elect to form a 1/6th- membership agreement herein to be known as co-member for the purpose of purchasing and owning as tenants in common, as membership equal to 1/6th a Pa 24-250 aircraft, registration number N7905P and operating the aircraft for the co-members' business, personal training and pleasure or any use the co-owners may agree upon by majority vote of the co-members. All aircraft operations must be in strict accordance with FAA regulations.

**Term of the Agreement**

The co-membership commenced on the Date: \_\_\_\_\_\_\_\_ and shall continue until termination by mutual consent of the co-member or as required by the terms of this agreement.

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ agrees payment of $ twenty eight thousand, $28,000 total. Payment due upon signing. \_Date:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, to be paid to Blake Brooksby\_. Let it be known that this entitles name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 1/6th co-membership in llc N7905P . **Use of Funds, Capital Accounts, Owners' Equity**

Each co-member shall make a capital contribution of One thousand ($1000)that will be taken from the $28,000, whereon it will be deposited in the LLC's bank account upon each co-members formation. This will constitute the beginning balance of each co-members capital account. This amount should never go below $500. **\* Please contact Blake Brooksby for banking instructions.** *Co-members shall contribute a monthly sum to cover regular, fixed costs including, but not limited to, tie-down rent, required inspections, taxes. Insurance is a separate entity and shall be determined by insurance requirements and the total number of current co-members.*

These sums shall be set by insurance requirements and are subject to review. Upon mutual consent, special assessments may be made against the co-members for such uses as the co-membership may decide. Each special assessment so made shall be payable on a date established by the

co-members. Funds to cover either fixed expenses or special assessments shall be payable on or before the first day of each month during the term of this agreement. If any co-member is more than ninety (90) days in arrears in the payment of the monthly contribution or special assessment, the non-delinquent co-members(s) may make a decision regarding the aircraft to sell the delinquent co-members share to cover the delinquent payments , under the terms of this agreement. After all delinquent monies have been paid the remaining balance will be paid to the delinquent co-member.

Co-member payments in the form of services or property, in lieu of cash, shall not be permitted unless by mutual written consent. [As an example, a co-member may NOT exchange such services as oil changes, washing, or other maintenance functions to pay for flight time without mutual written consent.]

**Accounting Co-Member**

An Accounting co-member shall be selected by mutual consent of the co-members. This is void, and will only become effective once the shares are all sold. In the interim, the majority co-member shall maintain possession of the books and records of the aircraft/contracts and shall perform the necessary administrative accounting functions of the co-memberships.

**Co-Membership Meetings**

Meetings of the co-membership shall be held as necessary through phone conversations or Zoom meetings which are memorialized by email, e-mails, written or more often as agreed by the co-members. All decisions must be memorialized in writing and posted to the N7905P Google Drive maintained by Blake Brooksby and shared with all members. Posting in this drive shall be deemed notice for all members.

**Management and Administration**

Except as otherwise stated in this agreement, decisions regarding the sale of the co-membership assets and the operation of the aircraft shall be made by mutual consent.

Complete accounting records of all co-members affairs shall be kept and shall be open to review by the other co-members upon reasonable request.

**Banking** A checking account will be maintained at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Bank. The checking account shall be opened in the name of the Comanche250 LLC. All Co-Members have full access to monthly reports regarding any and all accounts associated with this membership.

**Custody of Documents**

Copies of registration certificate, bills of sale, or any other evidence of

ownership of the aircraft relating to the co-membership and registered or recorded in such names, shall be maintained by the Accounting co-member and posted on the N7905P folder of Google Drive maintained by Blake Brooksby.

**Notices**

Notification of co-members matters relating to this agreement are to be in writing posted to the N7905P folder of Google Drive maintained by Blake Brooksby. If in arrears contact will be made via the following via certified mail and email:

Co-Member 1. Name:

Address:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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Co-Member 2. Name\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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Co-Member 3. Name\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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Co-Member 4. Name\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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Co-Member 5. Name\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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Co-Member 6. Name\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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The share-owners shall give notice of any change of contact information to each other within five (5) days of such a change via email.

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**Restriction of Co-Members**

No co-members(s), without the consent of the other co-members(s) shall:

(a.) Sell, assign, hypothecate, encumber or pledge his/her equity in any of the co-membership assets, except as provided for in this agreement; ( b.) Borrow or lend money on behalf of the co-membership; ( c.) Transfer, sell, consign or grant release of any claim of the co-membership or consent to an arbitration on any dispute involving the co-membership; ( d.) Use the assets or identification of the co-membership for any purpose other than that stated, or commit an act detrimental to any co-membership activity which would make it difficult or impossible to continue conduct of the co-membership's stated objectives. (e.) Allow other pilots to utilize their share of the aircraft.

**Unilateral Authority**

If a lien is levied for a debt which did not have the consent of all co-membership(s), it shall be grounds for dissolution of the co-membership of that person. The costs required to satisfy the lien shall come out of the share of that co-member(s).

**Rules and Regulations**

The aircraft shall at all times be flown and maintained in accordance with all applicable Federal Air Regulations and requirements of duly constituted authority. Any deficiencies which cause any civil penalties to be levied shall be borne by the person/co-member responsible for the violation. In the event that the violation is not directly attributable to the responsibility of one of the co-members, the cost shall be borne equally by all co-members.

Any co-member finding an equipment condition that presents a hazard to further use shall have the right and duty to declare the aircraft disabled, grounded and incapable of further flight (or ground movement, as the case may be) until the condition is remedied. The condition shall immediately be reported to the co-member in charge of maintenance as well as other co-members and posted on the Calendar for N7905P.

**Damage Due to Faulty Technique**

Damage resulting from faulty flying and/or handling technique will be the responsibility of that individual co-member causing such damage, except as

may be paid by insurance on the aircraft. Damage caused by the negligence of a co-member not indemnified by insurance (such as a deductible) will be repaired at his/her sole expense and in an expeditious manner so as to permit the operations of the co-membership to continue without undue delay or inconvenience. Should this result in higher insurance premiums, the offending co-member will bear this cost. Penalties levied against any co-member for acts in violation of any law governing the operation of the aircraft shall be borne solely by the co-member causing the violation.

**Aircraft Use Restrictions**

The aircraft will **not** be used commercially, for air taxi, or charter purposes.

**Aircraft Basing**

The aircraft shall be based at the \_\_\_\_\_\_\_\_\_\_\_\_\_ and the costs of storage or tie-down at said base shall be borne equally by the co-members. This translates to the number of co-members (example; with two co-members the cost breakdown would be 50/50) Costs attributable to storage, parking, tie-down or landing fees while the aircraft is being operated away from the home base shall be borne solely by the co-member operating the aircraft away from the home base. The decision to change the base of operations from the airport specified above requires the mutual consent of ALL the co-members.

**Overnight Away From Home Base**

The co-member Pilot may *remain overnight* (RON) from the base for forteen (14) consecutive nights. The aircraft may be removed at any time the day before a (RON) but must be returned by 12 p.m. the day following a forteen (14) day time frame. **NOTE \* aircraft must be scheduled 60 days in advance of RON.**

**Flight Into IFR Conditions**

No flights shall take place into IFR conditions unless all equipment necessary

for operations appropriate to the ground facilities to be used is in proper working order or operative in accordance with Federal Aviation Regulations. The pilot must be IFR ( Instrument Flight Rated). And follow all current FAA rules and regulations.

**Other Pilots**

No person other than the co-member(s) shall be authorized to operate the aircraft except with the express consent of all the co-members, and then only if that person has the experience level required by the FAA and the approval of the underwriter for the insurance policy then in force except for flights and operation by authorized personnel incidental to testing after maintenance and repair at an FAA Authorized Repair Station.

**Primary Responsibility**

Blake Brooksby\_shall be responsible for the receipt and disbursement of all monies relating to co-membership business, and \_Blake Brooksby shall be responsible for the initiation and implementation of maintenance activity and programs. Note: Blake Brooksby is the co-member currently disbursing funds for the monthly related plane expenses.

**Number of Share-owners**

The co-membership shall be limited to six ,(6) memberships. Mutual and written consent of all co-members is required before additional persons can purchase any share of the assets.

**International Operations**

The aircraft may be flown to a foreign country only if the pilot makes the required documentary arrangements for the trip. Insurance necessary to comply with the destination country's laws must be arranged at the sole expense of the pilot prior to entering the airspace of that country. Under no circumstances will a country not honoring U.S. passports be entered.

**Amendments**

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All amendments to this Agreement shall be made by mutual consent of the majority of the co-members.

**Arbitration**

If any dispute arises under or by virtue of any of the terms of this Agreement and which the co-members cannot resolve, the co-members shall submit the dispute to arbitration a mutually agreed upon arbitration company based in the Las Vegas, Nevada area, pursuant to the rules regulations of the American Arbitration Association. Judgment may be entered into in any court of competent jurisdiction upon the rendition of any final decision by the arbitrators.

**Severability**

If any part of this Agreement is found to violate any laws of competent jurisdiction and is therefore rendered unenforceable, the balance of the Agreement shall remain unaffected and in full force and effect.

**Aircraft Insurance**

Liability insurance to remain in effect through \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ , Account with. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. Subject to future change, through mutual partner agreement. Because Insurance costs are calculated on flight hours and experience. Pilots with higher flight times receive lower insurance premiums' . It then stands to reason that lower time pilots will increase the insurance premiums. Therefore the additional costs incurred will be paid by the lower flight hour pilot, or pilots.

**Scheduling Priorities**

If co-member x is flying frequently and another co-member y wants to use the aircraft, co-member y shall be given priority over co-member x with 48 hour notice. This determination shall be made by the accounting co-member. Scheduling shall be finalized through GOOGLE calendar set up for N7905P.

**Normal Equipment Damage**

Damage to the aircraft due to unforeseeable and unexpected mechanical break-down, except that caused by Faulty Technique as described above, as well as that caused by normal wear and tear shall be the joint responsibility of all co-members.

**Operating Expenses**

Operating Expenses shall include, but not be limited to, such items as periodic inspections, oil changes, replacement of tires, brakes, battery, hydraulic fluids, radios, airframe, engine, propeller and accessory repair and maintenance. These operating expenses can be paid by the co-memberships from funds received from fees charged based on the amount of hours flown.

Each co-member shall fill and service all systems at the **end** of each flight at his/her own expense. All co-members shall pay to the co-membership account an **hourly fee of $40.00** for each hour of Tach Meter time used by that co-member. (When a Hobbs meter is installed, time tracks here) This fee is for operational maintenance of the aircraft and **does not** include the cost of fuel & oil which is borne by each co-member as the aircraft is utilized by him/her. Also, at the end of each co-members use of the aircraft he/she will remove all personal belongings, trash etc. If he/she fails to do so they will incur at minimum a ($75.00 ) seventy five dollar cleaning fee up to the amount (if necessary) of a professional cleaning . **Note \***If you find the aircraft messy, please take pictures and notify Blake Brooksby. The prior person on the schedule will be responsible for the cleaning fee.

**Use without scheduling on Calendar**

Use of the aircraft without scheduling it on the Calendar is strictly forbidden and will incur a $200 penalty per flight.

**Estimated Fixed Expenses**

Monies shall be maintained in a fund, to be replenished monthly and equally by all co-members . Out of this fund all fixed expenses will be paid. The fixed expenses are defined as, but not limited to, tie-down at the home base, insurance, reserves for annual and other required inspections, licensing and taxes. A monthly fee of each co-members share of expenses shall be paid into

the joint account as of the first of each month. Should there be only two co-members, the cost is split 50/50 or equally. Three co-members the cost is split 1/3, and so on and so forth.

 This is currently estimated by the following- Annual inspection $3,000 Insurance $3,800 Tie down $1,200. County assessors taxes $600. Wash aircraft $400 four times a year Wax aircraft yearly $200

Misc. expenses $200 Divided by 12 months= $783 mo. fixed exp. divided by 6 co-members =$125.00 providing all six memberships are in effect. If not, fixed expenses to be divided equally amongst current co-members. The amount of the fixed fee may be adjusted from time to time out of necessity and by mutual consent. Each new Co-member will pay a prorated amount (at the time of buy in) equal to the amount of shares owned at any given time, to cover the yearly expenses for insurance , annual inspection, and county assessor etc. as noted above.

**Delinquencies**

Any delinquency in the payment of charges or costs/fees arising out of the terms of this Agreement, whether for fixed, operating or finance expenses, or otherwise, which are delinquent for more than thirty (30) days, shall result in

the deprivation of flight privileges of the delinquent co-member. Any delinquency that continues thereafter for a period of ninety (90) days shall be grounds for involuntary dissolution at the option of the non-delinquent co-members pursuant to the terms herein specified for involuntary dissolution. Delinquency shall be defined as having your account balance fall below $500.

**Additional Equipment**

The co-members may, by mutual agreement, add additional equipment to the aircraft or support equipment inventory. However, if the co-members are unable to agree upon the addition of said equipment, a co-member may add such equipment as he/she desires and pay the entire cost of such equipment and its installation by a competent and certified mechanic. There will be no reimbursement from the other co-members if not previously agreed upon. Once installed in the aircraft, any such added equipment shall become and remain part of the aircraft and removal by the installing co-member shall not be permitted. This added equipment must be kept operational to assure flight status per the Federal Air Regulations governing in-aircraft equipment of this type. Let it also be known that there is a cap of two thousand ($2,000) per share as a majority rule vote. That is to say, if they wanted new equipment to exceed two thousand dollars per co-member it would no longer require a majority vote( majority vote is defined as four out of six) , but rather a total and completely unanimous number.

**Sale Above Agreed Value**

If upon sale of the entire assets of the co-membership, whether by voluntary or involuntary dissolution, the sale price exceeds the combined value of all the co-member's capital accounts, the balance shall be distributed proportionately among the co-members according to their respective percentages of membership in said co-membership assets after satisfying just liens and obligations with co-members and non co-members alike.

**Sale Below Agreed Value**

No sale of all of the co-membership assets shall be for less than the combined value of all the co-member's capital accounts thereof without the mutual and written consent of the co-members. If mutual agreement cannot be reached on a sale price between the co-members then the provisions of "Arbitration," shall apply.

**Voluntary Withdrawal**

A co-member may withdraw from the co-membership upon reasonable written notice to the other co-members. The other co-members(s) shall have the right of first option to purchase the aircraft. Also the co-member wishing to sell must receive the approval of the potential new member, by way of the majority co-members vote.

If a withdrawing co-member is in arrears in the payments of any of his/her monthly contributions for fixed expenses, operating expenses or special assessments as per this Agreement, these delinquencies shall be deducted from the amounts paid above.

**Death of a Co-Member**

The equity of a co-member in the co-membership assets shall be considered to have been withdrawn upon the death of the co-member. The surviving co-members may purchase the deceased co-member's interest. By execution of this Agreement the deceased co-member's estate shall be bound to sell the deceased co-member's interest.

**Binding Effect**

This Agreement shall be binding upon the parties and their respective heirs, legal or estate representatives, successors and/or assigns.

 In AGREEMENT THEREOF the co-members have signed this Agreement the day and year first executed on page one are: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 County of\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_State\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Before me, a notary Public in and for said county, personally appeared the

above named\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Co-Member\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Date\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

State of\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_who acknowledged and

declared that he/she/they did sign and seal the foregoing instrument and that

the same is his/her their free act and deed.

In testimony whereof, I have hereunto set my hand and official seal, at\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ,in the county of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, State of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, on this\_\_\_\_\_\_\_\_ day

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 20\_\_\_\_\_\_\_\_\_.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Notary Public