

Schedule of Fees for Shareholders

March 2010

➤ Shareholder Deductable Deposit	\$1,000.00
➤ Initial Processing Fee (Includes 5 shares at \$1.00 each)*	\$ 50.00
➤ Monthly Operations Fee	\$ 49.00
➤ Total due upon accepted application	<u>\$1,099.00</u>

Monthly Shareholder Dues

➤ Monthly Dues	\$149.00
➤ Includes Monthly Operations Fee	(\$49.00)
➤ Includes Credit toward flying account	(\$100.00)
○ Credit is “bankable” up to 90 Days for currency requirements.	
○ After the 90 period has elapsed credit is forfeited unless previously authorized by the President or Corporate Operations Officer.	
○ \$100 Credits may be applied to any EPI aircraft	

Block Time Discount

- Shareholders may purchase 10 hours in any aircraft at a 10% discount from normal rate not including fuel; this block is usable over the following 120 days.
- Shareholders MUST purchase block in advance. Block may not be applied to previous flying.
 - Example of savings: 10 hours in our C-182
 - 10 x \$175.00 = \$1750.00 (Normal Rate) vs. \$1635.00 (Block rate)
 - Please review the Rate Breakdown below for details.
- Shareholders who fly at least 10 hours per month receive the 11th hour free.
- Potentially **2** free flight hours per month including the 10% block discount or as in the example below the actual shareholder cost per hour for the C-182S is \$154.09 per flight hour if purchase in 10 hour blocks and 11 or more hours are flown in one thirty day period, **planned** trips become very reasonable under this model.

Military Discount

- Shareholders who are currently serving our Armed Forces will receive 10% discount across the board regardless of block time purchased.

* Stock Certificate(s) will be issued to shareholders in good standing after the 90 day probationary period.

Certified Flight Instructors

- Instructors must be Shareholders of Executive Pilots.
- Instructors must purchase a minimum of 5 shares of EPI stock @ \$1.00 per share.
- Shareholder deposit will be waived for Instructors who wish to **only** instruct and not operate EPI aircraft personally, the monthly operations is **NOT** waived.

Miscellaneous Fees

➤ Lost Key Replacement	\$ 10.00 (per key)
➤ Non-Payment of Tie down fees	\$ 45.00
➤ No fuel receipt fee	\$ 10.00
➤ Non sufficient funds fee	\$ 35.00
➤ Failure to Refuel Aircraft after Flight	\$ 45.00

Fuel Related Fees

- Executive Pilots offers “wet” rates.
- Cost of fuel per gallon will be set according to local price at KVG T or KHND.
- Fuel prices will be evaluated every two weeks by the Corporate Operations Officer.
 - Example: a Shareholder purchases fuel at Santa Barbara and pays \$7.00 per gallon, the shareholder will only reimbursed at the current local rate per gallon.
- Failure to adequately monitor mixture control (leaning) will result in the difference from normal burn rate to be paid out of pocket by the Shareholder.

Rate Breakdown

N397ME Cessna 182 S

Normal Rate -----	\$175.00 x 10 Hours =	\$1750.00
Minus Fuel (\$5.00 per gallon)-----	12 G.P.H x \$5.00 =	\$ 60.00
Fuel x 10 Flight Hours -----	\$60.00 x 10 =	\$ 600.00
Block Rate minus Fuel-----	\$1750.00 - \$600.00 =	\$1150.00
Subtract 10% Discount -----	\$1150.00 - 10% =	\$1035.00
Discounted Block Rate plus Fuel -----	\$1035.00 + \$600.00 =	\$1635.00

Block Rate Total: \$1635.00