

# **Sailplane Partnership Agreement**

AIRCRAFT CO-OWNERSHIP AGREEMENT

BETWEEN           AND

WITH REGARD TO

MAKE:

MODEL:

SERIAL #: \_\_\_\_\_

REGISTRATION #:

DATE: \_\_\_\_\_

## **Equipment List**

- *Replace with your equipment*
- *Winter Airspeed in mph -- 80mm*
- *Altimeter -- 80mm*
- *clock -- 57mm*
- *g-meter -- 57mm*
- *Zander vario/speed command display -- 80mm*
- *Dittell FS-?? transceiver --*
- *Trailer Make and Model*

## **Estimated Value**

The estimated value of the sailplane (*[MODEL – N1234]*), trailer and miscellaneous equipment (Assets) was \$*[Value]* on the agreement date. The total value of the “Assets” was therefore \$*[Value]* as of *[Agreement Date]*.

## **Partners**

### **Purpose of Organization**

The persons above elect to form a co-ownership for the purpose of owning as tenants in common, a *[Make / Model]* aircraft, registration number *[N1234]*, and operating the aircraft for the co-owners' pleasure or any use the co-owners may agree upon by majority vote of the co-owners. All aircraft operations must be in strict accordance with FAA regulations.

### **Share Percentages**

The partners all own equal shares of the assets.

### **Share Value Fluctuation**

As the value of the assets fluctuate over time, all owners shall share all gains/losses in equal amounts.

### **Expenses**

General operating expenses will be shared equally. Expenses will be tracked by *[Partner Name]*

on a shared spreadsheet. Examples of shared expenses are listed below.

- Insurance
- General maintenance
- Tie-down fees
- Hangar fees
- Storage fees
- Sailplane License
- Trailer License
- Annual Inspections
- Additions (new instruments, batteries, etc...)

General expenses that vary with experience or usage will be shared in a proportionate fashion.

**Examples:**

- Insurance – Exact amounts will be determined at the time Insurance is acquired.
- Oxygen -- The partner utilizing the oxygen is responsible for refilling the cylinder after use, this is not a shared expense.

**Aircraft Insurance**

Liability insurance in the amount of not less than \$1,000,000 per occurrence shall be procured from a carrier specializing in aircraft insurance. Hull insurance in the amount of *[/Value]* shall be maintained in force during the term of this Agreement. Hull limit increases shall be incorporated when hull value increases by \$2500 or more by virtue of any circumstance. Hull damage deductibles shall not exceed \$100 for loss while NOT IN MOTION and \$100 while IN MOTION. The Trailer shall be insured for the amount of *[/Value]* against damage.

**Custody of Documents**

Copies of registration certificate, bills of sale, or any other evidence of ownership of the aircraft relating to the co-ownership and registered or recorded in such names, shall be maintained by *[Partner Name]* and made available to the other co-owners at any reasonable time and upon reasonable notice.

**Primary Responsibility**

*[Partner Name]* shall be responsible for the initiation and implementation of maintenance activity and programs, receipt and disbursement of all monies relating to co-ownership business..

**Restriction of Co-owners**

1. No co-owner, without the consent of the other co-owners shall:

2. Sell, assign, hypothecate, encumber or pledge his/her equity in any of the co-ownership assets, except as provided for in this agreement;
3. Borrow or lend money on behalf of the co-ownership;
4. Transfer, sell, consign or grant release of any claim of the co-ownership or consent to an arbitration on any dispute involving the co-ownership;
5. Use the assets or identification of the co-ownership for any purpose other than that stated in the Purpose of the Organization; or
6. Commit an act detrimental to any co-ownership activity which would make it difficult or impossible to continue conduct of the co-ownership's stated objectives.

### **Capital Expenditures**

Improvements and other capital expenditures over \$200 will be made with the prior approval of all owners. All approved capital expenditures will be shared equally.

### **In the Event of an Damage**

The insurance deductible shall be paid by the Pilot in Command or the owner responsible for the aircraft at the time of the accident. The owner responsible for the accident shall have repairs accomplished promptly by an approved repair station acceptable to all the partners and the glider returned to service as soon as possible. Penalties levied against any co-owner for acts in violation of any law governing the operation of the aircraft shall be borne solely by the co-owner causing the violation.

### **Flight Privileges**

- Prior to his first flight in the aircraft, each pilot shall be checked out (signed-off) by a certified flight instructor as required by the insurance company.
- Each pilot shall maintain currency in accordance with FAA regulations.
- Each pilot shall operate the aircraft in accordance with the FARs.
- Only the owners shall fly the aircraft. The insurance policy is currently setup so that non-owners are **not** covered.
- No flights shall take place into IFR conditions unless all equipment necessary for operation appropriate to the ground facilities to be used is in proper working order or inoperative in accordance with Federal Aviation Regulations.

### **Aircraft Basing**

The aircraft shall be based at the *[Airport Name]* Airport and the costs of storage or tie-down at said base shall be borne equally by the co-owners. 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-owner 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 the

co-owners.

## **Overnight Away From Home Base**

Overnight trips away from the home base shall be coordinated and agreed upon by all co-owners via telephone, email or in person.

### **New Members**

New members may be added by approval of all present members.

### **Resignation of a Partner**

In the event a member wishes to resign, that person must first offer his share to the remaining partners. If one or more of the partners wishes to purchase another partner's share, they may do so if all partners agree on the current value of the assets. If they do not desire to purchase the share, the share may be sold to another party meeting the approval of the other members. If the partner is unable to find a buyer meeting the approval of the other partners, the assets may be sold to another party as described below.

### **Death of a Co-owner**

The equity of a co-owner in the co-ownership assets shall be considered to have been withdrawn on the last Valuation Date prior to the death of the co-owner. The surviving co-owners may purchase the deceased co-owner's capital account by paying an amount equal to that account to the deceased co-owner's estate. By execution of this Agreement the deceased co-owner's estate shall be bound to sell the deceased co-owner's interest.

### **Life Insurance**

It is the privilege of the co-owners to each apply for policies of life insurance upon the life of the other or others in the face amount of the value of the other's interest in the aircraft, or \$[Value]. It is thereby intended to enable one co-owner to buy out the entire interest of the other. Each co-owner/party to this Agreement consents to allow other co-owners to apply for such insurance on his/her life. The face value of the insurance on any co-owner may be changed from time to time to enable the entire interest of the insured co-owner to be so insured. If life insurance is placed on the life of any co-owner and is in force at the time of his death, the proceeds shall be used to enact the buy-out within 10 days after the receipt of the proceeds from the insurance company.

## **Valuation of the Assets**

The "current value of the assets" shall be determined by averaging the prices advertised on Wings and Wheels for the particular glider type [Make and Model] with adjustments made for differences in instruments, equipment and trailer and market conditions.

**Sale of the Assets to Another Party**

If the assets are to be sold to another party the owners agree to accept any offer greater than 90% of the “current value of the assets” unless all owners agree to wait for a better offer.

**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-owners have signed this Agreement the day and year first executed on Page 1 and are:

**Signed**\_\_\_\_\_

\_\_\_\_\_Date\_\_\_\_\_

\_\_\_\_\_Date\_\_\_\_\_