

FTF FINANCING PROGRAM GUIDE

Helping flight schools turn
students into pilots with
affordable financing
programs.



FLIGHT TRAINING™
FINANCE
THE SKY'S THE LIMIT

GET YOUR STUDENTS
IN THE AIR TODAY!

SECTION 1

FINANCE PROGRAMS

Our Finance Programs

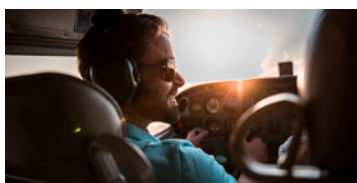
*Low, affordable, level payments . . .
for students flying 1 to 5 times per week!*



Our Partners.

Flight schools offering Flight Training Finance programs are those that:

- ▶ *Want to grow;*
- ▶ *Embrace creative marketing techniques;*
- ▶ *Recognize that cost can be a barrier to signing up new Students and retaining current ones.*

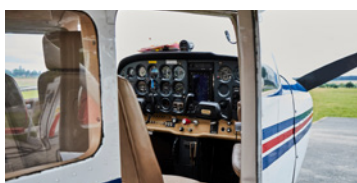


Our Customers.

We finance packages of flight training for students who:

- ▶ *Walk away from learning to fly because of the monthly cost;*
- ▶ *Drop out when costs start building up.*

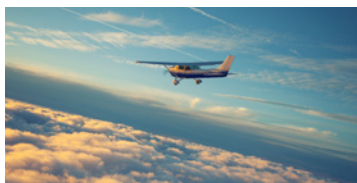
Our programs allow these students to take lessons on a regular schedule while avoiding the shock to their checkbook or their credit card balance. Flight Training Finance customers include those pursuing private or commercial certificates as well as those adding advanced ratings.



Our Current Programs . . .

One to Five Flight Lessons Per Week

Our current flight training finance programs are designed for Students that take *one* to *five* flight lessons per week.



Our Future Programs . . .

Full Time or Accelerated Training

At the present time, Flight Training Finance does not offer programs for Students enrolled in full time or accelerated flight training programs. If your school needs financing for full-time Students, please ask us to put you on our priority notification list for our future program offerings.

Our Finance Programs (cont.)

Down Payment.

Our standard down payment is \$250, which is paid to, and retained by, the flight school. Some Students may prefer to pay a larger down payment. This is always acceptable and desirable.

For the Student, the down payment signifies a closing of the transaction, and serves to decrease dropouts and terminations. For the school, the down payment represents payment for the initial training under the program. Therefore, initial training, up to the down payment amount, is not reimbursed to the school by Flight Training Finance.

Interest Rates.

Our current interest rates range from 12% to 18%, depending on the income, debt ratio and credit history qualifications of the applicant. Generally, Flight Training Finance interest rates will correspond to the rates charged on credit cards used by individuals with income, debt ratio and credit history similar to the applicant. Our programs, however, leave those credit card lines undisturbed and fully available for everyday use.

The examples on our payment chart reflect payment amounts at the maximum 18% rate. Applicants qualifying for a lower rate will have payments lower than those shown.

Program Size.

How much can be financed? Flight Training Finance has no fixed maximum program size eligible for financing.

Most of our customers are fairly new Students pursuing a private certificate, or taking the next step -- an instrument rating. Some, however, are pursuing commercial certificates or advanced ratings. Students that need a significant amount of commercial training usually find it easier to finance just one or two certificates or ratings at a time. Making monthly payments on their initial account with us will partially reduce their balance before more financing is needed -- avoiding the need to qualify for financing of the TOTAL training cost. Also, by establishing an on-time payment record for their initial training, the Student creates a solid credit rating with Flight Training Finance -- a pre-requisite to further approvals.

An average Flight Training Finance contract is \$13,500. After a Student has achieved his or her initial goal, he or she can apply to finance additional training, with either a separate finance transaction or by combining the cost of new training with an existing account. Like the Student's first application, additional financing approvals will be based on the Student's income, debt ratio and credit record with Flight Training Finance and other creditors.

The yellow sheet . . .

The yellow sheet included in this section shows examples of our standard payment terms. Flight Training Finance is happy to consider any “custom” terms you or your Student may request, but most transactions are based on our standard terms.

For illustration purposes, the examples show program cost in \$100 increments. However, any program cost may be financed. To determine monthly payment amounts for precise program amounts not in \$100 increments, you can approximate the monthly payment amounts from the attached examples. Or, call our office anytime for an exact quote.

NOTE: The payment examples shown on the yellow sheet are computed at a maximum interest rate of 18%. Applicants that qualify for our Preferred Interest Rates (see below) will have lower payments.

How to read the yellow sheet.

The number of monthly payments is directly linked to the number of lessons per week. For example, if a Student chooses to take three lessons per week he could spread his training cost over as many as 48 monthly payments.

| | | | | | |
|-------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| <i>Number of Lessons per Week:</i> | 1 | 2 | 3 | 4 | 5 |
| <i>Cash Down Payment:</i> | \$250 | \$250 | \$250 | \$250 | \$250 |
| <i>Number of Payments:</i> | 72 | 60 | 48 | 30 | 18 |
| Flight Training Program Cost | Monthly Payment | Monthly Payment | Monthly Payment | Monthly Payment | Monthly Payment |
| 11,000 | \$245 | \$273 | \$316 | \$448 | \$686 |
| 12,000 | 268 | 298 | 345 | 489 | 750 |
| 13,000 | 291 | 324 | 375 | 531 | 814 |
| 14,000 | 314 | 349 | 404 | 573 | 877 |

The number of monthly payments (48) then determines the monthly payment amount (\$404) depending on the total cost of the flight training program (\$14,000) that best meets the individual needs of the Student.

Number of Most Common Monthly Payments.

Our programs have been designed so Students following the most common schedule of two to three lessons per week will usually have monthly payments of \$336.48 to \$389.22 per month. This is based on a program for \$13,500. Some Students may prefer to repay over a shorter term (fewer payments) than our standard terms. This is always acceptable and desirable.

Flight Training Finance, LLC

EXAMPLE OF STANDARD MONTHLY PAYMENT PLANS

| | | | | | |
|---------------------|--------------|--------------|--------------|--------------|--------------|
| Lessons Per Week: | 1 | 2 | 3 | 4 | 5 |
| Cash Down Payment: | \$250 | \$250 | \$250 | \$250 | \$250 |
| Number of Payments: | 72 | 60 | 48 | 30 | 18 |

| Flight Training Program Cost | Monthly Payment | Monthly Payment | Monthly Payment | Monthly Payment | Monthly Payment |
|------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 10,000 | 191 to 222 | 217 to 248 | 257 to 286 | 378 to 406 | 595 to 622 |
| 10,250 | 196 to 228 | 222 to 254 | 263 to 294 | 387 to 416 | 610 to 638 |
| 10,500 | 200 to 234 | 228 to 260 | 270 to 301 | 397 to 427 | 625 to 654 |
| 10,750 | 205 to 239 | 234 to 267 | 277 to 308 | 407 to 437 | 640 to 670 |
| 11,000 | 210 to 245 | 239 to 273 | 283 to 316 | 417 to 448 | 656 to 686 |
| 11,250 | 215 to 251 | 245 to 279 | 290 to 323 | 426 to 458 | 671 to 702 |
| 11,500 | 220 to 257 | 250 to 286 | 296 to 330 | 436 to 468 | 686 to 718 |
| 11,750 | 225 to 262 | 256 to 292 | 303 to 338 | 446 to 479 | 701 to 734 |
| 12,000 | 230 to 268 | 261 to 298 | 309 to 345 | 455 to 489 | 717 to 750 |
| 12,250 | 235 to 274 | 267 to 305 | 316 to 352 | 465 to 500 | 732 to 766 |
| 12,500 | 239 to 279 | 272 to 311 | 323 to 360 | 475 to 510 | 747 to 782 |
| 12,750 | 244 to 285 | 278 to 317 | 329 to 367 | 484 to 520 | 762 to 798 |
| 13,000 | 249 to 291 | 284 to 324 | 336 to 375 | 494 to 531 | 778 to 814 |
| 13,250 | 254 to 297 | 289 to 330 | 342 to 382 | 504 to 541 | 793 to 829 |
| 13,500 | 259 to 302 | 295 to 336 | 349 to 389 | 513 to 552 | 808 to 845 |
| 13,750 | 264 to 308 | 300 to 343 | 356 to 397 | 523 to 562 | 823 to 861 |
| 14,000 | 269 to 314 | 306 to 349 | 362 to 404 | 533 to 573 | 839 to 877 |
| 14,250 | 274 to 319 | 311 to 356 | 369 to 411 | 542 to 583 | 854 to 893 |
| 14,500 | 279 to 325 | 317 to 362 | 375 to 419 | 552 to 593 | 869 to 909 |
| 14,750 | 283 to 331 | 323 to 368 | 382 to 426 | 562 to 604 | 884 to 925 |
| 15,000 | 288 to 336 | 328 to 375 | 388 to 433 | 572 to 614 | 899 to 941 |
| 15,250 | 293 to 342 | 334 to 381 | 395 to 441 | 581 to 625 | 915 to 957 |
| 15,500 | 298 to 348 | 339 to 387 | 402 to 448 | 591 to 635 | 930 to 973 |
| 15,750 | 303 to 354 | 345 to 394 | 408 to 455 | 601 to 645 | 945 to 989 |
| 16,000 | 308 to 359 | 350 to 400 | 415 to 463 | 610 to 656 | 960 to 1,005 |
| 16,250 | 313 to 365 | 356 to 406 | 421 to 470 | 620 to 666 | 976 to 1,021 |
| 16,500 | 318 to 371 | 361 to 413 | 428 to 477 | 630 to 677 | 991 to 1,037 |

Larger program examples are continued on the other side ►

The Fine Print

Subject to credit approval of the applicant(s). The Flight Training Program may be any size; these examples are shown in \$250 increments for illustration purposes only. The Amount Financed is the Flight Training Program Cost less the Cash Down Payment of \$250. Our standard finance interest rates range from 12% Annual Percentage Rate (APR) to 18% APR. These examples reflect our standard payment plans and monthly payment ranges for our standard interest rates. The approved interest rate and the maximum program size for an individual applicant is based upon the income, debts, and credit record of the applicant and/or the co-applicant, if any. Interest rates lower than our standard interest rates may be available through special customer or flight school promotions. Monthly payments may be lower than these examples if special customer or flight school promotions are offered. The number of monthly payments is based on individual lessons not exceeding two hours aircraft rental and three hours instruction.

| Flight Training Program Cost | 1 Monthly Payment | 2 Monthly Payment | 3 Monthly Payment | 4 Monthly Payment | 5 Monthly Payment |
|-------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| 16,000 | 308 to 359 | 350 to 400 | 415 to 463 | 610 to 656 | 960 to 1,005 |
| 16,250 | 313 to 365 | 356 to 406 | 421 to 470 | 620 to 666 | 976 to 1,021 |
| 16,750 | 323 to 376 | 367 to 419 | 435 to 485 | 639 to 687 | 1,006 to 1,053 |
| 17,000 | 327 to 382 | 373 to 425 | 441 to 492 | 649 to 697 | 1,021 to 1,069 |
| 17,250 | 332 to 388 | 378 to 432 | 448 to 499 | 659 to 708 | 1,037 to 1,085 |
| 17,500 | 337 to 393 | 384 to 438 | 454 to 507 | 668 to 718 | 1,052 to 1,101 |
| 17,750 | 342 to 399 | 389 to 444 | 461 to 514 | 678 to 729 | 1,067 to 1,117 |
| 18,000 | 347 to 405 | 395 to 451 | 467 to 521 | 688 to 739 | 1,082 to 1,133 |
| 18,250 | 352 to 411 | 400 to 457 | 474 to 529 | 697 to 750 | 1,098 to 1,149 |
| 18,500 | 357 to 416 | 406 to 463 | 481 to 536 | 707 to 760 | 1,113 to 1,164 |
| 18,750 | 362 to 422 | 412 to 470 | 487 to 543 | 717 to 770 | 1,128 to 1,180 |
| 19,000 | 367 to 428 | 417 to 476 | 494 to 551 | 727 to 781 | 1,143 to 1,196 |
| 19,250 | 371 to 433 | 423 to 482 | 500 to 558 | 736 to 791 | 1,159 to 1,212 |
| 19,500 | 376 to 439 | 428 to 489 | 507 to 565 | 746 to 802 | 1,174 to 1,228 |
| 19,750 | 381 to 445 | 434 to 495 | 514 to 573 | 756 to 812 | 1,189 to 1,244 |
| 20,000* | 386 to 450 | 439 to 502 | 520 to 580 | 765 to 822 | 1,204 to 1,260 |

*For programs in excess of \$20,000, call us for a quote or see the monthly calculator for students on our website.

The Fine Print

Subject to credit approval of the applicant(s). The Flight Training Program may be any size; these examples are shown in \$250 increments for illustration purposes only. The Amount Financed is the Flight Training Program Cost less the Cash Down Payment of \$250. Our standard finance interest rates range from 12% Annual Percentage Rate (APR) to 18% APR. These examples reflect our standard payment plans and monthly payment ranges for our standard interest rates. The approved interest rate and the maximum program size for an individual applicant is based upon the income, debts, and credit record of the applicant and/or the co-applicant, if any. Interest rates lower than our standard interest rates may be available through special customer or flight school promotions. Monthly payments may be lower than these examples if special customer or flight school promotions are offered. The number of monthly payments is based on individual lessons not exceeding two hours aircraft rental and three hours instruction.

SECTION 2

APPLICATION

The Flight Training Finance Application

How to help your Students obtain quick approvals:

- **Get it signed.** *Make sure the application is signed.*
- **Fill in all blanks.** *Make sure all information is complete.*
- *See the following page for more hints to speed up approvals.*


For the fastest service, fax this completed application to us at 847.267.1800.

Flight Training Finance Application

Flight School Name (if known) _____

City and State (if known) _____

School to be determined later Online Application Downloaded Application



**FLIGHT TRAINING
FINANCE**
THE SKY'S THE LIMIT

2101 Waukegan Rd, Suite 101 | Barrington, IL 00015-1808
800.667.0201 | flighttrainingfinance.com

TELL US ABOUT YOURSELF: Do you have a Student Pilot Certificate? Yes No

First Name _____ MI _____ Last Name _____ Date of Birth _____ Social Security No _____

Address _____ City/State/Zip _____

Home Phone or None _____ Own Rent _____ Years There _____ Monthly Payment \$ _____

Cell Phone or None _____ Email Address or None _____

Previous Address if Less than 5 Years at Current Address _____ City/State/Zip _____

Reason for Move _____ Own Rent _____ Years There _____ Monthly Payment \$ _____

Employer _____ Business Phone _____ Part-Time Full-Time

Address _____ City/State/Zip _____

Position _____ Years There _____ Annual Salary _____

Previous Employer if Less than 5 Years With Current Employer _____ Business Phone _____ Part-Time Full-Time

Address _____ City/State/Zip _____

Previous Position _____ Years There _____ Annual Salary _____

YOUR CREDIT AND PERSONAL REFERENCES:

Credit Reference _____ Account No _____ Balance Owng _____

Personal Reference _____ Address/City/State/Zip _____ Phone _____

Name/Relationship of Nearest Relative Not Living With You _____ Address/City/State/Zip _____ Phone _____

YOUR FLIGHT TRAINING TO BE FINANCED:

Your Current Flight Experience: None Certificate Held _____ Total Hours _____

Your Anticipated Achievement With this Training _____ Fixed-Wing Rotor/Helicopter

Estimated Training Cost (if known) \$ _____ Preferred Cash-Down Payment: \$250.00 (standard) Other \$ _____

Please choose the training and finance package that best suits your needs

1 Lesson Per Week/72 Payments 3 Lessons Per Week/48 Payments 5 Lessons Per Week/18 Payments

2 Lesson Per Week/60 Payments 4 Lessons Per Week/30 Payments Other _____

Please see next page for optional information you would like us to consider.

I certify that all of the information I have provided on this application is correct and complete. I authorize Flight Training Finance, LLC, to investigate any facts and to obtain and exchange reports and information regarding this application and/or resulting accounts) with credit reporting agencies and others. Upon request I will be informed of each agency's name and address.

Applicant Signature _____ Date _____ Co-Borrower Signature _____ Date _____

IT'S UP TO YOU... ask the Student to email the application directly to Flight Training Finance after they complete it, OR the student can also visit our website and fill out the credit application online.

The Finance Application (cont.)

More hints to obtain quick approvals:

- **Use Co-Borrowers.** *Encourage the Student to have co-borrowers (spouses or parents) complete the appropriate section. A Guarantor may complete a separate application.*
- **Provide optional information.** *Encourage the Student to complete the optional information on the back of the form, particularly if the Student has had credit problems in the past.*

OPTIONAL: CO-BORROWER OR GUARANTOR INFORMATION

First Name _____ MI _____ Last Name _____ Date of Birth _____ Social Security No _____

Your Relationship to the Flight Student _____

Address _____ City/State _____ Zip _____

Home Phone or None _____ Own Rent Years There _____ Monthly Payment \$ _____

Cell Phone or None _____ Email Address or None _____

Previous Address if Less than 5 Years at Current Address _____ City/State _____ Zip _____

Reason for Move _____ Own Rent Years There _____ Monthly Payment \$ _____

Employer _____ Business Phone _____ Part-Time Full-Time

Address _____ City/State _____ Zip _____

Position _____ Years There _____ Annual Salary _____

Previous Employer if Less than 5 Years With Current Employer _____ Business Phone _____ Part-Time Full-Time

Address _____ City/State _____ Zip _____

Previous Position _____ Years There _____ Annual Salary _____

OPTIONAL INFORMATION:

About this section
We want to approve your application! This section is provided in case there is anything else you would like us to consider during the review process.

For example, if you think there may be negative historical information in your credit report due to financial problems you have experienced in the past, it may be helpful for us to have your comments on the cause of the past problems and how you have corrected them. Or, if you anticipate a significant salary increase in the near future, you may want to comment on the amount and certainty of the change.

You may also use this space to tell us about regular income you receive other than your salary. Please note that alimony, child support, or separate maintenance income need not be revealed if you do not wish to have it considered as a basis for repaying your obligation to us. **Continue on additional sheets if necessary.**

THE APPROVAL PROCESS normally takes one business day. However, we are dedicated to working with you if you need an even quicker answer.

Flight Training Finance Application



2101 Waukegan Rd, Suite 101 | Bannockburn, IL 60015-1836
800.667.0201 | flighttrainingfinancellc.com

Flight School Name (if known) _____

City and State (if known) _____

School to be determined later Online Application Downloaded Application

TELL US ABOUT YOURSELF: Do you have a Student Pilot Certificate? Yes No

First Name _____ MI _____ Last Name _____ Date of Birth _____ Social Security No _____

Address _____ City/State/Zip _____

Home Phone or None _____ Own Rent Years There _____ Monthly Payment \$ _____

Cell Phone or None _____ Email Address or None _____

Previous Address if Less than 5 Years at Current Address _____ City/State/Zip _____

Reason for Move _____ Own Rent Years There _____ Monthly Payment \$ _____

Employer _____ Business Phone _____ Part-Time Full-Time

Address _____ City/State/Zip _____

Position _____ Years There _____ Annual Salary _____

Previous Employer if Less than 5 Years With Current Employer _____ Business Phone _____ Part-Time Full-Time

Address _____ City/State/Zip _____

Previous Position _____ Years There _____ Annual Salary _____

YOUR CREDIT AND PERSONAL REFERENCES:

Credit Reference _____ Account No _____ Balance Owning _____

Personal Reference _____ Address/City/State/Zip _____ Phone _____

Name/Relationship of Nearest Relative Not Living With You _____ Address/City/State/Zip _____ Phone _____

YOUR FLIGHT TRAINING TO BE FINANCED:

Your Current Flight Experience: None Certificate Held _____ Total Hours _____

Your Anticipated Achievement With this Training _____ Fixed-Wing Rotor/Helicopter

\$ _____ Estimated Training Cost (if known) Preferred Cash Down Payment: \$250.00 (standard) Other \$ _____

Please choose the training and finance package that best suits your needs

- 1 Lesson Per Week/72 Payments 3 Lessons Per Week/48 Payments 5 Lessons Per Week/18 Payments
- 2 Lesson Per Week/60 Payments 4 Lessons Per Week/30 Payments Other

Please see next page for optional information you would like us to consider.

I certify that all of the information I have provided on this application is correct and complete. I authorize Flight Training Finance, LLC. to investigate any facts and to obtain and exchange reports and information regarding this application and/or resulting account(s) with credit reporting agencies and others. Upon request I will be informed of each agency's name and address.

Applicant Signature _____ Date _____ Co-Borrower Signature _____ Date _____

SECTION 3

PREPAID FLIGHT TRAINING AGREEMENT

The Prepaid Flight Training Agreement

When to complete this form.

Some schools like to learn if a Student is approved for financing before discussing training. These schools start out by asking the Student to complete a finance application. However, you may wish to sit down with a prospective Student and fill out the Prepaid Flight Training Agreement in your very first meeting. In many cases, this practice creates a higher degree of interest and a greater Student commitment. Long term, it leads to lower dropout rates. A customer that wants to “think about it” can take the completed form home with him.

Prepaid Flight Training Agreement

Clear Sky Flight Training, Inc.
Franklin, California
Redwood County Municipal Airport
484-5552547

(herein referred to as "Flight School")

Date: 2/15/02 No.: **988427**
Student: John L. Foster
Address: 1286 Maple Street
City, State: Stone Valley, CA Zip: 96514

Current Student Certificate and Rating

Certificate: None Student Recreational Private Commercial
Category / Class: _____ VFR IFR Total Hours: _____

Anticipated Student Certificate and Rating to be Attained

Anticipated Certificate at Completion of Training: Recreational Private Commercial
Category / Class: Single Engine Land VFR IFR

Prepaid Flight Training Program and Costs

| | | | |
|---|--|---|---|
| (A) Aircraft Type: | Cessna 152 | Average Aircraft Rental Hours Per Lesson: | 1.5 |
| (B) Scheduled Number of Lessons Per Week: | 3 | Aircraft Rental: | 65 estimated hours* @ \$ 60.00 * per hour \$ 3,900.00 |
| (C) Flight Instruction: | 70 estimated hours* @ \$ 32.00 * per hour | Review/Briefings: | 10 estimated hours* @ \$ 25.00 * per hour |
| (D) Ground School: | <input type="checkbox"/> Private Instruction <input checked="" type="checkbox"/> Classroom <input type="checkbox"/> Computer-Based | (E) Books, Materials, and Supplies: | \$ 420.00 |
| (F) Total Program Cost (subject to all of the terms and conditions below and on page 2) | | (G) Total Program Cost | \$ 7,128.00 |

* The number of aircraft rental hours, flight instruction/briefing hours and the hourly rates for aircraft rental and instruction included in the purchase price of this program may increase or decrease as provided below and on page 2 of this agreement. Unless otherwise agreed in writing, all program fees are fully earned and non-refundable when the student receives the anticipated certificate or rating.

Price and Performance Guarantees Included in this Flight Training Program

Aircraft Rental Hours Required to Earn Certificate

Guaranteed. Up to _____ additional hours will be furnished at no cost if needed to complete the program.
 Not Guaranteed. Any additional aircraft rental hours needed or desired by the Student to complete the program will be paid by the Student separate from this program at prevailing rates.

Flight Instruction Hours Required to Earn Certificate

Guaranteed. Up to _____ additional hours will be furnished at no cost if needed to complete the program.
 Not Guaranteed. Any additional flight instruction hours needed or desired by Student to complete the program will be paid by the Student separate from this program at prevailing rates.

Aircraft Rental Rate During Term of Flight Instruction

Guaranteed. The aircraft rental rate will not increase for 6 months from the date of this agreement.
 Not Guaranteed. All program aircraft rental fees will be assessed at the prevailing advance purchase rate in effect at the time training takes place. If rates change the number of purchased hours will differ from the above.

Instructor Flight Training/Briefing Rate During Term of Flight Instruction

Guaranteed. The instruction rate will not increase for 6 months from the date of this agreement.
 Not Guaranteed. All program instructor fees will be assessed at the prevailing advance purchase rate in effect at the time training takes place. If rates change the number of purchased hours will differ from the above.

All program fees may be fully earned (non-refundable) when the anticipated certificate or rating is attained

This agreement includes all of the terms and conditions on page 1 and on the reverse side (page 2)

FTT 300 0101

If your school currently sells “packaged” flight training plans, **YOUR OWN FORM MAY BE USED**, provided Flight Training Finance has approved the alternate form in advance.

Please note that these forms are individually numbered - **PLEASE REQUEST ADDITIONAL ORIGINAL FORMS** rather than copying.

The “Price and Performance Guarantees” are entirely optional. You may not want to guarantee anything. This section, however, gives you the opportunity to apply some of the creative selling trends emerging in the industry. Tailoring your flight training packages to individual Students will **ATTRACT NEW BUSINESS** and **ENHANCE OVERALL PROFITABILITY**. See the Marketing Tips at the end of this section.

The Prepaid Flight Training Agreement (cont.)

You may wish to point out these provisions to the Student BEFORE HE OR SHE SIGNS:

- **All program fees are fully earned** by the school (no refund is due the Student) when the anticipated certificate or rating is achieved. *This provision is for the exclusive benefit of the school, and of course may be waived by the school.*
- **The Student may terminate** the program at any time and receive a refund (credited to his finance account) of 90% of the unused/undelivered flight training services. The provision for 10% “liquidated damages” establishes a financial incentive for Students to finish the program they started. Any amount forfeited by dropping out goes to the flight school; *the flight school may waive this “penalty.”*
- **The school may terminate the flight training program** for the reasons listed in the agreement. Should this occur, the Student receives a refund (or credit) of 100% of the unused/undelivered flight training services.

Additional Terms and Conditions of this Agreement

Sale and purchase of Flight Training Program.

The Flight School agrees to sell and the Student and the Co-Buyer, if any (herein collectively referred to as “Student”) agree(s) to purchase the Prepaid Flight Training Program (the “Program”) described herein, subject to the terms and conditions set forth on the front (page 1) and the back (page 2) of this Agreement (the “Agreement”). The Flight School will provide the Program services and materials to the Student following the effective date of this Agreement at the address stated herein at times mutually agreed from time to time by the Student and Flight School. The Flight School may substitute instructors or modify training materials at its discretion.

Conditions for this agreement to become effective.

Certain portions of this Agreement may be completed for discussion and information purposes prior to its effective date. This Agreement shall not be effective until (a) it has been executed by both the Student and an authorized officer of the Flight School and (b) the payment obligations of the Student have been discharged in a manner satisfactory to the Flight School. *For instance, regarding the student's payment obligations, the student is discharged only after the Student's finance application has been approved by the finance company, any required down payment has been received by the finance company, and the related finance agreement has been fully executed and accepted by the Student, the Flight School, and the finance company.*

Price and performance guarantees.

The Flight School will provide the additional Aircraft Rental Hours, additional Flight Instruction Hours, guaranteed Aircraft Rental Rates and guaranteed Instructor Flight/Briefing Rates, if any, as stated on page 1 of this Agreement in the section “Price and Performance Guarantees Included in this Flight Training Program”. The Flight School's obligation to provide guaranteed services and/or rates terminates when the Student attains the anticipated Certificate and/or Rating or following the delivery by the Flight School of the guaranteed hours and/or rates, whichever occurs earlier.

All fees earned when certificate / rating is attained.

Student acknowledges that the Program is purchased in anticipation of attaining a Certificate and/or Rating as described on Page 1. Unless otherwise agreed in writing, Student acknowledges and agrees that upon the effective date of the anticipated Certificate and/or Rating, the Total Program Cost is fully earned by the Flight School. In this event, (a) the Flight School will have no obligation to provide further services or materials under the Program including those promised in the Price and Performance Guarantees section, if any, and (b) the Student is not entitled to any refund.

Hours of aircraft rental / instruction.

The number of hours of Aircraft Rental, Flight Instruction and Review/Briefings (“Program Hours”) included in the Program may differ from the number of estimated hours shown in the Prepaid Flight Training Program and Costs section on page 1. The number of Program Hours may increase if the Program includes Guarantees for Aircraft Rental Hours or Flight Instruction Hours and the Flight School delivers no-cost hours under the Guarantee provisions. The number of Program Hours may decrease if (a) the hourly rates for Aircraft Rental and/or Instructor Flight Training/Briefing are not guaranteed, or the guarantee periods have expired, and prevailing

hourly rates for these services increase, or (b) all Program Hours purchased become fully earned upon the attainment by the Student of the anticipated Certificate or Rating.

Periodic recording of aircraft rental and instruction hours.

At the completion of each training session or otherwise on a similar periodic basis, the Flight School will prepare Training Records (“TRs”) which report the exact number of hours of aircraft rental, instructor time and other services and/or supplies provided by Flight School to Student under this agreement. The Student acknowledges that the TRs are used to define and calculate at any point in time, including but not limited to early termination of the Program, the amount of delivered and undelivered flight training services under this program. The Student agrees to carefully review each record in a timely manner following receipt of the services or materials. The Student warrants the accuracy of all TRs signed by the Student and agrees not to sign any TR which is not fully completed or which covers services that have not been fully and satisfactorily provided or delivered to Student.

Termination of this agreement by the student.

The Student may terminate this Program at any time. Student acknowledges that upon acceptance of this agreement, the Flight School has allocated equipment and instruction resources to meet its Program obligations to Student, and will suffer financial loss in the event of early termination of the Student's Program. The Flight School agrees to accept a liquidated damages ten percent (10%) of the unused/undelivered Total Program Cost for any early termination, in lieu of actual losses. Upon any such early termination by the Student, the Flight School shall, within 30 days of such termination, refund to Student ninety percent (90%) of all unused/undelivered aircraft rental fees, flight/briefing instruction fees, ground school fees, books, materials, and supplies as evidenced by the Training Records. If this Agreement has been financed, any credit due Student will be paid to the finance company to be applied to Student's account. Any refund due the Student will be made in accordance with the terms of the finance agreement by the finance company.

Termination of this agreement by the flight school.

The Flight School may terminate this Program if: (a) in the opinion of the Flight School it would be unable to continue the program or reassign Student for the anticipated Certificate or Rating; (b) in the opinion of the Flight School, it is unlikely the Student will receive the anticipated Certificate or Rating in a reasonable time or at a reasonable cost; or (c) it becomes impossible for the Flight School to provide the promised services or materials. Upon any such early termination by the Flight School, the Flight School shall, within 30 days of such termination, refund to Student one hundred percent (100%) of all unused/undelivered aircraft rental fees, flight/briefing instruction fees, ground school fees, books, materials, and supplies as evidenced by the Training Records. If this Agreement has been financed, any credit due Student will be paid to the finance company to be applied to Student's account. Any refund due the Student will be made in accordance with the terms of the finance agreement by the finance company.

Assignment.

This agreement may not be assigned by the Student or by the Flight School.

Acceptance by Student:

I HAVE READ THE TERMS AND CONDITIONS ON BOTH SIDES OF THIS AGREEMENT. THIS AGREEMENT SUPERSEDES ANY PRIOR AGREEMENTS BETWEEN THE PARTIES AND MAY NOT BE CHANGED EXCEPT BY A WRITING EXECUTED BY ALL OF THE PARTIES. I ACCEPT THE FLIGHT TRAINING PROGRAM AND AGREE TO PAY THE TOTAL PROGRAM COST AS FOLLOWS: (check one)

To be paid by Cash/Check To be paid by Credit Card Contingent on approval of a Finance Agreement acceptable to me

I ACKNOWLEDGE RECEIPT OF A COPY OF THIS AGREEMENT.

John L. Foster John L. Foster 2/15/02
Student Name (print or type) By (Signature) Date

Acceptance by Flight School:
Clear Sky Flight Training Tim Snelling President 2/15/02
Flight School (print or type) By (Signature) Title Date

PS3 300 0101

This form may also be used for transactions that are NOT FINANCED. Agreeing on a package of flight training creates a firmer commitment by the Student, regardless of payment method - cash, credit card or financing. The financing option minimizes the objection to the “prepaid” nature of the agreement, even with Students that do not finance.

Prepaid Flight Training Agreement

Flight School Name

Flight School Address
Information

(herein referred to as "Flight School")

Date:

No.:

Student:

Address:

City, State:

Zip:

Current Student Certificate and Rating

Certificate: None Student Recreational Private Commercial
Category / Class: _____ VFR IFR Total Hours: _____

Anticipated Student Certificate and Rating to be Attained

Anticipated Certificate at Completion of Training: Recreational Private Commercial
Category / Class: _____ VFR IFR

Prepaid Flight Training Program and Costs

(A) Aircraft Type: _____
(B) Scheduled Number of Lessons Per Week: _____ Average Aircraft Rental Hours Per Lesson: _____
(C) Aircraft Rental: _____ estimated hours* @ \$ _____ * per hour \$ _____
(D) Flight Instruction: _____ estimated hours* @ \$ _____ * per hour \$ _____
(E) Review/Briefings: _____ estimated hours* @ \$ _____ * per hour \$ _____
(F) Ground School: Private Instruction Classroom Computer-Based \$ _____
(G) Books, Materials, and Supplies:..... \$ _____
(H) **Total Program Cost** (subject to all of the terms and conditions below and on page 2) \$ _____

* The number of aircraft rental hours, flight instruction/briefing hours and the hourly rates for aircraft rental and instruction included in the purchase price of this program may increase or decrease as provided below and on page 2 of this agreement. Unless otherwise agreed in writing, all program fees are fully earned and non-refundable when the student receives the anticipated certificate or rating.

Price and Performance Guarantees Included in this Flight Training Program

Aircraft Rental Hours Required to Earn Certificate

- Guaranteed.** Up to _____ additional hours will be furnished at no cost if needed to complete the program.
 Not Guaranteed. Any additional aircraft rental hours needed or desired by the Student to complete the program will be paid by the Student separate from this program at prevailing rates.

Flight Instruction Hours Required to Earn Certificate

- Guaranteed.** Up to _____ additional hours will be furnished at no cost if needed to complete the program.
 Not Guaranteed. Any additional flight instruction hours needed or desired by Student to complete the program will be paid by the Student separate from this program at prevailing rates.

Aircraft Rental Rate During Term of Flight Instruction

- Guaranteed.** The aircraft rental rate will not increase for _____ months from the date of this agreement.
 Not Guaranteed. All program aircraft rental fees will be assessed at the prevailing advance purchase rate in effect at the time training takes place. If rates change the number of purchased hours will differ from the above.

Instructor Flight Training/Briefing Rate During Term of Flight Instruction

- Guaranteed.** The instruction rate will not increase for _____ months from the date of this agreement.
 Not Guaranteed. All program instructor fees will be assessed at the prevailing advance purchase rate in effect at the time training takes place. If rates change the number of purchased hours will differ from the above.

All program fees may be fully earned (non-refundable) when the anticipated certificate or rating is attained

This agreement includes all of the terms and conditions on page 1 and on the reverse side (page 2)

Additional Terms and Conditions of this Agreement

Sale and purchase of Flight Training Program.

The Flight School agrees to sell and the Student and the Co-Buyer, if any (herein collectively referred to as "Student") agree(s) to purchase the Prepaid Flight Training Program (the "Program") described herein, subject to the terms and conditions set forth on the front (page 1) and the back (page 2) of this Agreement (the "Agreement"). The Flight School will provide the Program services and materials to the Student following the effective date of this Agreement at the address stated herein at times mutually agreed from time to time by the Student and Flight School. The Flight School may substitute instructors or modify training materials at its discretion.

Conditions for this agreement to become effective.

Certain portions of this Agreement may be completed for discussion and information purposes prior to its effective date. This Agreement shall not be effective until (a) it has been executed by both the Student and an authorized officer of the Flight School and (b) the payment obligations of the Student have been discharged in a manner satisfactory to the Flight School. For financed transactions, the Student's payment obligations are discharged only after the Student's finance application has been approved by the finance company, any required down payment has been received by the Flight School, and the related finance agreement has been fully executed and accepted by the Student, the Flight School, and the finance company.

Price and performance guarantees.

The Flight School will provide the additional Aircraft Rental Hours, additional Flight Instruction Hours, guaranteed Aircraft Rental Rates and guaranteed Instructor Flight/Briefing Rates, if any, as stated on page 1 of this Agreement in the section "Price and Performance Guarantees Included in this Flight Training Program". The Flight School's obligation to provide guaranteed services and/or rates terminates when the Student attains the anticipated Certificate and/or Rating or following the delivery by the Flight School of the guaranteed hours and/or rates, whichever occurs earlier.

All fees earned when certificate / rating is attained.

Student acknowledges that the Program is purchased in anticipation of attaining a Certificate and/or Rating as described on Page 1. Unless otherwise agreed in writing, Student acknowledges and agrees that upon the effective date of the anticipated Certificate and/or Rating, the Total Program Cost is fully earned by the Flight School. In this event, (a) the Flight School will have no obligation to provide further services or materials under the Program including those promised in the Price and Performance Guarantees section, if any, and (b) the Student is not entitled to any refund.

Hours of aircraft rental / instruction.

The number of hours of Aircraft Rental, Flight Instruction and Review/Briefings ("Program Hours") included in the Program may differ from the number of estimated hours shown in the Prepaid Flight Training Program and Costs section on page 1. The number of Program Hours may increase if the Program includes Guarantees for Aircraft Rental Hours or Flight Instruction Hours and the Flight School delivers no-cost hours under the Guarantee provisions. The number of Program Hours may decrease if (a) the hourly rates for Aircraft Rental and/or Instructor Flight Training/Briefing are not guaranteed, or the guarantee periods have expired, and prevailing

hourly rates for these services increase, or (b) all Program Hours purchased become fully earned upon the attainment by the Student of the anticipated Certificate or Rating.

Periodic recording of aircraft rental and instruction hours.

At the completion of each training session or otherwise on a similar periodic basis, the Flight School will prepare Training Records ("TRs") which report the exact number of hours of aircraft rental, instructor time and other services and/or supplies provided by Flight School to Student under this agreement. The Student acknowledges that the TRs are used to define and calculate at any point in time, including but not limited to early termination of the Program, the amount of delivered and undelivered flight training services under this program. The Student agrees to carefully review each record in a timely manner following receipt of the services or materials. The Student warrants the accuracy of all TRs signed by the Student and agrees not to sign any TR which is not fully completed or which covers services that have not been fully and satisfactorily provided or delivered to Student.

Termination of this agreement by the student.

The Student may terminate this Program at any time. Student acknowledges that upon acceptance of this agreement, the Flight School has allocated equipment and instruction resources to meet its Program obligations to Student, and will suffer financial loss in the event of early termination of the Student's Program. The Flight School agrees to accept as liquidated damages ten percent (10%) of the unused/undelivered Total Program Cost for any early termination, in lieu of actual losses. Upon any such early termination by the Student, the Flight School shall, within 30 days of such termination, refund to Student ninety percent (90%) of all unused/undelivered aircraft rental fees, flight/briefing instruction fees, ground school fees, books, materials, and supplies as evidenced by the Training Records. If this Agreement has been financed, any credit due Student will be paid to the finance company to be applied to Student's account. Any refund due the Student will be made in accordance with the terms of the finance agreement by the finance company.

Termination of this agreement by the flight school.

The Flight School may terminate this program if: (a) in the opinion of the Flight School it would be unsafe to continue the program or recommend Student for the anticipated Certificate or Rating; (b) in the opinion of the Flight School, it is unlikely the Student will receive the anticipated Certificate or Rating in a reasonable time or at a reasonable cost; or (c) it becomes impossible for the Flight School to provide the promised services or materials. Upon any such early termination by the Flight School, the Flight School shall, within 30 days of such termination, refund to Student one hundred percent (100%) of all unused/undelivered aircraft rental fees, flight/briefing instruction fees, ground school fees, books, materials, and supplies as evidenced by the Training Records. If this Agreement has been financed, any credit due Student will be paid to the finance company to be applied to Student's account. Any refund due the Student will be made in accordance with the terms of the finance agreement by the finance company.

Assignment.

This agreement may not be assigned by the Student or by the Flight School.

Acceptance by Student:

I HAVE READ THE TERMS AND CONDITIONS ON BOTH SIDES OF THIS AGREEMENT. THIS AGREEMENT SUPERSEDES ANY PRIOR AGREEMENTS BETWEEN THE PARTIES AND MAY NOT BE CHANGED EXCEPT BY A WRITING EXECUTED BY ALL OF THE PARTIES. I ACCEPT THE FLIGHT TRAINING PROGRAM AND AGREE TO PAY THE TOTAL PROGRAM COST AS FOLLOWS: (check one)

To be paid by **Cash/Check** To be paid by **Credit Card** Contingent on approval of a **Finance Agreement** acceptable to me

I ACKNOWLEDGE RECEIPT OF A COPY OF THIS AGREEMENT.

Student Name (print or type)

By (Signature)

Date

Acceptance by Flight School:

Flight School (print or type)

By (Signature)

Title

Date

SECTION 4

CONTRACTS

Retail Installment Contract

Our system will CONVENIENTLY PREPARE the Retail Installment Contract after the application has been approved and we have received the Prepaid Flight Training Agreement.

| FLIGHT TRAINING FINANCE THE SKY'S THE LIMIT | | RETAIL INSTALLMENT CONTRACT (herein referred to as the "Agreement") | | | | | | | |
|--|------------------------|--|--|--------------------|------------------------|------------------------------------|----|-----------|----------|
| Student / Buyer (herein referred to as "Buyer") John L. Foster 1286 Maple Street Stone Valley, CA 96584 | | A Total Cash Price The Cash Price of the program you have purchased. \$ 7,128.00 B Cash Down Payment The amount you have paid in cash to the Flight School. \$ 250.00 | | | | | | | |
| Co-Buyer (see explanation of Co-Buyer's liability on Page 2) John L. Foster 1286 Maple Street Stone Valley, CA 96584 | | FEDERAL TRUTH-IN-LENDING DISCLOSURES Amount Financed The amount of credit provided to you or on your behalf. \$ 6,878.00 FINANCE CHARGE The dollar amount that the credit will cost you. \$ 2,310.16 Total of Payments The amount you will have paid after you have made all payments as scheduled. \$ 9,188.16 Total Sale Price The total price of your purchase on credit, including your down payment shown on Line B. \$ 9,438.16 ANNUAL PERCENTAGE RATE The cost of your credit as a yearly rate. 15.00 % | | | | | | | |
| Guarantor (if any) None | | Payment Schedule <table border="1"> <thead> <tr> <th>Number of Payments</th> <th>Amount of Each Payment</th> <th>Payments are Due Monthly Beginning</th> </tr> </thead> <tbody> <tr> <td>48</td> <td>\$ 191.42</td> <td>03/15/02</td> </tr> </tbody> </table> | | Number of Payments | Amount of Each Payment | Payments are Due Monthly Beginning | 48 | \$ 191.42 | 03/15/02 |
| Number of Payments | Amount of Each Payment | Payments are Due Monthly Beginning | | | | | | | |
| 48 | \$ 191.42 | 03/15/02 | | | | | | | |
| Flight School / Seller (herein referred to as "Seller") Clear Sky Flight Training, Inc. 5869 Airport Road Franklin, CA 96523 | | SECURITY INTEREST: You are giving a security interest in the unused or undelivered portion of the Flight Training Program purchased. If you default on this Agreement, Flight Training Program services may be suspended or terminated. LATE CHARGE: If any payment is not paid in full within 10 days after it is due (15 days in MA, ME, MS, NC and PR), you will pay a late charge as provided in the paragraph entitled "LATE CHARGE" on Page 2 of this Agreement. PREPAYMENT: If you pay the Total of Payments in full before the last payment due date, you may be entitled to a partial refund of Finance Charge. ITEMIZATION OF THE AMOUNT FINANCED: The Amount Financed will be credited to the account of the Buyer at the Flight School. ADDITIONAL INFORMATION: Read all of your contract documents for more information about nonpayment, default, the right to accelerate the maturity of the obligation, prepayment rebates, security interest and termination of flight training. | | | | | | | |
| Assignee/Creditor (herein referred to as "Assignee" or "Creditor") Flight Training Finance 2101 Waukegan Rd Suite 101 Bannockburn, IL 60015-1836 (800)667-0201 | | RETAIL INSTALLMENT CONTRACT Buyer (signature) _____ Date _____ Co-Buyer (signature) _____ Date _____ Guarantor: (Guarantors must sign separate Explanation of Guarantor's Obligation form) Guarantor (signature) _____ Date _____ I, hereby guarantee the collection of the above described amount upon the failure of the Seller or Creditor named herein to collect said amount from the buyer named herein. Acceptance by Seller By (signature) _____ Title _____ Date _____ | | | | | | | |
| Notice to the Buyer 1. Do not sign this Agreement before you read it or if it contains any blank spaces. 2. You are entitled to an exact copy of the Agreement you sign. 3. Under the law you have the right, among others, to pay in advance the full amount due and to obtain under certain conditions a partial refund of the finance charge. 4. The Seller intends to assign this Agreement to Pilot Finance, Inc., 2101 Waukegan Road, Suite 101, Bannockburn, IL 60015-1836. Buyer acknowledges that (1) before signing this Agreement Buyer read both sides of this Agreement and the Prepaid Flight Training Agreement and (2) Buyer has received a legible, completely filled in copy of this Agreement and every other document that Buyer has signed during the Agreement negotiation. | | Agreement PROGRAM PURCHASED AND PAYMENT TERMS: You, the Buyer, and Co-Buyer(s) if any, agree to purchase flight training and related services (the "Flight Training Program") from the Seller. The Flight Training Program is described in the Prepaid Flight Training Agreement ("PFTA"), which is referenced below and is attached hereto and incorporated herein as if set forth in full at this point. 988427 02/15/02 \$7,128.00 PFTA Number Date Accepted Cash Price of Program You may buy the Flight Training Program for cash or credit. The cash price is shown as "Total Cash Price." The credit price is shown as "Total (continued on Page 2) | | | | | | | |
| Copy 1: Pilot Finance/Creditor Copy 2: Flight School/Seller Copy 3: Student/Buyer Copy 4: Co-Buyer or Guarantor | | PFT 100 2/01 | | | | | | | |

We use DocuSign to complete all contracts.

We will send an electronic copy of the contract to the student, co-borrowers, and flight school via email through DocuSign. Signatures are obtained in the following order: 1) Student, 2) Co-borrower(s), 3) Flight School, and then 4) Flight Training Finance.

This has dramatically lessened the time it takes to process documents. You can close the transaction and begin training the same day!

Fly away. Take to the skies! While we're busy sending the Student a welcome letter and a coupon payment book, you can start training. We will begin funding your school for the Student's training the same day we receive the signed contract.

Remember to collect the down payment.

The Student's check should be payable to the flight school. Your school keeps the down payment.

Sample copies of the Retail Installment Contract are available upon request for flight schools that wish to review the form.

Retail Installment Contract Purchase Agreement

You may also wish to request a copy of the Retail Installment Contract Purchase Agreement. This one-time agreement, which is emailed through DocuSign, formalizes the arrangement between your flight school and Flight Training Finance.

SECTION 5

FUNDING

Account Funding

Flight Training Finance sends payment to flight schools from TRAINING RECORDS we receive for each lesson, for each financed Student.

These forms may be submitted by email after each lesson or once per day, week or month or whatever schedule is convenient for **you**. We will then release the funds to your flight school.

You may use the customized Training Record forms we furnish, or use the records you currently generate after each lesson. See below for the simple requirements. Chances are, you can save time by using your current record form and making sure the **Student signs it**.

Remember to SEND ALL TRAINING RECORDS for each Student, even though the first one or two records may be covered by the down payment amount. Our computer system must reflect that the down payment is “used up” with initial training before it can trigger the issuance of funds for subsequent training.

Personalized Training Record forms for each Student.

Flight Training Record

Flight School Name
Flight School Address
Information

FLIGHT TRAINING
FINANCE
THE WAY TO THE SKY

Flight Training Finance, LLC
2101 Waukegan Road, Suite 101
Bannockburn, Illinois 60015-1836
800-667-0201 • Fax: 847-267-1800
FlightTrainingFinanceLLC.com

Student Information

Student Name: _____ Account Number: _____

Date of Training: _____

| | | | |
|------------------|---------------------|----------|----------|
| Aircraft Rental: | _____ hours @ _____ | per hour | \$ _____ |
| Instruction: | _____ hours @ _____ | per hour | \$ _____ |
| | _____ hours @ _____ | per hour | \$ _____ |

Ground School Charges: \$ _____

Books, Materials and Supplies: \$ _____

Other (describe): _____ \$ _____

Total: \$ _____

This form completed by: _____

Certification by Student

I certify that the above services have been provided to me in accordance with my Prepaid Flight Training Agreement. I am entitled to a copy of this Training Record upon request.

Student (signature) _____ Date Signed _____

Notes

To the Flight School:

- Complete and email this record to Flight Training Finance after completion of training.

Flight School Checklist to Avoid Delays: Disbursements may be delayed for any of the following reasons:

- **Suspended Program.** The Flight School has been notified that the Student's program has been suspended.
- **Incorrect Charges.** The charges above have been billed at incorrect rates or not as previously agreed.
- **Accelerated Schedule.** The cumulative Average Aircraft Rental Hours Per Lesson have been exceeded.
- **No Signature.** This Training Record is not signed by the Student.

PFI 500 0604

You may use your own existing record format. Check these four simple requirements:

1. *The Student's Name must be shown.*
2. *The Date of Training must be shown.*
3. *The number of hours, hourly rate, and charge for each item must be shown.*
4. *The record must be signed by the Student.*

Account Funding (cont.)

Funding could be DELAYED OR REFUSED if any of these situations occur:

- **Incorrect rates.** The charges have been billed at incorrect rates (not as previously agreed).
- **No signature.** The Training Record is not signed by the Student.
- **Too many lesson hours.** The cumulative lesson hours per week as agreed by the school and the Student in the Prepaid Flight Training Agreement has been exceeded.
- **Suspended or terminated program.** The flight school was notified prior to the training that the Student's flight training program had been suspended or terminated for non-payment.

Advance Funding. Why we don't do it.

We do not fund "blocks" of funds in advance of training. This policy provides protection for Students, because it enables Flight Training Finance to guarantee its customers that any Termination Credits which may become due will be immediately credited to the Student's account to reduce his or her payment obligation.

We never want to put ourselves in the position of demanding payment from a Student simply because we could not receive refunds from his or her flight school. Our funding policy provides financial protection for all parties.

Flight Training Record

Flight School Name
Flight School Address
Information



Flight Training Finance, LLC.
2101 Waukegan Road, Suite 101
Bannockburn, Illinois 60015-1836
800-667-0201 • Fax: 847-267-1800
FlightTrainingFinanceLLC.com

Student Information

Student Name: _____ Account Number: _____

Date of Training: _____

Aircraft Rental: _____ hours @ _____ per hour \$ _____

Instruction: _____ hours @ _____ per hour \$ _____

_____ hours @ _____ per hour \$ _____

Ground School Charges: \$ _____

Books, Materials and Supplies: \$ _____

Other (describe): _____ \$ _____

Total: \$ _____

This form completed by: _____

Certification by Student

I certify that the above services have been provided to me in accordance with my Prepaid Flight Training Agreement. I am entitled to a copy of this Training Record upon request.

Student (signature)

Date Signed

Notes

To the Flight School:

- Complete and email this record to Flight Training Finance after completion of training.

Flight School Checklist to Avoid Delays:

 Disbursements may be delayed for any of the following reasons:

- **Suspended Program.** The Flight School has been notified that the Student's program has been suspended.
- **Incorrect Charges.** The charges above have been billed at incorrect rates or not as previously agreed.
- **Accelerated Schedule.** The cumulative Average Aircraft Rental Hours Per Lesson have been exceeded.
- **No Signature.** This Training Record is not signed by the Student.

SECTION 4

NOTICES

Notices.

Suspension Notices



Flight Training Finance, Inc.
2101 Waukegan Road
Suite 101
Bannockburn, IL 60015-1836
Phone: 800-667-0201
Fax: 847-267-1800

Flight Training Agreement **Notice of Suspension**

Flight Training Finance will email the flight school and the student a Notice of Suspension if a Student becomes past due in his account payments.

Flight Training Finance will not fund the flight school for flight training that occurs after the flight school has received a Notice of Suspension, unless the suspension is subsequently lifted. Flight training programs that are suspended will

be considered for reinstatement only when Flight Training Finance can be adequately assured that the default will not recur.

Flight Training Finance will fund the school for a Student's flight training that occurs *before* the flight school receives a Notice of Suspension, even if the Training Records are received after the suspension becomes effective.

Notices (cont.)

Termination Notices

A Termination Notice indicates that the flight training program is being cancelled.

As provided by the Prepaid Flight Training Agreement, Termination Notices may be sent by the Student at any time. The flight school or Flight Training Finance may send a Termination Notice under certain circumstances. No special form is required for a termination notice by a Student or the school, but the notice must be in writing.

When a Notice of Termination is issued, Flight Training Finance will credit the Student's account for the refund due for unused/undelivered flight training, as provided by the terms of the Prepaid Flight Training Agreement and the Retail Installment Contract. Normally, a flight training program will not be reinstated after it is terminated.

Reinstatement Notices



Flight Training Finance, Inc.
2101 Waukegan Road
Suite 101
Bannockburn, IL 60015-1836
Phone: 800-667-0201
Fax: 847-267-1800

Flight Training Agreement **Notice of Reinstatement**

A Notice of Reinstatement will be emailed to the flight school and student anytime a suspension is being lifted or a termination is being reversed.

A reinstatement can only occur with a written notice received via email.