NZ-COMsho03

Aircraft share agreement

Dated: [date]

[Names of all Owners]

Contents

1. Definitions
2. Interpretation
3. Terms of beneficial interest
4. Relationship of Owners
5. Price and payment for the Aircraft
6. Use of the Aircraft
7. Persons allowed to fly
8. Obligations of the Owners
9. The Accessories
10. Procedure at meetings
11. Management and Common Fund
12. Insurance
13. Undertakings by the owners
14. Warranties and indemnities
15. Long stop termination date
16. Termination and assignment
17. Confidentiality
18. Miscellaneous matters

Schedule 1: Details of the Aircraft
Schedule 2: List of Accessories
Schedule 3: The Timetable
Schedule 4: Operating Costs
Schedule 5: The Inventory

This agreement is dated: [[redacted]]

It is made between:

[name of first Owner] of [address] (“ABC”)

And

[name of other Owner] of [address] (“DEF”)

The Owners wish to enter into an agreement to share the management and use of the Aircraft [and for [redacted]] [redacted].

1. Definitions

These definitions apply unless the context [redacted]:

“Accessories”	means fixtures, fittings, appliances and equipment contributed or purchased by the Owners for use [redacted] [[redacted] 2].
"Aircraft"	means the Aircraft full details of which are set out in Schedule 1, [redacted].
“Operating Costs”	means all costs of maintaining and operating the Aircraft, [redacted] 4 .
“Common Fund”	means the money contributed by the Owners to pay for all Operating [redacted].
“Competent Pilot”	means a person : a) who has the legal qualification to pilot the aircraft b) whom the Owners have approved in writing as being a proper and responsible person to pilot the Aircraft
"Confidential Information"	means all information about an Owner and his family, their affairs and their [redacted] , [redacted]

© Andrew Taylor and Net Lawman Ltd

[redacted], [redacted].

“Inventory” means the list of items in Schedule 5.

“Sale Owner” means an Owner who wishes to sell his Share or a person in whom a Share vests [redacted] ([redacted]).

“Share” means a share in the Aircraft.

“Timetable” means the [quarterly/half-yearly/annual] usage plan of the Aircraft [redacted] 3.

2. Interpretation

In this agreement unless the context [redacted]:

2.1. a reference to one gender shall include any or all genders and a reference to the singular may be interpreted [redacted].

2.2. a reference to a person includes a human individual, a corporate entity and any organisation [redacted].

2.3. a reference to a person includes reference to that person’s successors, legal representatives, permitted assigns and any person to whom rights and obligations are transferred or pass as a [redacted], [redacted], [redacted]-[redacted].

2.4. a reference to a paragraph or schedule is to a paragraph or schedule to this agreement unless the context [redacted].[redacted].

2.5. the headings to the paragraphs and schedules (if any) to this agreement are inserted [redacted].

2.6. any agreement by any party not to do or omit to do something includes an obligation not to allow some [redacted].

© Andrew Taylor and Net Lawman Ltd

2.7. [except where stated otherwise,] any obligation of any person arising from this [redacted].

2.8. a reference to the knowledge, information, belief or awareness [redacted], [redacted], [redacted].

2.9. a reference to a specific statute includes any statutory [redacted], [redacted]-[redacted].

2.10. this agreement is made only in the English language. If there is any [redacted], [redacted].

3. Terms of beneficial interest

3.1. The Aircraft is held by the Owners as tenants in common in [equal shares / [redacted]/[redacted]].

3.2. All Operating Costs and improvements of a capital nature shall [redacted], [redacted].

4. Relationship of Owners

4.1. The owners include their respective [redacted]“[redacted]”.

4.2. This agreement contains the entire agreement [redacted], [redacted], [redacted].

4.3. This agreement does [redacted].

© Andrew Taylor and Net Lawman Ltd

4.4. No Owners is an agent of any other Owner [redacted].

5. Price and payment for the Aircraft

5.1. The Owners [agree [redacted] / [redacted]] [redacted]:

[ABC]	$ [0000]
[DEF]	$ [0000]

5.2. That money will be held [redacted] [[redacted]] [redacted].

OR

5.3. That money will be paid immediately [redacted] [[redacted]] [redacted], [redacted].

5.4. To make up the purchase price the sum [redacted] $ [[redacted]] [redacted] [[redacted]] [redacted].

5.5. [ABC] is authorised to [redacted].

6. Use of the Aircraft

6.1. The Aircraft will be used for [[redacted] / [redacted]].

6.2. The Owners agree that they will not:

6.2.1 use the Aircraft for any commercial purpose,

6.2.2 let it out to any person, or

6.2.3 allow any third [redacted].

© Andrew Taylor and Net Lawman Ltd

7. Persons allowed to fly

7.1. For the purpose of [redacted]:

7.1.1 the Owners;

7.1.2 Competent Pilots;

7.1.3 [anyone with [[redacted]] [redacted] [[redacted]] [redacted]]

7.2. Each Owner is required to [redacted].

7.3. If due to any reason an Owner has not used the Aircraft for more [redacted] [[redacted]] [redacted].

8. Obligations of the Owners

Each Owner agrees that he will:

8.1. use the Aircraft only as per the Timetable;

8.2. accept full responsibility for all [redacted], [redacted];

8.3. fly the [redacted];

8.4. while flying comply with [redacted];

8.5. not take the Aircraft outside the [[redacted]] [redacted];

8.6. return the Aircraft to [[redacted]] [redacted];

8.7. not change an arrangement for [redacted].

8.8. after using the Aircraft take following actions:

© Andrew Taylor and Net Lawman Ltd

8.8.1 check topping of all fuel [redacted] 5 [redacted];

8.8.2 enter the flying hours, [redacted];

8.8.3 lock the cabin doors and baggage compartments;

8.8.4 remove all rubbish [redacted].

9. The Accessories

9.1. Normal maintenance of [redacted].

9.2. All Accessories required for [redacted].

9.3. Damage to any Accessory will be repaired or made well ([redacted]) [redacted].

9.4. Any damage claim against a third party, [redacted] [[redacted]].

10. Procedure at meetings

10.1. Within one week of today, the first named Owner, or some other Owner by agreement [redacted], [redacted], [redacted] 28 [redacted], [redacted], [redacted].

10.2. At least once / twice in every year [name], the chairman of the last previous meeting, or [redacted], [redacted], [redacted] 28 [redacted], [redacted], [redacted].

© Andrew Taylor and Net Lawman Ltd

10.3. At the meeting, motions will be put, on which the Owners will [redacted].

10.4. The Owners shall exercise [redacted].

10.5. [Except as specified in this agreement, [redacted]].

10.6. The first item for the attention of the meeting shall be the appointment of a chairman of that meeting. An Owner may vote for himself. It shall not be necessary for a nomination [redacted] 12 [redacted].

11. Management and Common Fund

11.1. Each Owner agrees that he will act as Aircraft manager in turn, [redacted] [[redacted]].

OR

11.2. [ABC] will act as [redacted].

11.3. The Aircraft manager shall:

11.3.1 collect cash from all Owners in proportion to their ownership to create and maintain [redacted].

© Andrew Taylor and Net Lawman Ltd

11.3.2 maintain the Common Fund and provide a [quarterly] [redacted];

11.3.3 pay all bills [redacted].

11.3.4 purchase and maintain Accessories as required.

11.3.5 organise and ensure maintenance and repairs to [redacted];

11.3.6 employ any professional specialists on their [redacted];

11.3.7 deal with any professional manager agreed by the Owners; [[redacted] [[redacted]] [redacted] [[redacted]].

11.3.8 find and manage [redacted];

11.3.9 insure the Aircraft [redacted];

11.3.10 arrange security for the Aircraft;

11.3.11 pay all fees imposed by any authority;

11.3.12 keep all [redacted];

11.3.13 keep supportive [redacted];

11.3.14 manage availability of [redacted];

11.4. [Each year / half year], the Aircraft manager shall prepare a [redacted] [[redacted] / [redacted]] [redacted].

11.5. Within one month of the end of [each year / half year], the Aircraft manager shall provide to [redacted] [[redacted] / [redacted]

© Andrew Taylor and Net Lawman Ltd

[redacted]] [redacted], [redacted] [[redacted]/[redacted]].

11.6. In the absence of obvious error, each other [redacted].

11.7. The current estimate of prospective Operating Costs for the next twelve [redacted] $[[redacted]]. [redacted], [redacted] $[[redacted]], [redacted] [[redacted]].

11.8. If any Owner shall fail to pay money on account [redacted], [redacted].

11.9. No payment shall be made to the Aircraft manager for his personal [redacted] [[redacted]].

12. Insurance

12.1. The Owners agree to keep [redacted].

12.2. The Aircraft manager shall ensure [redacted].

12.3. The Owners shall pay timely [redacted].

OR

12.4. The Aircraft manager [redacted].

13. Undertakings by the Owners

Each Owner [redacted]:

13.1. promptly pay his share of the Operating Costs;

© Andrew Taylor and Net Lawman Ltd

13.2. pay all taxes, licence fees [redacted], [redacted];

13.3. keep the [redacted];

13.4. obtain all necessary [redacted];

13.5. not accumulate anything in [redacted];

13.6. keep the Aircraft in clean and good condition [and co- [redacted]];

13.7. maintain the Inventory;

13.8. give up possession of the Aircraft as [redacted]-[redacted];

13.9. fully cooperate in repairing [redacted];

13.10. [redacted], [redacted], [redacted], [redacted], [redacted];

13.11. [redacted], [redacted];

13.12. [redacted].

13.13. [redacted], [redacted];

13.14. [redacted];

13.15. [redacted];

13.16. [redacted];

© Andrew Taylor and Net Lawman Ltd

13.17. [redacted] [[redacted] / [redacted]] [redacted].

14. Warranties and indemnities

14.1. [redacted].

14.2. [redacted], [redacted], [redacted].

15. Long stop termination date

15.1. [redacted] [[redacted]].

15.2. [redacted], [redacted]. [redacted], [redacted] ([redacted]) [redacted]. [redacted].

15.3. [redacted], [redacted], [redacted], [redacted], [redacted].

16. Termination and assignment

[redacted] ***01 -*** [redacted] ***,*** [redacted] ***]***

16.1. [[redacted]] [redacted] [[redacted]], [redacted] 31st [redacted] 2018 [redacted]

© Andrew Taylor and Net Lawman Ltd

[redacted] 95 % [redacted] 31st [redacted] 2018 [redacted] [[redacted]].

16.2. [redacted], [redacted]. [redacted], [redacted] ([redacted]) [redacted]. [redacted].

[[redacted] 02 - [redacted]. [redacted] - [redacted].]

16.3. [redacted] [[redacted]] [redacted]. [redacted], [redacted]. [redacted].

16.4. [redacted]. [redacted], [redacted], [redacted] $ [[redacted]] ([redacted]). [redacted].

16.5. [redacted].

16.6. [redacted].

[[redacted] 03 - [redacted], [redacted] - [redacted], [redacted].]

© Andrew Taylor and Net Lawman Ltd

[redacted], [redacted], [redacted]:

16.7. [redacted]. [redacted][[redacted]/[redacted]].

16.8. [redacted][[redacted]/[redacted]][redacted][7][redacted].

16.9. [redacted].

16.10. [redacted], [redacted].

16.11. [redacted], [redacted], [redacted]14 [redacted]. [redacted], [redacted], [redacted].

16.12. [redacted].

17. Confidentiality

17.1. [redacted].

17.2. [redacted], [redacted]([redacted]

© Andrew Taylor and Net Lawman Ltd

[redacted]), [redacted]([redacted])[redacted].

18. Miscellaneous matters

18.1. [redacted], [redacted].

18.2. [redacted].

18.3. [redacted], [redacted], [redacted].

18.4. [redacted], [redacted], [redacted], [redacted]. [redacted], [redacted].

18.5. [redacted].

18.6. [redacted].

18.7. [redacted], [redacted].

18.8. [redacted].

© Andrew Taylor and Net Lawman Ltd

18.9. [redacted]-[redacted].

It shall be deemed to have been delivered:

[redacted]: [redacted];

[redacted]: [redacted] 72 [redacted];

[redacted]-[redacted]-[redacted]: [redacted] 24 [redacted]-[redacted]. [[redacted]-[redacted]. [redacted], [redacted] ([redacted]) [redacted]]

18.10. [redacted], [redacted].

18.11. [redacted], [redacted].

18.12. [redacted], [[redacted]].

18.13. [redacted], [redacted].

18.14. [redacted].

© Andrew Taylor and Net Lawman Ltd

18.15. [redacted], [redacted].

Where parties are corporate person

[redacted] [[redacted]] [redacted] [[redacted]] [redacted] / [redacted] [[redacted]] [redacted].

Signed by [personal name] on behalf of [named Owner] as its / his representative who personally accepts liability for the proper authorisation by [named Owner] to enter into this agreement.

Where parties are individuals

Signed by

Signed by

© Andrew Taylor and Net Lawman Ltd

Schedule 1: Details of the Aircraft

[■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■, ■ .]

© Andrew Taylor and Net Lawman Ltd

Schedule 2: List of Accessories

Items contributed / purchased by the Owners:

[ABC]:

1.

2.

3.

4.

[DEF]:

1.

2.

3.

Items jointly purchased by the Owners:

1.

2.

3.

4.

© Andrew Taylor and Net Lawman Ltd

Schedule 3: The Timetable

[■■
■■.■■■■;

[■■■■]■■■■[■■■■][■■■■/■■■■/■■■■]■■■■■■■■

[■■■■]■■■■[■■■■][■■■■/■■■■/■■■■]■■■■■■■■

etc

■■■■■■■■[■■■■/■■■■/■■■■]■■■■■■■■■■■■■■■■■■■■ ■■■■■■■■■■■■■■■■■■■■■■■■■■■■■■■■/■■■■■■■■■■ ■■■■■■[■■■■]■■■■■■■■■■■■■■■■■■■■■■■■■■■■■■■ ■■■■■■■■■■■■■.

OR,

■■ ■■■■■■[15]■■■■■■■■■■■■■■■■.]

OR,

in accordance with the following timetable:]

© Andrew Taylor and Net Lawman Ltd

Schedule 4: Operating Costs:

[[redacted]]:

1. [redacted], [redacted], [redacted];

2. [redacted], [redacted] ([redacted]) [redacted];

3. [redacted], [redacted], [redacted], [redacted] ([redacted]), [redacted];

4. Other specific expenses in your case].

© Andrew Taylor and Net Lawman Ltd

Schedule 5: The Inventory

[■■■■ ■■■■■■■■[5]■■■■■■■■■■■■■]

■■■■,■■■■,■■■■■■■■■.(■■■■■■■■■■■■■■,■■■■,■■■■,■■■■,■■■■■■■■■■■■■■■■■■,■■■■■■■■■■■■■.)

© Andrew Taylor and Net Lawman Ltd

Explanatory notes

Aircraft share agreement

General notes

1. This agreement contains many areas where Net Lawman has prompted your consideration by providing an example solution, but not necessarily the one you will choose. This is particularly the case in issues of management, operation of the aircraft, who may fly her, and ownership of equipment. We [redacted].

2. You should use the names of owners to replace “(ABC)” [redacted] “([redacted])”.

Paragraph specific notes

Note: numbering refers to paragraph numbers.

1. Definitions

You may change the terms as suitable to your agreement. We may not have been able to provide you with defined terms which are precisely suitable to your requirement. By all means use the search/replace function in your word processor to change them. But if you do [redacted], [redacted].

Remember too, that when a word or phrase is defined, the defined meaning, capitalised, takes precedence over the [redacted].

You should first decide on the contents of the document, then return to check what definitions are needed and whether they really [redacted].

2. Interpretation

There are some very important points here that affect many other parts of the document. Leave these items in place unless there is a good reason to edit or remove. We suggest that you read them a couple of times [redacted], [redacted]!

© Andrew Taylor and Net Lawman Ltd

3. Terms of beneficial interest

This agreement is drawn to provide for separate ownership shares so that on the death of one Owner, his legal title in the aircraft does not pass to the surviving joint owner. Decide on the split, [redacted].

4. Relationship of Owners

This is a simple statement for the avoidance of doubt. It is important however, that this document does not accidentally create other relationships. It may be that to become [redacted], [redacted]. [redacted].

5. Price and payment for the Aircraft

These are not strictly contractual terms. We have included them so that [redacted].

6. Use of the Aircraft

A clear provision. Leave it as is.

7. Persons allowed to fly

People acceptable to be in charge, as pilot, [redacted], [redacted].

8. Obligations of the Owners

We have provided an exhaustive list. By [redacted].

9. The Accessories

Delete if not required. [redacted].

10. Procedure at meeting

You would require a proper procedure if there are large [redacted].

11. Management and Common Fund

This is one way to ensure timely payment of the aircraft expenses. Instead of opening a bank account, you could insert some [redacted]. [redacted]

© Andrew Taylor and Net Lawman Ltd

[redacted].

12. Insurance

Entirely optional [redacted]-[redacted].[redacted].

13. Undertakings by the owners

Small but important points. Delete if inapplicable.

13.4 Maintenance of minimum inventory [redacted].[redacted]-[redacted]5[redacted].

14. Warranties and indemnities

14.2 This means that if some person [redacted]([redacted])[redacted],[redacted]“[redacted]”[redacted].

15. Long stop termination date

15.1 This provision can stand alone if [redacted].[redacted].

16. Termination and assignment

Alternative “exit strategies” are given because this is [redacted].[redacted]-[redacted].

17. Confidentiality

A useful provision for [redacted].[redacted].

18. Miscellaneous matters

This paragraph contains a [redacted].[redacted].

© Andrew Taylor and Net Lawman Ltd

These are just as valid in [redacted], [redacted].

End of notes

© Andrew Taylor and Net Lawman Ltd