
From: Lvjet [REDACTED]
Sent: Wednesday, October 9, 2013 10:13 PM
To: jeevacation@gmail.com
Subject: B727

Jeffrey, how does this email to the Sultan look? can you insert corrections=please? I will send after you approve.
thx, Larry

Dear Sultan,

in response to operational cost, Please see my comments in BLUE ink to our original email.

I have compiled actual cost to address these numbers that were presented to you,. many of these numbers are inflated. I have attached the actual cost of the #2 engine corrosion inspection for your review= Price for #2 engine was \$237,000.00 and will not be due until 2021 now, is a 8 year inspection on this engine.
Engines #1 and #3 are due every 9 years, and come due 2014, next year.=I have included a verbal quote received today from Atlantic Gas Turbines in Miami, price for #1 and #3 engines is \$118,500 per engine, however that does not include possible repair of LLP turbine disc that may require additional replacement, "IF" needed price per engine is budgeted at \$225k to MAX of \$300k for each engine total, see email below: NOT the \$1M per engine your email states below:

Engines #1 and #3 are verbally quoted in this email from today:

From: [REDACTED]
Date: October 9, 2013, 5:30:50 PM EDT
To: [REDACTED]
Subject: 219 Engines: Repair Estimate<=b>

Hi Larry=

I discussed with Atlantic Gas Turbine Corp today the two 219 engines that will require ASB 6435 HPC Corrosion Inspection

and Hot Section Inspection of exposed combustion hardware.

They verbally indicated a fixed price to accomplish

ASB 6435/ AD HPC Corrosion Inspection
HSI Inspection
Test/ Fuel and Oil
all Build Up (100% expendables) parts
Strip/ Repair and Recoat of HPC Disks
Return engine to service. Preserve Long Term

Pricing was quoted at \$118,500.00 per engine.

LLP Replacement will be considered Over and Above=this pricing
as will any other requirements to the engine due to exposure for ASB 6435.

With replacement of LLPs and possibly requirement to the N1 Compressor/ Fan Section due to condition
a good budgetary estimate for Repair of the engine would be in the range of \$ 225K to \$300K per engine.

AGTC can provide a written quotation at your request.

Thanks

Michael Maier

A dry lease is a leasing arrangement whereby an aircraft financing entity, such as GECAS and ILFC (lessor), provides an aircraft without insurance, crew, ground staff, supporting equipment, maintenance, etc.) then you would pay a fixed cost for the "lease" of the aircraft and then be responsible for all other direct operating costs plus maintenance.

I have attached a breakdown of what the fixed costs are estimated to be. As you will see this is approx. \$1,220,651 per year.

The more hours you fly then your hourly cost comes down.

However, for example, if the engines are due AD 2003-16-05, this involves a complete engine strip-down, and I estimate this will cost approx. \$1 mill per engine as well as months down time.

There is mention of Crew Training at a cost of \$99,000.00 per year, I use FAA approved PanAM Flight academy in Miami training my pilots for \$6,500 for TOTAL for all three crew member,.

FUEL Pricing:

I have attached quote.

Insurance cost for 2013 was \$125,000

BOEING VIP SUPER 727

ESTIMATED VARIABLE COSTS PER HOUR

216.21

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