

DEFENDANT'S EXHIBIT B -  
CONTRACT BETWEEN CAPITAL AVIATION AND DYNCORP, DATED JUNE 17, 2002  
[332-341]



*Defendants*  
EXHIBIT B  
IDENT.  EVID.   
DATE: 7.2.09  
T. VINING

*Capital Aviation, Inc.*

FACSIMILE TRANSMITTAL SHEET

TO: Marisa Perez Eickenhorst  
DynCorp Systems & Solutions, LLC  
Tel: (703) 461-2171  
Fax: (703) 461-2405

FROM: Fred Credno  
Tel: (703) 715-2935  
Fax: (703) 723-9847  
E-mail: [capavia@aol.com](mailto:capavia@aol.com)

REF: EXECUTED CONTRACT      DATE: June 17, 2002

Total Number Of Pages Including Cover Sheet 10

Marisa:

Attached is the fully signed and executed contract No. LT050602 for the Gulfstream IV in it's entirely.

Regards,  
Fred Credno

Capital Aviation, Inc.

cc: Don Moss



## Capital Aviation, Inc.

SINGLE ENTITY AIRCRAFT CHARTER AGREEMENT NO: LT050602

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Name of Charterer: DynCorp Systems & Solutions, LLC      Tel: (703) 461-2171  
 Principal Office: 6101 Stevenson Avenue                      Fax: (703) 461-2405  
 Alexandria, Virginia 22304

The following with addendum constitutes the charter contract:

### Charter Contract

Capital Aviation, Inc. as Aircraft Supplier for DynCorp Systems & Solutions, LLC

Aircraft Operator: Richmor Aviation, Inc.  
 Aircraft: Gulfstream IV  
 Crew: As approved  
 Configuration: 10 passenger seats  
 Registration: N85VM  
 Date: April 23, 2002 – October 31, 2002  
 Schedule: As required with a guaranteed payment of 250 hours during contract period April 23, 2002 to October 31, 2002 and an option for an additional 50 hours. Additional options shall be exercised on a month to month basis. These 50 hour lease options will begin at the completion of the 6 month base period or after the initial 250 hours have been flown, whichever occurs first.  
 Charter Price: As outlined in Appendix "A"

Backup aircraft Gulfstream IV, N917W, operated by North American Air Charter, Inc. will be substituted at the same rates in the event N85VM is unavailable for any reason.

The charter price is based on performing the flights during the agreed period of time only, and the flights are subject to obtaining the necessary traffic rights/governmental approvals/overflight permits. Aircraft operator agrees that the flights are subject to be operated under a letter of public convenience.

Capital Aviation, Inc. will not be held responsible for any delays caused by strikes, civil strife, weather, acts of God, or unforeseen mechanical delays.

Aircraft operator will maintain liability insurance in the amount of \$200,000,000 USD and will operate the aircraft in accordance with FAR 91 and all applicable Federal, State, and Local ordinances as defined by the U.S. Department of Transportation and the U.S. Federal Aviation Administration and under the provisions dictated under the letter of Public Convenience as provided.

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Aircraft Charter Agreement NO: LT050602

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Cancellation Policy

1. Cancellation occurs prior to scheduled aircraft dispatch. No charge except as noted in Item 3.
2. Cancellation occurs after aircraft has been dispatched, actual flight time to return the aircraft to home base at \$5,450.00 per hour. Plus charges as noted in Item 3.
3. Reimbursement of all expenses incurred such as permits, logistics, international fees, etc.

Invoices shall be submitted to the following address ONLY:

DynCorp Systems & Solutions LLC  
 National Security Programs  
 Attention: Contracts Department  
 6101 Stevenson Avenue  
 Alexandria, Virginia 22304

Invoices shall contain, at a minimum, the date of the invoice period, subcontract number, description of services performed, travel, materials expenses, extended totals and payment terms, as applicable.

Invoices shall indicate the monthly and cumulative labor hours and costs expended through the period indicated on the invoice.

All invoices shall be signed and dated and shall bear the legend "By my signature, I certify all charges are correct, allowable, and allocable."

Payment Terms

Confirmation of contract requires a good faith deposit of 20%, which shall be applied to initial invoices. Deposit is calculated on a guarantee of 250 flight hours at \$5,450.00 for a contract value of \$1,362,500.00. Deposit amount of \$272,500.00 is due and payable immediately upon execution of the contract. DynCorp Systems & Solutions LLC will make payment within thirty (30) days after receipt of an acceptable invoice. DynCorp has no obligation to pay Subcontractor for charges that are submitted later than 60 days after occurrence, with the exception of international handling charges, which may take up to twelve months.

SIGNED by a duly authorized representative for and on behalf of CAPITAL AVIATION, INC:

AND by a duly authorized representative for and on behalf of DYNCORP SYSTEMS & SOLUTIONS LLC:

Name: Frederick Credno

Name: Marisa Pérez Eickenhorst

Title: President

Title: Director of Contracts

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: JUNE 17, 2002

Date: June 17, 2002

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DynCorp Systems & Solutions, LLCAircraft Charter Agreement No. LTD50601

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ADDENDUM TO CHARTER CONTRACT BETWEEN CAPITAL AVIATION, INC.  
AND DYNCORP SYSTEMS & SOLUTIONS, LLCThe following additional provisions are included in the contract agreement:

The Aircraft Operator shall obtain and maintain throughout the term of the contract, aviation liability insurance including but not limited to airport and premises liability, non-owned aviation liability, public and passenger liability war and allied perils coverage, contractual and incidental contractual liability and cargo liability, in an amount not less than a combined single limit for bodily injury and property damage of Two Hundred Million US Dollars (\$200,000,000) each occurrence. In addition, the Aircraft Operator agrees to maintain and keep in full force during the contract term hereof, insurance for aircraft medical expenses \$5,000 each person, baggage and personal effects \$2,500 each passenger, Mexican liability policy (if applicable), and trip interruption/flight continuation expense \$2,000 per passenger (if available). The liability insurance shall include DynCorp Systems & Solutions, LLC, Capital Aviation, Inc., and SportsFlight Air, Inc. as additional insureds. A Certificate of Insurance evidencing the foregoing and providing that such insurance shall not be reduced and/or terminated without 30 days prior written notice to DynCorp Systems & Solutions, LLC and shall be furnished to DynCorp Systems & Solutions, LLC upon execution hereof and prior to operation of the Aircraft.

1. The aircraft shall be delivered in an airworthy condition with appropriate certificates or other documents establishing the valid and current registration of the aircraft with the Federal Aviation Administration and a Certificate of Airworthiness as issued by the Federal Aviation Administration. The Aircraft Operator shall maintain the aircraft under the current FAA (part 135) rules applicable. The Aircraft Operator during the term of this agreement shall be responsible for, at its expense, the maintenance, repair, and periodic inspection of the aircraft inclusive of the engines, instruments, airframe, and each of its other components and subsystems, and accordingly, keep and maintain the records of same, all in conformity with applicable FAA regulations. The price to DynCorp Systems & Solutions, LLC includes all fuel, fluids, etc. necessary to operate the aircraft, including the salaries of the pilots and crew and all insurance premiums, etc.
2. The Aircraft Operator shall make appropriate airport arrangements consistent with DynCorp Systems & Solutions, LLC schedule, including, but not limited to dispatch and incoming and outgoing clearances.
3. Should safety dictate mandatory de-icing before flight, the cost of such de-icing will be paid by DynCorp Systems & Solutions, LLC. Whether de-icing is required shall be determined by the pilot-in-command, in his sole discretion.
4. Capital Aviation, Inc. warrants and represents that (i) it has the right, power and authority to enter into an agreement and to perform its obligations hereunder and (ii) the aircraft is operated under the authority of a certificate issued by the appropriate authorities and is otherwise in compliance with all applicable domestic and international regulations.

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5. Capital Aviation, Inc. will promptly notify DynCorp Systems & Solutions, LLC of any force majeure condition which may result in a failure of the aircraft and shall use its best efforts to find suitable backup aircraft.
6. In the event that any certificate, permit or authorization relating to aircraft N85VM is revoked, suspended or expires during the contract through no fault of the Aircraft Operator, or N85VM is unavailable for any reason, then Capital Aviation, Inc. will use, as a backup aircraft, Gulfstream IV, N917W operated by North American Air Charter, Inc. In the event N917W is unavailable, Capital Aviation, Inc. will substitute another aircraft suitable to the mission profile and acceptable to DynCorp Systems & Solutions, LLC.
7. Each party hereto agrees that each clause, term and condition of this agreement represents their entire understanding and, that in entering into this agreement, neither party hereto relies on or has considered any representation or supposed understanding not expressly set forth herein.
8. Each party hereto agrees and understands that the terms and conditions of this agreement are to be construed and interpreted in accordance with the laws of the Commonwealth of Virginia and are deemed to be applicable hereto in the resolution of any dispute which may arise herein.
9. The terms of this agreement expires on October 31, 2002.
10. DynCorp Systems & Solutions, LLC shall pay Capital Aviation, Inc. the fees and charges in accordance with Capital Aviation, Inc.'s invoices.
11. Capital Aviation shall not use or allow to be used any aspect of this contract for publicity, advertisement purposes, or as a reference for new business. It is further understood that this obligation shall not expire upon completion or termination of this contract, but will continue indefinitely.
12. Except with respect to disputes under the Disputes Clause under the Prime Contract, any claim, controversy, or dispute concerning questions of fact or law arising out of or relating to this subcontract, performance by either party hereunder, or the threatened, alleged, or actual breach thereof by either party, which is not disposed of by mutual agreement, shall be determined by an authorized representative of DynCorp, who shall render a decision on the issues in dispute and reduce his decision to writing and mail or otherwise furnish a copy thereof to Subcontractor. Any claim and/or appeal not otherwise settled under this article may be pursued in any court having jurisdiction thereof. Subcontractor shall at all times proceed diligently with the performance of the subcontract, in accordance with DynCorp Systems & Solutions LLC's written decision, which shall be final and conclusive unless determined otherwise by a court of competent jurisdiction.
13. The following Technical and Subcontract Representatives are designated for this subcontract:

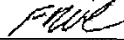
Steve Lee (703-461-2425):

Marisa Pérez Eickenhorst (703-461-2171):

Don Moss (631-549-4965)

Fred Credno (703-715-2935)

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DynCorp's Program Manager

DynCorp's Contractual Representative

Program Manager

Contractual Representative

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DynCorp Systems & Solutions, LLCAircraft Charter Agreement No. LT034602

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14. DynCorp Systems & Solutions LLC's Program Manager is responsible for the day-to-day clarifications and guidance of Subcontractor's personnel as may be required under the subcontract. Matters relating to prices, terms and conditions, quantities to be supplied, delivery schedule and financial adjustments shall be handled through DynCorp Systems & Solutions LLC's contract administrator.
15. Agreements between the parties, which by their nature effect a change to the Subcontract, shall only be binding upon the parties when such agreements or actions are specifically authorized in writing by DynCorp Systems & Solutions LLC's contract administrator.
16. All correspondence and communications Subcontractor and DynCorp Systems & Solutions LLC shall be directed to the contract administrator.
17. All notices and correspondence desired or required to be delivered hereunder shall be in writing and sent by either party to the other at the following addresses:
- To DynCorp Systems & Solutions LLC:  
National Security Programs  
6101 Stevenson Avenue  
Alexandria, Virginia 22304  
Attention: Contracts
- To Capital Aviation, Inc.  
12110 Sunset Hills Road  
Suite 450  
Reston, Virginia 20190  
Attention: Fred Credno
18. If any portion of this subcontract is held or determined to be invalid or unenforceable, the remaining provisions shall continue in full force and effect as if this subcontract had been executed with the invalid portion thereof eliminated.
19. The construction, enforceability, validity, and interpretation of this subcontract shall be in accordance with the laws of the Commonwealth of Virginia except to the extent of the articles, sections, and other provisions incorporated herein by reference which are included in this subcontract by virtue of the requirements of the Federal Acquisition Regulations (FAR) or other requirements applicable to this procurement, which provisions whether expressed herein or incorporated by reference shall be interpreted in accordance with the decisions of Federal courts and of the appropriate Boards of Contract Appeals.
20. INDEMNIFICATION - In addition to any other remedies that DynCorp Systems & Solutions LLC may have, Subcontractor shall defend, indemnify, and hold DynCorp Systems & Solutions LLC harmless from any and all claims, damages, demands, suits, actions, judgments, liabilities, defaults, or costs and expenses, including court costs and attorney's fees, as a result of the following:

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DynCorp Systems & Solutions, LLCAircraft Charter Agreement NO: LT050602

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- a. Any damage or injury to Subcontractor, his employees, agents, or property, or for any injury to a third party or its property, which is caused by the Subcontractor, his employees, or agents in the course of performance of or as a result of performance of this subcontract.
- b. Any penalty or fine incurred by or assessed against DynCorp Systems & Solutions LLC to the extent caused by Subcontractor, its employees, agents, suppliers, or subcontractors.
- c. Any failure on the part of the Subcontractor to provide any certification or supporting information required hereunder or under applicable laws and regulations.
- d. The provision by Subcontractor of any false or erroneous certification or supporting information required hereunder or under applicable laws and regulations.

21. In performing the work required hereunder, Subcontractor is acting as an independent contractor and not as an agent or employee of DynCorp Systems & Solutions LLC. DynCorp Systems & Solutions LLC may, however, provide general work direction to control the final results obtained within the limitations of the technical requirements hereof.

22. The Subcontractor assumes full responsibility for and shall compensate DynCorp Systems & Solutions LLC for any and all losses or damages of whatever kind and nature to any and all DynCorp Systems & Solutions LLC property, including any equipment, supplies, accessories, or parts furnished, while in his custody and care for storage, repairs, or services to be performed under the terms of this subcontract, resulting in whole or in part from the negligent acts or omissions of Subcontractor or any employee, agent or representative of Subcontractor.

Subcontractor shall save and hold harmless and indemnify DynCorp Systems & Solutions LLC against any and all liability, claims, and costs of whatever kind and nature for injury to or death of any person or persons and for loss or damage to any property occurring in connection with or in any way incident to or arising out of the occupancy, use, service, operations, or performance of work under the terms of this subcontract, resulting in whole or in part from the negligent acts or omissions of Subcontractor or any employee, agent or representative of Subcontractor.

Nothing in the above paragraphs shall preclude DynCorp Systems & Solutions LLC from receiving the benefits of any insurance Subcontractor may carry which provides for indemnification for any loss or destruction, or damage to, DynCorp Systems & Solutions LLC property in the custody and care of Subcontractor. Subcontractor shall do nothing to prejudice DynCorp Systems & Solutions LLC right to recover against third parties for any loss, destruction of, or damage to DynCorp Systems & Solutions LLC property, and furnish to DynCorp Systems & Solutions LLC all reasonable assistance and cooperation (including assistance in the prosecution of suit and execution of instruments or assignments in favor of DynCorp Systems & Solutions LLC in obtaining recovery.

23. The Clauses in Section J, Attachment C are hereby incorporated by reference with the same force and effect as if set forth in full text herein. References to the "Government" shall be construed as references to "DynCorp", and references to the "Contractor" shall be construed as references to "Subcontractor", except that audits of the Subcontractor may be conducted directly by the Government and the Subcontractor reserves the right to submit proprietary cost information directly to the Government.

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DynCorp Systems &amp; Solutions, LLC

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24. This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, DynCorp's Contracts point of contact will make their full text available. Or you can download directly from <http://www.amct.gov/far/>.

52.202-1	Definitions	MAY 2001
52.203-3	Gratuities	APR 1984
52.203-5	Covenant Against Contingent Fees	APR 1984
52.203-6	Restrictions on Subcontractor Sales to the Government	JUL 1995
52.203-7	Anti-Kickback Procedures	JUL 1995
52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity	JAN 1997
52.203-10	Price or Fee Adjustment for Illegal or Improper Activity	JAN 1997
52.203-12	Limitation on Payments to Influence Certain Federal Transactions	JUN 1997
52.204-4	Printed or Copied Double-Sided on Recycled Paper	AUG 2000
52.209-6	Protectin the Government's Interest When Subcontracting with Contractors Debarred, Suspended or Proposed for Debarment	JUL 1985
52.215-19	Notification of Ownership Changes Surplus Property	OCT 1997
52.219-8	Utilization of Small Business Concerns	OCT 2000
52.222-3	Convict Labor	AUG 1996
52.222-26	Equal Opportunity	FEB 1999
52.222-35	Affirmative Action for Special Disabled and Vietnam Era Veterans	APR 1998
52.222-36	Affirmative Action for Handicapped Workers	JUN 1998
52.222-37	Employment Reports on Special Disabled Veterans of the Vietnam Era	JAN 1999
52.223-5	Pollution Prevention and Right-to-Know Information	APR 1998
52.223-6	Drug-Free Workplace	MAY 2001
52.223-14	Toxic Chemical Release Reporting	OCT 2000
52.225-13	Restrictions on Certain Foreign Purchases	JUL 2000
52.227-1	Authorization and Consent	JUL 1995
52.228-5	Insurance Work on a Government Installation	JAN 1997
52.229-3	Federal, State, and Local Taxes	JAN 1991
52.232-17	Interest	JUN 1996
52.232-24	Prohibition of Assignment of Claims	JAN 1986
52.232-25	Prompt Payment	JUN 1997
52.232-34	Payment by Electronic Funds Transfer - Other than Central Contractor Registration	MAY 1999
52.233-1	Disputes	DEC 1998
52.233-3	Protests after Award	AUG 1996
52.237-2	Protection of Government Buildings, Equipment, Vegetation	APR 1984
52.237-3	Continuity of Services	JAN 1991
52.242-13	Bankruptcy	JUL 1995
52.243-1	Changes Fixed Price - Alternate I	APR 1984
52.246-25	Limitation of Liability - Services	FEB 1997
52.249-2	Termination for Convenience of the Government (Fixed-Price)	SEP 1996
52.249-8	Default (Fixed Price Supply and Service)	APR 1984
52.253-1	Computer Generated Forms	JAN 1991

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DynCorp Systems & Solutions, LLC

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The following clauses are mandatory pursuant to the Prime Contract

52.219-8	Utilization of Small Business Concerns	OCT 2000
52.222-26	Equal Opportunity	FEB 1999
52.222-35	Affirmative Action for Special Disabled and Vietnam Era Veterans	APR 1998
52.222-36	Affirmative Action for Handicapped Workers	JUN 1998
52.247-64	Preference for Privately Owned U.S.-Flag Commercial Vessels.	JUN 2000

ACCEPTED AND AGREED:

DYNCORP SYSTEMS & SOLUTIONS, LLC

By: Marisa G. Eickenhorst  
An Authorized Representative

CAPITAL AVIATION, INC

By: [Signature]  
An Authorized Representative

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DynCorp Systems & Solutions, LLC

Aircraft Charter Agreement NO: LT050602

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CAPITAL AVIATION, INC.

APPENDIX "A"  
CONTRACT FEE STRUCTURE

The following are the fee structure for Single Entity Aircraft Charter Agreement No. LT050602 with DynCorp Systems & Solutions, LLC:

Guarantee of Two Hundred Fifty (250) hours of flight time within six month period for a total of \$1,352,500. Charterer may exercise options to extend the term of the contract on a month to month basis. These extensions are subject to availability of funds and Customer need. Charterer may exercise options by written notice to Capital Aviation, Inc. within the period of performance of the contract. Each monthly extension shall consist of 50 hour lease of aircraft for a price of \$272,500 per month.

Flat rate position to/from Washington, Dulles (IAD): \$6,000.00  
(positioning time is not included in the 250 hour minimum guarantee)

Rate per hour for all other flight time: \$5,450.00

Flat Rate Additional Charges:

Extra crew charges: \$800.00 per crew per day

Flight Attendant: \$200.00 per day

Crew Expenses: Will be reimbursed at the prevailing Joint Travel Regulation's per diem rates. Rates posted at the following web site: <http://www.state.gov/m/a/als/prdm/2002/9892.htm>

Other Additional Charges:

- Weather related items, i.e., aircraft deicing, hangar, etc.
- Catering
- Passenger ground transportation
- Flitephone
- Landing fees / ramp fees
- International handling / overflights / permits, etc.  
(please note that in some cases this can take up to twelve for final invoicing)
- Applicable passenger taxes
- Fuel surcharge: Capital Aviation, Inc. reserves the right to implement this as fuel costs increase.

DYNCORP SYSTEMS & SOLUTIONS, LLC

Agreed By: Marisa P. Eickenhorst  
An Authorized Representative

Date: June 17, 2002  
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