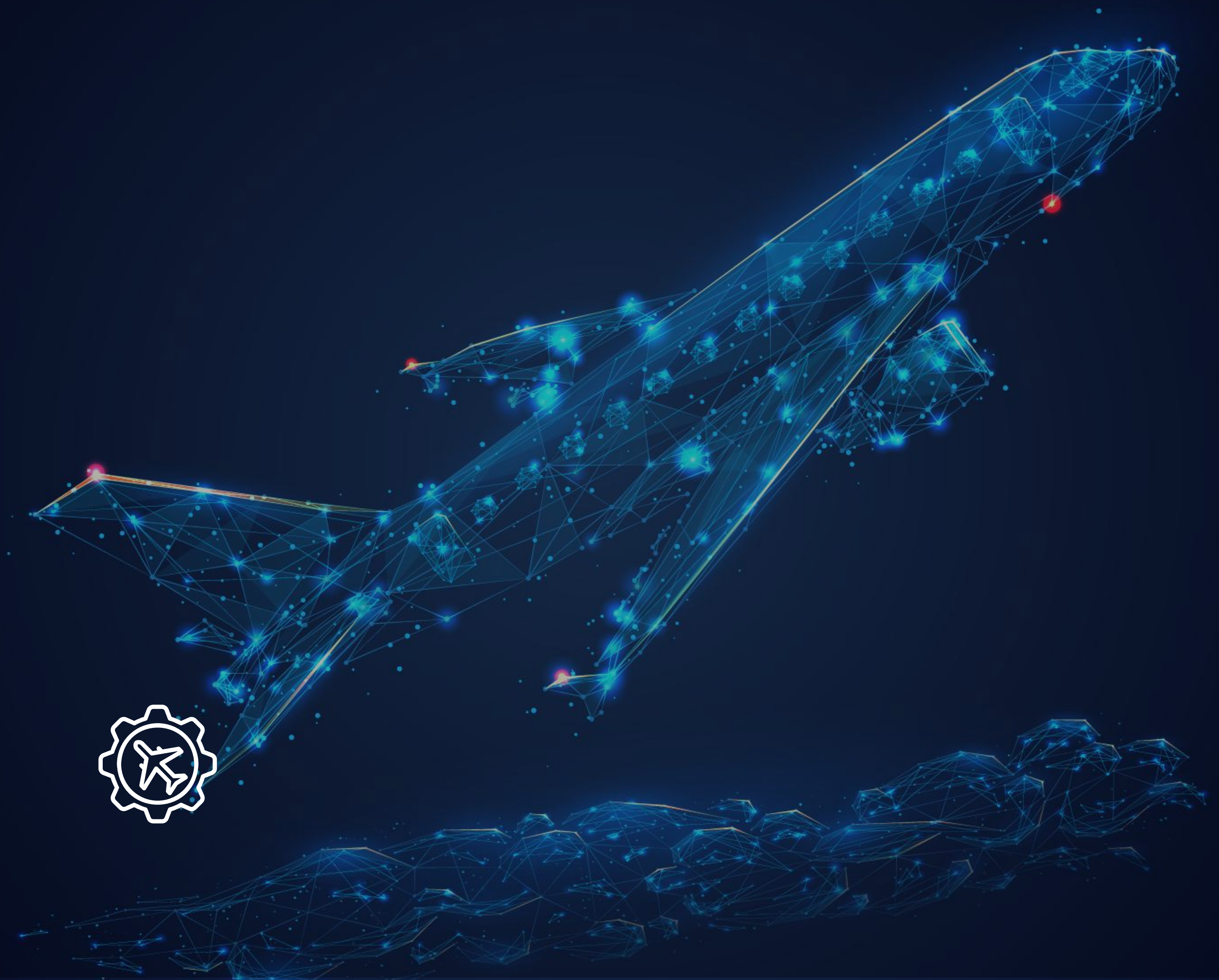
AQUISITIONS

VOL 1



Terminology

The following is a list of terminology that you **must be– aware of** when you're dealing with an aircraft acquisition process:

- **Aircraft Purchase Agreement (APA):** An Aircraft Purchase Agreement (**APA**) is a formal, legally binding contract that governs the entire sale and transfer process of an aircraft from a seller to a buyer. It is the foundation document used in virtually all private jet transactions — whether the aircraft is new (from the manufacturer) or pre-owned (from a private seller or operator).

- **Certificate of Registration:** An official document issued by a country's aviation authority that proves who legally owns the aircraft and what country it's registered in. It's required for the jet to fly legally.

- **Letter of Intent (LOI):** It's a non-binding document that outlines the key terms and mutual understanding between a buyer and seller before entering into a formal Aircraft Purchase Agreement (APA). It's often the first official step in the acquisition process of a pre-owned jet, and sometimes even for a new one.

- **Bill of Sale (BoS): A Bill of Sale (BoS):** It's the final, legally binding document that officially transfers ownership of the aircraft from the seller to the buyer. It is the single most critical document for proving legal ownership of an aircraft, and it is required by aviation authorities, escrow agents, registries (like GACA, FAA, Cayman, Isle of Man), and insurers.

- **Certificate of Airworthiness (C of A):** It's an official document issued by a country's civil aviation authority that confirms the aircraft is airworthy and safe to operate under that country's aviation regulations. It is required for registration, insurance, and legal flight operations and no aircraft can legally fly without a valid one.

- **Addendum:** It's a legally binding amendment or addition to an existing contract, such as an **Aircraft Purchase Agreement (APA)**. It's used when both parties agree to change or clarify certain terms after the original agreement has already been signed.

- **Pre-Purchase Inspection:** It's a detailed technical inspection of a pre-owned aircraft conducted before the sale is finalized to ensure the jet is airworthy, accurately represented, and free of hidden issues. It helps the buyer make an informed decision and can affect the final price or even cancel the deal if major problems are found.

- **Export Certificate of Airworthiness:** It's an official document issued by the country where the aircraft was built that confirms the jet meets all safety standards and is approved to be exported to another country for registration and operation

- **Delivery & Acceptance Certificate:** A signed document confirming that the buyer has inspected the aircraft, and is satisfied with its condition, and officially accepts the final constructed aircraft from the seller. It marks the handover point and stars warranties.

- **Escrow Agreement:** A legal contract between the buyer, seller, and neutral third part (The Escrow Agent) that outlines how funds and documents will be safely held by the agent and released during the aircraft purchase, protecting both sides until all conditions are met.

- **Irrevocable Payment Instructions:** A signed document that tells the escrow agent or bank exactly where and when to send the funds, and once submitted, it can't be changed or cancelled without all parties agreeing. It ensures payment happens only under agreed conditions.

- **De-registration Certificate:** An official document issued when an aircraft changes it's country of registration, it proves the jet is now legally registered in the new country and replaces the previous certificate from the former aviation authority.

- **Title Search Report:** A document that shows the legal ownership history of the aircraft and confirms there are no unpaid loans, claims or liens against it. It's used to make sure the jet has a clean title before acceptance.

- **FAA Form 8130-3 / EASA Form 1:** These are official certificates that prove a specific aircraft part of component is airworthy and has been instructed, tested, and approved for use. They're required to install parts legally on the aircraft In the USA (FAA) and (EASA).

- **Ultimate Beneficial Ownership Declaration:** A document that identifies the real person (or people) who ultimately own or control the company or entity buying the aircraft, even if the jet is registered under a different name or company. It's required for KYC, AML and compliance check.

- **Mode-S Transponder (ICAO 24-bit code Certificate):** A document that confirms the aircraft's assigned unique 24-bit ICAO Code, which is used by it's Mode-S Transponder for Radar Identification. It ensures the jet can be properly tracked and identified by air traffic control systems worldwide.

- **Legal Opinion on Ownership & Tax Structure:** A formal letter from a qualified aviation lawyer that confirms the aircraft's ownership setup (such as using an SPV) is legally valid and that the planned tax structure complies with the laws of the relevant countries.

- **Board Resolution (Power of Attorney):** A signed official document from a company's board of directors that authorizes a specific person to act on the company's behalf, such as signing contracts, making payments, or buying the aircraft. It's often required in SPV or corporate-owned jet purchases.
    - **They want to know that you specifically are allowed to act and sign, that's the board resolution.**

- **SPV Certificate of Incorporation:** An official document that proves an SPV has been legally created and registered as a company. It's required when the aircraft is being purchased or owned through a separate legal entity instead of under a personal name.

- **Articles of Association (Operating Agreement):** A legal document that outlines how an SPV is structured and operated, which includes rules about ownership, decision-making, and powers of directors. It's required to show how the company buying or owning the aircraft is governed.
  - **It's mainly needed if the seller wants to know your SPV is real and has the power to buy jets**

- **RVSM / RNP, ADS-B Out, CPDLC compliance statements:** These are official documents or certifications that confirm the aircraft meets modern flight technology and airspace requirements, such as:
  - **RVSM (Reduced Vertical Separation Minimum):** Allows the jet to fly safer at higher, fuel-efficient altitudes
  - **RNP (Required Navigation Performance):** Ensures the aircraft can fly precise GPS-based routes
  - **ADS-B Out:** Transmits the aircraft's position to air traffic control automatically
  - **CPDLC (Controller-Pilot Data Link Communication):** This enables pilots and ATC to communicate by data messages instead of voice

  These compliance statements are required to legally fly in controlled, high-altitude or international airspace.

- **Special Areas of Operation compliance (oceanic, polar):** A document or certification that confirms the aircraft is approved and is properly equipped to fly in remote or challenging airspaces such as oceanic, polar, or high-altitude routes, where special navigation and communication systems are required.

- **Maintenance Tracking Enrollment Certificate:** A certificate that confirms the aircraft is officially enrolled in a maintenance tracking program (such as CAMP or CMP), which monitors and schedules all required inspections, services, and part replacements to keep the jet airworthy and compliant.

- **OEM Warranty Start Letters:** Official letters from the aircraft or component manufacturer (OEM) that confirm the warranty coverage has begun, usually starting from the date of aircraft delivery and acceptance. They specify the start data, coverage terms, and expiration for things like the airframe, engines, and avionics

- **Operations Manual (Part 91):** A detailed handbook that outlines how the aircraft will be operated safely and legally, based on the applicable aviation regulations. Part 91 for private, non-commercial use. **It covers procedures for flight, maintenance, crew, safety, and emergency situations.**

- **Minimum Equipment List (MEL) approval:** An official document that's approved by the aviation authority that lists which equipment on the aircraft can be defective for a flight to still be **legally allowed**. It ensures safety while allowing flexibility for minor, non-critical equipment issues.

- **Type Rating Certificate:** A Certificate that prove a pilot is specifically trained and legally qualified to fly a particular mode of an aircraft (i.e. Bombardier Global 7500, Gulfstream G700). They are required by aviation authorities for jets that are complex or above a certain weight.

- **Flight Support Contracts:** Agreements with specialized service providers that handle trip planning, permits, fuel coordination, weather briefings, flight following, and ground handling for your aircraft, especially during international or complex flight routes.

- **Export Control Declaration:** A document that confirms the aircraft or its systems comply with export laws, especially for sensitive technologies covered by **ITAR (Military-Related)** or **EAR (dual-use items)**. It's used to legally export the aircraft or parts from one country to another.

- **EEI Export Filing:** An Electronic Export Information (EEI) is a U.S. Customs requirement for exporting high-value items (like aircrafts). IT's filed through the Automated Export System (AES) and includes details such as the buyer, the value, and export license (if needed)

- **Connectivity Service Agreements:** Contracts with service providers such as (Honeywell, Satcom Direct, ViaSat, Starlink) that supply in-flight internet, satellite communication, and data services for the aircraft, covering things such as Wi-Fi, voice calls, CPDLC, and real-time aircraft data transmission.

- **Payment Milestone Schedule:** A document that outlines the specific amounts and dates when payments must be made during the aircraft purchase process, usually tied to key stages like contract signing, start production, completion, and final delivery.

- **Completions Agreement:** A contract that covers the design, installation, and delivery of the aircraft's interior (Cabin completion), used when the jet is delivered in the green state and completed separately by the OEM or a third-party facility

- **International Registry Filing:** A contract that covers the design, installation, and delivery of the aircraft's interior (Cabin completion), used when the jet is delivered in the green state and completed separately by the OEM third party company.

- **Cabin Completion Drawings:** Detailed diagrams that show the final layout, design, and configuration of the aircraft's interior, including seating, materials, lighting, galley, and lavatory placement. Used to guide the completion process and verify the aircraft matches what was agreed.

- **Paint & Material Flammability Certificate:** An official document that confirms all interior materials and finishes (such as seats, carpets, wall panels, and paint) to meet aviation fire safety standards, specifically FAA or EASA flammability regulations.

- **Weight & Balance Report + Equipment List:** An official document that details the aircraft's exact weight, center of gravity, and installed equipment. It's used to ensure safe loading, flight performance, and compliance with regulatory limits.

- **Factory Visit Invitation:** An official letter from the aircraft manufacturer inviting the buyer (You) or their representatives to visit the production facility. This is typically for inspections, milestone reviews, test flights, or the final delivery walkthrough.

- **Slot Reservation Agreement:** A preliminary agreement between the buyer and the aircraft manufacturer that reserves a future production slot for a few aircraft, securing the build date and placing the buyer in the delivery queue, often this agreement comes with a deposit that needs to be put in.

- **Ferry Permit (Delivery Flight Authorization):** An official authorization permit that allows an aircraft to be flown from one location to another, usually for delivery, maintenance, or registration purposes. Even if it doesn't currently meet all standard airworthiness requirements for normal operations.

- **Tooling List:** A document which lists all the special tools and equipment provided with the aircraft (or required to maintain it), such as jacks, tire tools, or engine stands. This is very important for operators performing their own maintenance.

- **OEM Technical Publications License:** A subscription or license agreement that provides the aircraft owner or operator access to the official maintenance manuals, wiring diagrams, and parts catalogs published by the manufacturer, this is essential for ongoing maintenance and regulatory compliance.

- **Spare Parts Inventory Delivery Certificate:** A official document that confirms all the agreed upon spare parts such as (tires, filters, avionics, etc.) which are included in the aircraft deal have been delivered, inspected, and accepted by the buyer.

- **Material Safety Data Sheet (MSDS):** This provides the safety and handling information for hazardous items onboard the aircraft, such as fire extinguishers, oxygen bottles, batteries, emergency locator transmitters (ELTs), which are all required for regulatory compliance and safe storage.

- **Noise Compliance Certification:** A Noise Compliance Certification is an official document or statement confirming that an aircraft meets the required noise emission standards set by aviation authorities (like ICAO, FAA, EASA, GACA) for legal operation in certain airspace, airports, and countries. It's a critical regulatory document, especially for private jets flying internationally or into noise-sensitive airports.

- **Closing Memorandum:** A final checklist / document that would summarize what was completed, signed, and delivered at closing. This is often done by the escrow agent or legal counsel.

Terminology (Legal Terms)

The following is a list of legal terms and clauses that you **must be aware of** when you're dealing with an aircraft acquisition process and reading contracts:

- **Payment Terms:**
  - Specify payment milestones (e.g., deposit, final payment).
  - Include penalties for delayed payments or breaches.

- **Survival Clause:**
  - This is a clause which specifies the obligations that would survive after the termination or the contract's purpose has served its end. (i.e. NDAs, Confidentiality Clauses, etc.)

- **Escrow Release Conditions:**
  - If escrow is used, a clause outlining specific legal conditions for fund release.

- **Survivability Schedule:**
  - A detailed schedule listing which clauses survive for how long (i.e. 12-month indemnity, 12-month warranty, etc.)

- **Delivery Terms:**

  Define when and where the aircraft will be delivered.
  Specify conditions for delivery acceptance (e.g., inspection on delivery).

- **Registration and Ownership:**
  - Ensure the agreement includes provisions for transferring ownership and registration under the LLC.

- **Condition on Delivery:**

  Require the aircraft to be delivered in the condition agreed upon during negotiations (e.g., with completed refurbishments).

- **Force Majeure:**

  Protect both parties from liability in case of unforeseen events (e.g., natural disasters or regulatory delays).

- **Acceptance Clause:**

  Specify that the aircraft will be inspected again upon delivery, and acceptance is contingent on meeting agreed conditions.

- **Liquidated Damages:**

  Penalties for late delivery or non-compliance.
  Define the procedure if the aircraft fails to meet agreed-upon conditions at delivery.

- **Confidentiality Clause:**

A critical clause that must be included when dealing with high-profile transactions to protect your boss's and seller's privacy.

- **Indemnification Clause**

  The seller must insure your boss and the **LLC against**:
  - Legal claims arising from prior ownership.
  - Regulatory non-compliance before the sale.
  - Hidden defects or misrepresented conditions

- **Governing Law Clause**

  Is a short section in a contract that says which country's laws will be used if there's a disagreement or legal issue.

  i.e. If there's a problem will be following Saudi Law or UK Law, etc.

- **Jurisdiction Clause**

  It's part of a contract that says which court or legal system will handle disputes if there's a problem, **now it does sound like Governing Law, but here's the difference, Jurisdiction Clause** tells you which court will handle legal disputes.

  i.e. If we go to court, it will be in Riyadh (or London, etc.)

- **Venue Clause**

  The venue clause specifies the exact location where legal disputes will be heard, i.e.

- **Mediation Clause**

  It's part of a contract that says if there's a dispute, both sides must first try to resolve it through mediation before going to court or arbitration.

- **Dispute Resolution Clause**

  It's part of the contract which specifies and explains how any disagreements will be handled.

- **Choice of Forum Clause**

  It's basically a single clause that declares both the specific court + location where disputes must go, **it's Venue Clause + Jurisdiction Clause**

- **Exclusive Jurisdiction**

  This means only one specific legal system can hear disputes

- **Non-Exclusive Jurisdiction**

  This means that a specific court can hear the case, but it doesn't stop either party from going to another court if needed.

- **Forum Non Conveniens**
  - Forum non conveniens means a court can decline a case if there's a better, more convenient place to hear it.

- **Service of Process**

  It’s how you legally tell the other party, they’re being sued or they’re involved in a legal dispute.

- **Non-Binding Mediation**

  It’s a voluntary process where two or more parties try to resolve a dispute with the help of a neutral third party (called a mediator), but the outcome is not legally enforceable unless both sides agree to it.

- **Enforceability Clause**
  - It’s pat of a contract that says the agreement will still be valid and enforceable (can be upheld in court), even if one part of the contract becomes invalidated, without this clause, one small problem could cause the entire agreement to be thrown out in the court, **but with it,** the rest of the deal is protected.

- **Enforcement of Judgment**
  - This refers to the legal process of making sure a person or company actually pays or follows what a court has ordered in a judgement. A court judgement is just words on paper unless it’s enforced, that’s what turns the legal win into real results

- **Material Breach**
  - It’s a serious violation of a contract that is so major that it breaks the heart of the deal and gives the other party the right to **terminate the agreement and sue for damages.**

- **Minor Breach (Immaterial Breach):**
  - This happens when one party fails to meet a small part of the contract, but the main purpose of the agreement is still fulfilled. The other party cannot cancel the whole contract, but they may be able to claim small damages.

- **Anticipatory Breach (Anticipatory Repudiation)**
  - This happens when one party tells the other in advance that they won’t be able to fulfil their part of the contract, even thought the deadline or performance date hasn’t come yet.

- **Repudiatory Breach**
  - This happens when one party tells the other in advance that they won’t be able to fulfil their part of the contract, even though the deadline or performance date hasn’t come yet.

- **Specific Performance**
  - This is a legal remedy where a court orders a party to do exactly what they promised in a contract, instead of just paying money (a fine) to break it

- **Injunction**
  - An injunction is a court order that tells someone to either **top doing something** or **do something specific,** usually to prevent harm and protect rights,

- **Preliminary Injunction**

- This is a temporary court order issued early in a lawsuit to stop someone from doing something (or force them to do something) until the case is fully decided. It's used to prevent a serious harm while the legal battle plays out.

- **Permanent Injunction**
    - This is a final court order issued after a full trail, telling someone to stop doing something or to do something permanently, it's used when the court decides that money alone can't fix the harm and ongoing protection is necessary (i.e. You cannot ever sell the jet).

- **Waiver of Rights**
    - This is when a person or company voluntarily gives up a legal right, either by saying so clearly or by acting in a way that shows they don't intend to enforce it. (i.e. someone delivers the jet late, you have the right to cancel the deal, instead you go with it, that's a **waiver of rights.**)

- **No Waiver Clause**
    - A contract clause that says just because one party doesn't enforce a right, right away, doesn't mean they didn't give it up. It protects the right to enforce the contract later, even if there was a delay

- **Remedies Clause**
    - A clause that lays out the actions, rights, or compensation a party can take or receive if the other side breaches the agreement, it defines what happens if something goes wrong.

- **Liquidated Damages**
    - This is a pre-agreed amount of money written into a contract that one party must pay the other if they breach the contract, especially when actual damages would be hard to calculate later.

- **Penalty Clause**
    - It's a term in a contract that tries to punish a party for breaching the agreement by requiring them to pay an amount that is excessive or unrelated to **the actual harm** caused.

- **Hold Harmless Clause**
    - It's a contract provision where one party agrees not to hold the other party legally or financially responsible for certain risks, damages, or liabilities, (i.e. If something goes wrong, I won't blame you or sue you for it, I'll handle it myself)

- **Limitation of Liability Clause**
    - A limitation of liability clause is a contract term that caps the amount of money one party has to pay if something goes wrong, even if they're at fault.

- **Exclusion of Consequential Damages**
    - A term that says a party will not be responsible for indirect or ripple-effect losses that would happen if they break the contract. i.e. I'll pay you for damages but I'm not responsible for the indirect ripple effects that would be caused by this.

- **Gross Negligence**
  - This is extreme carelessness or reckless disregard for the safety, duties, or the rights of others. It goes just beyond ordinary mistakes. **It's when someone fails to act with even the most basic level of care, especially when serious harm was likely.**

- **Fraud**
  - An intentional act of deception, when someone lies, hides the truth, or misleads another party in order to gain something of value. (such as money, assets, or a deal)
  -

- **Willful Misconduct**
  - This is when someone knowingly does something wrong, or intentionally ignores obvious risks, with full awareness that it could cause harm or breach of contract.

- **Act of God**
  - It's a natural, unexpected even that is beyond human control, like a hurricane, earthquake, flood, or lightning, this would prevent someone from fulfilling a contract.

- **Termination for Convenience**
  - This is a clause that allows one party to end the agreement at any time, for any reason (or no reason at all) without needing the other side to do anything wrong.
- **Termination for Cause**
  - This is a contract clause that would allow one party to **end the agreement early** because the other party did something wrong, such as breaching the contract, failing to perform, or violating key terms.

- **Notice Period**
  - This is the required amount of time one party must give the other before ending a contract, making a change, or taking certain actions, as stated in the agreement.

- **Cure Period**
  - This is the set amount of time given to party in a contract to fix a problem or breach before the other party can **terminate the agreement** or take legal action.

- **Default Clause**
  - In a contract it defines what counts as a default (or breach), what consequences follow, and how the non-defaulting party can respond, such as triggering penalties, enforcing rights, or terminating the agreement.

Contract Construction

- **Entire Agreement Clause (Merger Clause, Integration Clause)**
  - It's a standard provision in contracts that essentially say that only what's written in the contract matters, verbal promises, emails, or previous drafts don't legally apply anymore.

- **Amendment Clause**
  - It's a section in the contract that explains how changes can be made to the agreement after it's been signed.

- **Assignment Clause**
  - It's a clause which says whether one party is allowed to transfer their rights or obligations under the agreement to someone else.
    - I.e. You have the right to receive $1 Million under a contract, but you assign that right to someone else, and **now they receive the payment instead of you**

- **Delegation Clause**
  - A clause which gives someone else the responsibilities under the contract
    - i.e. your supposed to deliver a private jet to a buyer, you delegate the task to another company to handle the delivery, but **you're still responsible if they fail.**

- **No Assignment Clause**
  - It's a clause that prohibits either party from transferring their rights or obligations under the contract to someone else without prior written consent, or outright forbids it completely.

- **No Third-Party Beneficiaries Clause**
  - This is a clause that states only the parties who signed the contract have rights, and that no third party (such as a lender, or operator) can benefit from or enforce the agreement.

- **Non-Circumvention Clause**
  - This is a clause that prevents one party from bypassing the other to a deal directly with contacts, clients, or vendors introduced during the relationship, usually to protect business introductions, and especially in cases where you don't want the vendor to bypass you and go straight to your boss.

- **Choice of Language Clause**
  - A clause that states which language version of the contract is legally binding when multiple translations exist, since in some languages, some words have more than one meaning.

- **Translation Clause**
  - A clause that states how translated versions of the contract should be handled, especially when the agreement is drafted in more than one language

- **Notices Clause**
  - It's a clause that explains how official communications between the parties must be sent, including method, timing, and address for legal or contractual notices.

- **Counterparts Clause**
    - It’s a clause which allows a contract to be signed in separate copies by different parties, and each signed copy is treated as legally valid, Together, these copies form one complete, enforceable agreement.

- **Execution Clause**
    - This is the section at the end of the contract where the parties formally sign the agreement, and it confirms that the contract has been duly authorized and is now legally binding on all signatories.

- **Boilerplate Provisions**
    - These are the standard legal clauses that are found at the end of most contracts. They don’t change the deal’s core terms, but they’re protect both parties, clarify procedures, and handle legal risks. i.e.
        - Governing Law Clause
        - Dispute Resolution Clause
        - Entire Agreement Clause
        - Force Majeure Clause
        - No Waiver Clause
        - Counterparts Clause
        - Notices Clause
        - Assignment Clause
        - Severability Clause

- **Time is of the Essence Clause:**
    - A clause that makes deadlines and timelines legally critical, meaning if a party misses a date (such as delivery, payment, or inspection), then that’s considered a breach of contract.

- **Parol Evidence Rule:**
    - A legal rule that would prevents either party from using outside evidence (such as emails, texts, or verbal promises) to change or contradict the written terms of a fully signed contract.

- **Contra Proferentem Rule:**
    - A legal rule that says if a contract term is unclear or ambiguous, It will be interpreted against the party who drafted it.
        - i.e. (“The aircraft must be delivered early next quarter.” Is stated on the contract, If the seller says it’s April 15th and I say April 1st, the court would side with me because of how vague that term is.

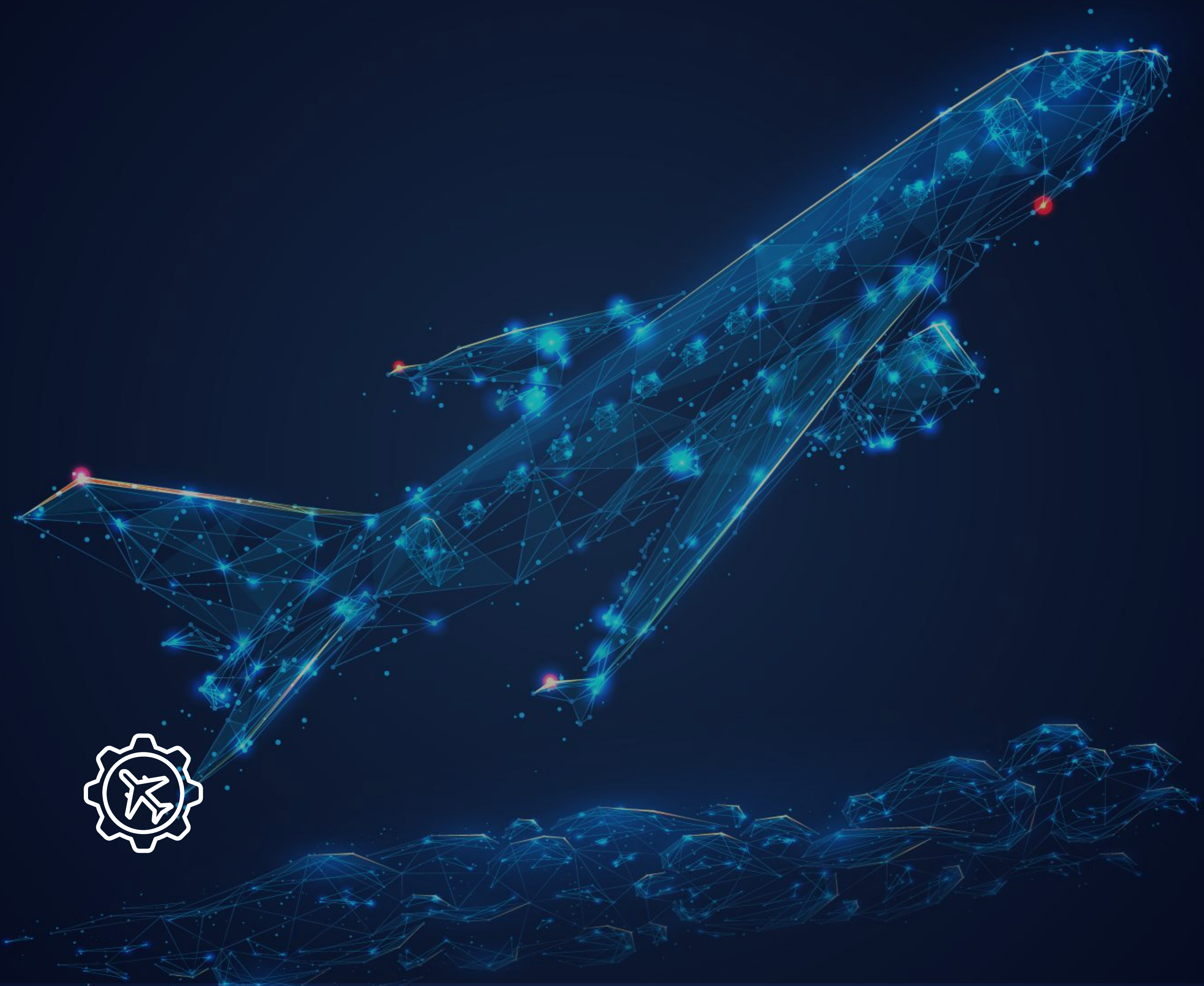
- **Good Faith Clause**
    - A clause that requires both parties to act honestly, fairly, and reasonably when performing their obligations under the contract.

- **Best Efforts Clause**
    - A clause that requires a party to do everything reasonably possible to fulfil a contractual obligation, not just to try casually, but actively persue it with seriousness and diligence.

- **Reasonable Efforts Clause**
    - A clause that requires a party to make a genuine, practical attempt to fulfill their obligation, but only to the extent that it’s sensible, feasible, and doesn’t cause extreme burden or cost.

AQUISITIONS

Initial Negotiation



Initial Negotiation

This section teaches you all you need to know about the initial phase of the acquisition which is the negotiation phase which is where the acquisition journey begins, this is where you would have to first meet **gulfstream** directly and the following you should know about:

Initial Negotiation

At this stage, the buyer (yourself) would have to define the desired delivery timeframe and configuration of the jet, and negotiate the purchase price and terms, since this is such a massive transaction.

Note: Since new jets are in high demand, securing an early delivery slot is paramount, and there is limited production backlog typically, which means new orders may only be delivered years out.

Hint: Typically, if you can't find an early slot, there is this grey market where you can purchase an existing delivery position from another buyer, but such a thing would require Gulfstream's consent and careful due diligence on the contract terms.

KYC and Anti-Money Laundering (AML)

These checks happen early in the process, and Gulfstream would usually want to vet the buyer's identity and source of funds (Especially for a cross-border sale) **to comply with U.S export regulations and to ensure no sanctioned parties are involved.** The buyer may need to provide **proof of funds** letter or **bank reference** to demonstrate the financial ability to complete a **$70 Million Purchase**. This step is routine for large transactions and helps establish credibility and satisfy compliance requirements.

Letter of Intent (LOI)

So once the basic terms are agreed, KYC is done, the next step would be that the buyer and manufacturer (Gulfstream) would sign a Letter of Intent (**LOI**). The LOI outlines the **Key Deal terms** that have been discussed which are:

- Aircraft Model
- Specs
- Purchase Price
- Target Delivery Date
- Any Specific Conditions

Usually, the LOI would be followed with a **good-faith deposit (earnest money),** this deposit (which is often a small percentage of the price) is paid within **a day or two of the LOI signing and is held in Escrow.** The LOI itself is typically **non-binding,** but it does signify mutual commitment to proceed and take the aircraft slot **Off the market** for that delivery slot. This would usually give a short window (1 - 2 weeks) for the parties to negotiate the final contract (**The APA Contract)** which is **Binding**.

The LOI deposit is often refundable up until a formal contract is signed (Terms can vary, as sometimes a portion may non-refundable if the buyer backs out without cause). At this stage, the buyer should engage an **Aviation Attorney** to review the **APA Contract**.

Aircraft Specifications Planning

Along with the LOI, the buyer will begin **defining the aircraft specifications.** Gulfstream would provide a baseline G800 specification, and the buyer can select custom features, such as:

- *Cabin Layout*
- *Interior Design (Theme)*
- *Seating Configuration*
- *Materials & Finishes*
- *In-Flight Entertainment Systems*
- *Connectivity Options*
- *Galley and Lavatory Equipment*

Tip: Keep future resale in mind when choosing custom features, as extremely personalized interiors can reduce the pool of future buyers and potentially affect residual value.

Aircraft Purchase Agreement (APA) and Finalizing the Contract

Drafting The APA

Following the LOI, the next step would be signing the Aircraft Purchase Agreement (APA), which as stated is the **binding contract** between the buyer (you) and the seller (Gulfstream), and this is the contract where both parties can negotiate detailed terms. This is the **most stressful part** of the entire process, due to the limited time-window available.

The APA is a comprehensive document that will include the following in detail:

- Purchase Price
- Payment Schedule
- Detailed Aircraft Specifications
- Warranties
- Delivery Conditions
- Default Remedies'

The buyer's Aviation legal team (You) should scrutinize the APA's terms, Since Gulfstream is based in Georgia, USA the jurisdiction and governing law will likely be U.S, more specifically Georgia's governing laws, therefore any disputes would be handled in that Jurisdiction or via arbitration as specified.

Payment Milestones

The APA will spell out a milestone payment schedule. Unlike a simpler pre-owned purchase (Which would just include a deposit and a closing payment), a new built aircraft would require progress payments as the aircraft is built. Here's what a typical structure would look like:

- **Initial Deposit (20%)**

  This is contingent upon the APA being signed, and this would make the initial good-will deposit become **a hard deposit**
- **Airframe Completion (20%)**
- **Engine Installation (20%)**
- **Interior Completion (20%)**
- **Final Delivery (20%)**

Note, each payment is usually due upon written notice from the manufacturer that the milestone has been achieved, and it's critical that the buyer be prepared to make payments on time to avoid **defaulting and risking the slot or deposits**.

Escrow and Payment Security

All payments, especially the large final payment, should be handled through a reputable **escrow agent** for security, more specifically an **Escrow Agent** (which is typically a specialized aviation title company or a law firm) will hold funds and release them to the seller only when the conditions are met. The Escrow agent can also coordinate document filings (such as BoS with the FAA) this would protect the buyer from paying without receiving the title, and likewise assures the manufacturer of the buyer's ability to pay.

Tip: Ensure that Escrow Instructions are **clear –** typically, the escrow will be authorized to release the final payment upon confirmation that the aircraft is accepted, all documents are executed, and that a clear title will be conveyed. In some cases, large OEMs such as Gulfstream may prefer direct payments; if so, try to arrange at least the closing through escrow. **So ideally use escrow for all milestone payments, however at a minimum use Escrow for the final closing, even if the previous payments were direct!**

Finalizing Specifications

The APA stage is when the **aircraft's specifications are finalized** and attached to the contract. The buyer (you) will work closely with Gulfstream's completions and design team to choose every detail of the jet's interior and optional equipment. This would result in a **Specification Document** (aka Completion Specification or Spec Sheet) that becomes part of the APA. It's vital to lock down these details by the deadlines given, where manufacturers set **Configuration Freeze** dates after which changes may not be possible or will incur heavy penalties / delays. The buyer (you) should also clarify any completion allowances or buyer-furnished equipment.

For instance, if the buyer wants a unique artwork or custom item installed, the APA must address how that will be provided and certified. All this would become part of the contract to ensure that the delivered aircraft meets the agreed-upon spec, which basically means the design of the interior of the aircraft **has to be finalized before signing the APA.**

That's why it's recommended to work with a separate interior design company and have your aircraft re-positioned as green to them.

Conditions and Warranties in the APA

The APA will include conditions that the aircraft must meet at delivery, such as:

It must be **new** (excluding testing hours)

- Free of Liens
- Have all the required certifications (C of A, BoS, etc.)

Note: Gulfstream generally provides extensive warranties but their durations may vary by components, so for instance:

Interior Completion (paint, entertainment systems, furnishings, etc.) might only have **2 years or 2000 hours**

Where's the airframe structure could have **20 years**

Engines often around **5 years or 3000 hours**

The APA will detail these or reference the warranty booklet. Buyers (You) **should review warranty limitations (**What's excluded, required maintenance to keep warranty valid, etc.). It's also wise to negotiate for any additional support, if possible, some deals would include **a year of maintenance coverage as part of the sale.**

Default and Cancellation Terms

Another critical part of the APA are the clauses covering the default or cancellation. Typically, if the buyer fails to make a payment or meet an obligation, **the seller can terminate the agreement and retain certain deposits as liquidated damages**. Conversely, if the manufacturer cannot deliver (for instance, if the program is significantly delayed or cancelled), the APA should allow the buyer to get the deposits refunded. However, large OEM APAs often favor the manufacturer, outright cancellation by the buyer without cause usually forfeits deposits. It's crucial to understand these terms.

If possible, negotiate some remedies for excessive delays, for instance, if the delivery is delayed beyond a certain grace period, perhaps the buyer can receive compensation or the option to cancel with a refund (Many manufacturers may resist, but it's worth discussing given new model uncertainty) Legal counsel will help navigate these points to protect the buyer's interests.

Special Purpose vehicles (SPV) Ownership

The standard procedure that most UHNWIs would follow would be to have the purchasing entity be a **Special Purpose Vehicle (SPV),** set up specifically to own the aircraft. If done through this way, the SPV would be the signatory on the APA. Using an SPV helps limit liability and isolate the asset.

i.e. If the aircraft got into an accident or incurs debts, the owner's other assets are shielded because the SPV is a separate entity.

An SPV can also offer privacy and potential tax benefits. If the buyer (you) opts for an SPV, it should be established before executing the APA, and proper KYC on the SPV. Therefore, ensure that the SPV is created **early on to sign contracts.**

AQUISITIONS

Production Monitoring and Completions Management

Production Monitoring and Completions Management

Manufacturing Phase Tracking

Now that the APA has been signed, and initial payments have been made, the manufacturer will slot the aircraft into its production line. **The production phase** (which consists of manufacturing the airframe, installing engines, and major systems) can take many months. During this time, the buyer (You) will receive **progress reports**. It's recommended to maintain close communication or even have periodic onsite visits.

Many buyers bring in a **technical representative** or **project manager** at this stage, essentially an expert who will monitor the build on the buyer's behalf. The technical representative can liaise with the manufacturer's production team, get updates on assembly milestones, and verify that the construction meets quality standards and the agreed specs. **Though the manufacturer (Gulfstream)** has their own quality control, having your own eyes on the process is a best practice, that way issues can be flagged early.

Quality Assurance and Testing

Throughout production and completion, the manufacturer will be performing tests, such as:

- Structural Tests
- Systems Integrations
- Ground Runs of the Engines and APU

The **technical representative** should review test reports if available to ensure that any **snags** (issues) have been found in factory testing and are being fixed. As the aircraft nears completion, it will undergo a **series of flight tests by the manufacturer's test pilots to verify performance and safety**. These flights typically occur under a temporary registration (which is often an N-Registration held by Gulfstream) and a provisional airworthiness certificate for testing.

The buyer (You) can request updates on these test flight results. By monitoring this phase, the buyer (You) would reduce the risk of surprises later, so for instance, if a minor defect in a cabinet finish is spotted now, it can be fixed before delivery.

Throughout production and completion, the manufacturer will be performing tests, such as:

- Structural Tests
- Systems Integrations
- Ground Runs of the Engines and APU

Regulatory Compliance During Build

For a Saudi-bound aircraft, the manufacturer and the buyer's team (You) must keep in mind any special regulatory items needed for GACA, generally any new flagship certifications will be built to FAA certification standards (and EASA standards, since Gulfstream seeks dual certification). Saudi's GACA typically accepts FAA/EASA standards for new aircrafts. However, the buyer (You) should confirm if GACA has any unique requirements for equipment (for instance, any specific emergency gear or Arabic labeling in the cabin, etc.).

Usually there isn't anything major, but checking with GACA regulations during completions won't hurt.

NOTE: If the buyer is planning to register the aircraft in a different jurisdiction initially (some owners temporarily register in the US or another country for convenience), that would influence certain completion items such as placards and registration markings. If the assumption is a direct delivery to Saudi Arabia, the manufacturer will have to prepare an **Export Certificate of Airworthiness** toward the **end of production,** and the aircraft will eventually have Saudi Registration markings applied. **If the aircraft is going to be registered in the Saudi Arabian ICAO system, it's important to reserve in advance a Saudi tail number (Through GACA) so that it can be painted or decaled on the aircraft before delivery if desired.**

AQUISITIONS

Pre-Delivery Inspection & Customer Acceptance Flight

Pre-Delivery Inspection & Customer Acceptance Flight

Scheduling The Inspection

As the flagship aircraft is completed, the manufacturer will schedule a **Pre-Delivery Inspection (PDI)** and **Customer Acceptance Flight** with the buyer (You). This typically occurs at the Manufacturer's delivery center. The buyer will be invited to conduct a thorough inspection of the finished aircraft on the ground, followed by a test flight.

It's **crucial that the buyer's pilots, technical representatives, and inspectors are present for this phase, as this is the FINAL CHANCE to verify the aircraft meets all requirements before formally accepting it.**

Pre-Delivery Inspection

During the PDI, the aircraft is examined in detail, this would include a visual and functional inspection of the entire jet, The team will go through the interior granularly, as they would check:

- Craftsmanship of Cabinets and Upholstery
- Operation of seats
- Tables
- Divans
- Functionality of entertainment systems and communications (SATCOM, WI-FI)
- Galley Appliances
- Lavatories
- Lighting
- Inspect the Cockpit
- Test Avionics Systems
- Navigation
- Communication Radios
- Cockpit displays
- Emergency Equipment

The exterior is also examined as well for paint quality and finish.

All the aircraft's documentation is reviewed at this time as well, such as maintenance logs, inspection records, and certificates to ensure they're in order. **Essentially, the buyer (You)**

is ensuring the jet's condition matches the contract specifications and that no damage or missing items are present.

Pre-Delivery Inspection

Next would be the customer acceptance flight (sometimes called a validation flight or demo flight). Where the manufacturer would provide a test pilot crew, but often the buyer's pilots are allowed to ride along or even co-pilot to experience the aircraft. During this flight, the aircraft's performance and systems are observed in operation.

Typically, the items in the agenda are:

- Climbing to a high cruise altitude to test pressurization and environmental systems
- Operating avionics and autopilot in flight
- Checking engine performance and fuel flows
- Cycling all systems (Landing Gear, flaps, lighting, etc.)
- Demonstrating low-speed handling

Any anomalies are noted, as this flight isn't about meeting published performance specifications (Since the test flights done by the manufacturer have already ensured that), it's more about ensuring all customer systems work as intended and that the flying qualities meet expectations.

Discrepancy Resolution

It's typically normal to find a handful of squawks or discrepancies during PDI and the acceptance flight, for instance:

- A sticky drawer latch
- A software glitch in the entertainment system
- A cosmetic paint touch-up needed.

The buyer's team will compile a **discrepancy list** (Which is often called a Punch List) of all items that need correction. The manufacturer will typically agree to address all reasonable discrepancies prior to official delivery. If any serious issues were discovered (i.e. a system not meeting spec), then the buyer can withhold acceptance until it's resolved. Manufacturers are highly motivated to fix issues quickly at this stage. **Therefore, it's wise not to rush this stage and be thorough as signing acceptance would put any outstanding items to be handled under warranty rather than delivery obligations, so really take the time to test EVERYTHING.**

Final Documentation Checks

Alongside the physical inspection, verify all required documents are prepared for handover. By this point, the manufacturer should have readied the **Aircraft's Certificate of Airworthiness (C of A).** Which is likely an FAA certificate if the aircraft is still on the US registry for test purposes. **However, if the jet will be exported to Saudi Arabia, an FAA Export Certificate of Airworthiness will be issued,** which states that the aircraft conforms to its type design and it's in condition for safe operation for export to the Kingdom of Saudi Arabia. **The buyer's team** should obtain all documentations mentioned, as it would be needed for Saudi Import.

Additionally, ensure all:

- Aircraft Logs
- Flight Manuals
- Maintenance Manuals

Are complete and up to date. **The Delivery & Acceptance Certificate (or Aircraft Acceptance Receipt)** will be prepared, this Is the document the buyer signs to formally accept the aircraft from the manufacturer. **DON'T sign it until all major discrepancies are resolved or at least formally agreed to be resolved post-delivery at the manufacturer's cost.** Once satisfied that the jet is as promised, the stage is set for closing the transaction.

AQUISITIONS

Closing Transaction and Aircraft Handover

Closing Transaction and Aircraft Handover

Execution of Closing Documents:

Now when it comes to aviation, **the closing phase** is known as a **formal transfer of title and funds,** it's a very quick process and can occur immediately after a successful PDI and acceptance flight, often on the same day or a day or two. Both parties will execute the necessary documents:

The Buyer (You) will Sign the **Delivery & Acceptance Certification, whereas the manufacturer will countersign it.** The manufacturer will also countersign it. The manufacturer will also execute a **Bill of Sale,** transferring ownership of the aircraft to the buyer, for the transfer of ownership to take place, the buyer and seller would need to sign the Bill of Sale (aka AC 8050-2) which would then get filed with the FAA, and usually by an **escrow agent** or **closing attorney.**

The title would then officially be transferred to the buyer (You) and then the FAA would then deregister the aircraft and issue an **Export C of A so it can be re-registered in whatever country you want.**

NOTE: The way the SPV would own the aircraft, is everytime you would have to sign something, **you don't sign it under your name or the name of the entity, but rather under the name of the SPV, and you would be signing it on behalf of the entity.**

Final Payment and Escrow Payment:

Concurrently, **the final payment** (which is often a very large sum representing all remaining balance due) is made. If you're using escrow, the funds would have been deposited to the escrow account prior to closing. The escrow agent confirms receipt of all signed documents before doing so. If no escrow is used, the buyer would wire the funds directly upon confirming the signed documents are in order, as usually there is still a closing conference call to coordinate this.

Once the manufacturer's account is credited with the final remaining funds and the documents are exchanged, the sale is now **officially closed.** The escrow agent (or lawyers) will then distribute copies of all documents to both parties.

Title and Lien Search

Just before closing, the buyer's team should conduct **a final title and lien search on the aircraft**. Meaning that they will perform a final background check on the aircraft. Since it's a brand-new aircraft, the title history is minimal, and likely the manufacturer was the only owner. However, it's important to ensure there are **no liens or encumbrances recorded,** such as any financing statements, meaning that you are 100% the owner of the aircraft and that you fully own it! No one else (like a bank or lender) has a financial claim over it

The escrow agent can run a search of the **FAA registry** and the **international registry** (Under the cape town convention); to confirm the aircraft and its engineers have no outstanding registered interests. **Don't take the manufacturer's word for it!** Reason for this is because:

- Manufacturer's sometimes temporarily finance or lease the aircraft during testing
- Sometimes legal filings are done in the background, and you don't want any surprises.

After the sale is complete, the escrow agent will usually handle the paperwork to:

Remove the manufacturer's name from the ownership records, and
Clear any financing claims that might have been filed earlier.

If the deal involves **any international financing or ownership**, then the **Cape Town International Registry** becomes important.

Because **Saudi Arabia is part of the Cape Town Convention**, any financial interest (like a loan or lease) should be **officially registered** in that global system.
Even if you paid fully in cash and **have no lender**, you can **still register the Contract of Sale** in the International Registry as **extra proof** that you own the aircraft — this is optional, but useful.

Your **closing package** should include **all documents** related to these filings.

Handover and Orientation

With the legalities done the funds fully paid out, the aircraft now belongs to the buyer (You). There is often a **short handover ceremony**, as the Manufacturer may present ceremonial keys or a plaque, and photographs might be taken of the new owner of the jet. **A practical handover** which would include giving the buyer:

All sets of keys

Emergency exit keys

Security codes

Delivery of onboard equipment that comes with the aircraft

Usually, the manufacturer will also assist in arranging a **ferry flight** according to the buyer's plan.

Manufacturer's Support and Warranty Activation

At delivery, **the warranty period** officially begins (unless it started at a test flight), but in any case, from this point forward the warranty is ticking. The manufacturer will register the new owner for customer support. The buyer should ensure they have the contact information for the:

- Manufacturer's Customer Support
- Local Service Representative
- Details on how to claim warranty fixes

Often, a warranty orientation is given, explaining what maintenance must be done and where, to maintain coverage. The manufacturer might also provide initial supplies and services, i.e. a set of spare parts or consumables, or free enrollment in a maintenance tracking program for a year.

If for whatever reason there were any discrepancies from the PDI are being deferred to post-delivery (due to time constraints), then get a written commitment from the Manufacturer to address them at a service center in a timely manner at their cost.

At this point, legally the acquisition is **COMPLETE,** the buyer owns the brand-new aircraft. The focus now shifts to registering the aircraft in the right flagship nation, importing it and getting it operational in the new home base

AQUISITIONS

Registration, Export and Import to Saudi Arabia

Registration, Export and Import to Saudi Arabia

Export from the United States

Because the G800 was built and handed over in the U.S., It must be exported to Saudi Arabia in compliance with U.S. regulations. Now fortunately, private jets are not typically subject to export license requirements (unless it's going to sanctioned countries or carrying military-grade technology). The manufacturer and the buyer's agents will coordinate the export paperwork. The key document is the **FAA Export Certificate of Airworthiness,** which the manufacturer would have obtained at delivery.

Additionally, the Manufacturer will have submitted an **FAA deregistration request** indicating the aircraft is export to **Saudi Arabia**. The buyer should receive a **deregistration confirmation** or a statement from the FAA that the aircraft's ICAO registration is cancelled for export, this will be required by GACA to register the aircraft in the Saudi Arabian Registry.

Saudi Arabia Registration Eligibility

To register the aircraft in Saudi Arabia, the buyer must meet **GACA's** requirements. Saudi law permits registration of aircrafts owned by Saudi Citizens or Saudi Arabian corporations. Therefore, the owning entity should be **Saudi**. The buyer will need to submit a registration application to GACA, **addressed to the president of GACA, along with proof of ownership (The Bill of Sale), and evidence of eligibility (i.e. a copy of the commercial registration of the Saudi Company).**

GACA will then verify that no prior registrations exists (**That's the need for the FAA deregistration letter)** and then assign a **Saudi Registration Marking** (Tail Number) to the aircraft. Saudi Civil Aircraft Registrations have the prefix (HZ-). The buyer can request a specific tail number if desired (if it's not already taken), or GACA will assign one. It's wise to reserve this well in advance. Once approved, GACA will issue a **Certificate of Registration** for the aircraft.

Certificate of Airworthiness (C of A) in KSA:

With the aircraft being in Saudi Arabia, it must obtain a Saudi **Certificate of Airworthiness** to be legally flown under the Saudi Registry. GACA will typically accept the FAA (**Export C of A**) since a brand new aircraft would be the state of the art and certified by major authorities.

However, GACA inspectors may want to **inspect the aircraft** upon arrival to ensure it meets all regulatory requirements and is in condition for safe operation. The buyer will need to submit an application for a **Certificate of Airworthiness.** Provide the Export (**C of A**), the aircraft logbook and spec documents, and possibly make the aircraft available for a physical inspection or demonstration flight by GACA officials. After compliance with all required standards (which should be straightforward for a factory-new jet), GACA will issue a **Saudi Certificate of Airworthiness,** officially clearing the G800 to fly under the HZ-registration.

Customs Import and VAT

Importing a jet into Saudi Arabia would involve clearing Saudi Customs and paying any applicable taxes. Saudi Arabia doesn't impose traditional import duties on aircrafts in the same way as some countries do, but it does **levy VAT** on imports. As of the mid 2020s, Saudi Arabia's VAT rate is 15%. **Therefore, the importation of a private aircraft would be considered a taxable import, meaning 15% VAT on the value of the aircraft is due at import.**

For instance, a $75 million jet could incur around $11.25 million in VAT. This is a significant cost, the buyer might explore structuring the ownership as a business (perhaps a charter operation or part 125 operator) which would reduce tax, but typically for private use in KSA the VAT will be due. **The buyer will need a customs agent to file the import declaration, providing documents like the:**

- **Bill of Sale (to establish value)**
- **Deregistration**
- **Export C of A certifications**
- **Proof of Saudi Ownership.**

Upon paying the VAT, customs will clear the aircraft, allowing it to operate domestically. It's worth noting that if the aircraft will be predominantly used for international flights and only transient in KSA, some owners would choose not to formally import it (to avoid VAT), but then the aircraft would remain on a **foreign registry**. However, since in our scenario it emphasizes Saudi delivery and Saudi Registry, paying VAT is part of the cost of acquisition.

Ferry Flight into Saudi Arabia

The physical ferry flight needs to be carefully planned in the context of registration status. Ideally, by the time of the ferry, the aircraft is already placed on the Saudi Registry (HZ-registration) and has a Saudi Ferry permit of (**C of A**), so it can be flown by the buyer's crew under Saudi marks. In practice, sometimes the aircraft might still carry it's U.S. test registration and an FAA ferry permit for a one-time flight to KSA, then complete formal Saudi paperwork upon arrival.

Either approach can work, but coordinating with GACA is key so that the aircraft is not stuck in limbo. Assuming the aircraft will fly under its new Saudi Registration, the buyer's crew will apply for a ferry flight authorization. The route from the manufacturer's state to Saudi Arabia will likely be done non-stop. **Ensuring overflight permissions are secured for**

the chosen route (usually standard for a private flight, but it would require filing flight plans and getting diplomatic clearances if needed).

Insurance During Ferry and Import

Prior to the ferry flight, the buyer must have insurance coverage active. Typically, the insurance policy (hull and liability) will be bound effective from the moment of delivery. The coverage should include the ferry flight as well as any training flights. If the crew needs to do in-country test flights for GACA, those should also be covered. At import, customs might also request proof of insurance for the aircraft.

The buyer should work with an **aviation insurance broker** to ensure that from the day of handover in the U.S., a comprehensive hull insurance (at lease for the full value of the aircraft) and a high-limit liability insurance (especially important given Saudi’s legal environment and international flying) are in force. Often, **a short-term binder** covers the ferry and then transitions **into an annual policy.**

At this point, the new aircraft is **legally imported, on the Saudi Registry, and is sitting on the tarmac in Saudi Arabia.** The focus now is making it ready for operational service!

AQUISITIONS

Entry Into Service and Operational Setup

Entry Into Service and Operational Setup

Insurance During Ferry and Import

A brand-new aircraft is usually a sophisticated aircraft that would require an experienced crew. Early in the acquisition process (typically **several months before delivery**), the buyer should have begun **recruiting pilots and crew**. By the time the aircraft arrives, the flight crew (pilots) should be fully trained type-rated on the new aircraft model.

Gulfstream often includes initial pilot training slots at their training partner (Such as FlightSafety or CAE Simulators) as part of the sale; the buyer **should take advantage of this and send at least two pilots for type rating training well before delivery.** Additionally, a maintenance engineer/ mechanic for the aircraft should be identified and trained on the new aircraft's systems (Again, Gulfstream might include a maintenance training course).

Don't forget cabin crew if the owner will have flight attendants or a cabin server on board, they might need training on the new aircraft's cabin systems and safety equipment. Since Saudi Arabia will require the pilots to hold or validate GACA licenses, the crew should also complete any license conversion or validation process with GACA (for instance, converting FAA type ratings to GACA licenses, which often involves some paperwork and perhaps, a check ride with a GACA Inspector). By delivery, **crewing should be in place so that the aircraft can be operated immediately and safely.**

Operational Approvals and Part 125 Compliance

A critical aspect in Saudi Arabia is that **all privately operated business jets based in Saudi Arabia now require a GACA part 125 Operator's Certificate.** Part 125 is essentially the regulatory framework for large private aircraft operations. Meaning in practical terms, the UHNWI buyer would have two choices:

- Engage a management company that already holds a GACA part 125 certificate to operate the aircraft on their behalf
- Obtain their own Part 125 certificate for their flight department (which is a complex process similar to establishing a mini airline operation, which involves manuals, inspections, proving flights, etc.).

Most individuals opt for the first route, which is hiring a company such as **Jet Aviation**, **ExecuJet**, or another reputable operator in the region to manage the aircraft under their certificate. **Jet Aviation** was the first to receive the GACA Part 125 certificate in 2021 and manages many private Saudi-owned jets.

Management under such a company would mean the management firm will handle day-to-day operations such as:

- Flight Planning
- Maintenance Scheduling
- Crew Employment
- Safety Oversight
- Regulatory Compliance

While the owner retains usage of the aircraft. For the buyer, it's advisable to have signed a **management agreement** with a part 125 operator by the time of delivery if not earlier. This ensures that from the moment the jet arrives, it's being operated legally and safely under an established system. **If the buyer instead goes alone, they must ensure their flight department is fully compliant with GACA's Part 125 requirements, which is a significant undertaking and would require its own detailed guide.**

Maintenance Planning and Programs

A new aircraft will typically come with a maintenance schedule (which is approved under GACAR Part 91 rules likely similar to FAA Part 91) and initial maintenance requirements (such as routine inspections after certain flights hours or cycles). The owner's team needs to set up a **Maintenance Tracking System** immediately, typically enrolling the aircraft in a system such as **CAMP** (Computerized Aircraft Maintenance Program) or Gulfstream's Own Tracking Platform. This would help track due dates for inspections, component life limits, and airworthiness directives.

It's wise to enroll the aircraft in manufacturer or third-party support programs, such as for example **Rolls-Royce CorporateCare for the Pearl 700 Engines** (Which covers engine maintenance and overhauls for a fixed hourly cost), and perhaps Gulfstream's Plane Parts or an equivalent program for airframe systems. These programs provide cost predictability and ensure genuine parts and qualified technicians are used. The warranties on the aircraft will cover defects for a few years, but routine maintenance is still needed and should be budgeted.

Hangar and Ground Support

In Saudi Arabia's climate, a **hangar** is crucial to protect a high-value jet from heat and sand. The owner should have secured hanger space at the home airport in advance. This might be through a **local FBO** or a private facility. To ensure the hanger can accommodate the aircraft's dimensions and that it has the necessary utilities (power carts, pre-conditioned air units, etc.)

Also, procure **any ground support equipment** needed if not provided by the FBO, such as a **towing tug (with a towbar compatible with the aircraft's nose gear), GPU (Ground Power Unit) for engine-off power, and perhaps a hydraulic mule for maintenance.**

The management company, if engaged, will typically handle these logistics, but the owner should verify that the ground arrangements are set.

Initial Operations and Shake-Down

Upon entry into service, plan for a period of "shake-down" flights. Even a brand-new aircraft may have minor issues that appear once it's flying regularly. It's common to schedule a **warranty service visit** after the first 50 – 100 flight hours to address any squawks that developed. The owner should not immediately plan a critical high-profile mission as the first flight post-delivery, as it's better to do a few local or regional flights to let the crew and aircraft settle in.

Gulfstream often provides a **Field Service Representative (FSR)** on-site or regionally who can assist with any early issues; make sure to **utilize their support.** Also, ensure the **spare parts and tooling that might be needed are available i.e. keep some basic spare bulbs, tires, and consumables at the home base.** The maintenance team should by now have all the necessary tech manuals **(often provided by Gulfstream's Digital Library)** and the troubleshooting resources.

Insurance and Risk Management

Now that the aircraft is in operation, the insurance needs may evolve. Initially, a ferry insurance was in place; as the jet enters service, confirm that the full **operational insurance policy** is active. This would include hull coverage (usually agreed value equal to the aircraft's new cost) and liability coverage. If the aircraft will be flying internationally (Which is likely given the long range), ensure the policy covers worldwide operations, including places such as Europe, U.S., Africa, etc.

Also, from day one, have a plan for Emergency Response (Which usually the management company will have an emergency response plan), this is not something anyone wants to imagine, but being prepared is part of responsible ownership.

Operational Set-Up

Finally, integrate the brand-new aircraft into a smooth operational routine. Set up scheduling and dispatch processes for flight requests (If the owner has a personal assistant or an aviation department scheduler, they will coordinate with the pilots to plan trips). Ensure all **operational approvals** are in place for things such as **Worldwide Datalink (i.e. FANS/CPDLC if needed), RVSM approval for high-altitude in certain airspace, etc.,** which should all be taken care of by the operator's ops team. In Saudi, make sure the aircraft's information is properly listed with airport authorities for parking permits, and any local **navigation fees accounts are setup** (So that overflight / landing fees in various countries can be billed). Also, consider setting up memberships with international trip planning services (Unless the management firm handles it) for handling flight permits and ground handling abroad.

The brand new aircraft is now fully acquired, registered in Saudi Arabia, and is ready for use! To ensure long and successful ownership experience, the buyer should remain vigilant about regulatory compliance, maintenance, and market conditions. The next sections provide a **checklist of documentation, highlight critical considerations unique to this process, and share common mistakes and best practices from industry experts.**

AQUISITIONS

Documentation and Regulatory Checklist

Documentation and Regulatory Checklist

Throughout the acquisition process, there are numerous **documents** and **regulatory approvals** which would be needed. Below is a comprehensive checklist of the key documentation and steps required, which aligns with the stages of the process:

🗎 KYC & Compliance Documents

This includes:

- Copies of passports
- Corporate Documents
- Financial reference letters provided to the manufacturer for KYC/AML due diligence.
- Any end-user statements required for U.S. export Compliance

🗎 Letter of Intent (LOI)

A non-binding agreement outlining the basic terms of the purchase which include Model, Price, Delivery Date, Deposit usually Signed. It’s signed by both the **buyer as well as the seller.**

The LOI is typically accompanied by a deposit (earnest money receipt)

🗎 Aircraft Purchase Agreement

The binding contract for the purchase. Typically includes exhibits for the detailed aircraft specification and possibly the warranty terms. Ensure both parties sign and retain copies.

🗎 Payment Documents

Invoices from the manufacturer for each **milestone payment**, and receipts or escrow confirmations for each payment made. Also, an Escrow Agreement if an escrow agent is used, detailing how funds and documents are handled.

🗎 Proof of Funds

If required this letter would demonstrate the buyer’s ability to pay for the purchase price.

🗎 Completion Specifications Document

It's the finalized list of all options, interior materials, configurations for the new aircraft, usually an exhibit to the APA, but can also be separate if a separate company will handle the outfitting. **This document would be a reference at delivery to ensure the aircraft is built as agreed.**

🗎 Insurance Certificate

Certificate of Aircraft insurance showing hull and liability coverage effective from delivery. This is often needed to satisfy the manufacturer at handover and later for airport authorities.

🗎 Pre-Delivery Inspection Reports

Any reports or checklists from the PDI and acceptance flight, including the signed acceptance test flight report, and the discrepancy list of items to be rectified.

🗎 Delivery & Acceptance Certificate

A formal statement which Is signed by the buyer (and acknowledged by the seller) at closing, confirming that the aircraft has been inspected, accepted, and the title is transferring as of the date / time of delivery.

🗎 Bill of Sale

A document transferring ownership from the manufacturer to the buyer's entity, In the U.S. format, this is typically an FAA Bill of Sale form, which is also filed with the FAA registry. This is a critical proof of ownership.

🗎 FAA Registration and Deregistration.

If the aircraft had an FAA registration for test purposes, the seller will have an FAA **Certificate of Registration** (in the seller's name) to surrender. The buyer will receive a deregistration letter from the FAA (addressed to GACA) confirming the N-number is canceled for export. Ensure you include a copy in the records.

🗎 Export Certificate of Airworthiness

Issued by the FAA on behalf of the U.S., certifying the aircraft is airworthy and complies with it's type design at time of export. Provided to the buyer for use in gaining a Saudi **C of A**

🗎 GACA Registration Application

A set of forms and letters submitted to GACA for registering the aircraft, this would include the application form, evidence of ownership (notarized Bill of Sale copy), evidence of the owner's qualification (i.e. A Saudi ID, or company registration), and the FAA deregistration letter.

🗎 Saudi Certificate of Registration

The airworthiness certificate issued by GACA after it reviews the export **C of A** and inspects the aircraft. This is typically valid as long as the aircraft is maintained to standards, with an expiration / renewal period defined by GACA.

🗎 Noise Certificate

This is typically issued by the manufacturer, stating that the aircraft meets noise standards (which is important for international operations). Therefore ensure that the aircraft's noise certificate is among the documents

🗎 Radio Station License

A license for the aircraft's ratios (which is often required by countries for communications equipment). In the U.S. and likely similar in Saudi Arabia, this must be obtained by the owner **post-delivery.**

🗎 Insurance Policy Documents

Full insurance policy wording and proof of coverage for hull and liability insurance (this is required to be carried in the aircraft in many jurisdictions)

🗎 Customs Import Documents

Saudi customs clearance paperwork, which would include the import declaration, proof of VAT payment, and any exemption certificates if applicable. Keep these on file in case of any audit

🗎 Cape Town International Registry Certificates

If any interests were registered (Sale or Security Interest), print the **International Registry Search Result and registration confirmations for the airframe and engines.**

🗎 Operational Permits and Manuals

Once in service, maintain copies of the **GACA part 125 Operating Certificate** (if under an operator's certificate), the ops specifications that list the aircraft, and all relevant operational manuals (flight ops manual, maintenance control manual, etc). These are more operational than acquisition documents, but they are part of the entry-into-service paperwork

🗎 Manufacturer Manuals and Logs

All aircraft flight and maintenance logbooks (engine log, airframe log, etc) that came with the aircraft, and the Airplane Flight Manual, Pilot Operating Handbook, Weight & Balance Manual, etc. These should be onboard and also archived digitally.

🗎 Warranty and Support Agreements

Copies of the Gulfstream warranty terms, engine service program contract (e.g. Rolls-Royce CorporateCare enrollment agreement), and any extended warranty or training support agreements that were part of the deal.

Keeping an organized file (physical or electronic) of these documents is essential. Not only are they needed for legal operation and future maintenance, but they will be required when the time comes to ***sell*** *the aircraft. Any missing document can cause* ***delays*** *or* ***reductions*** *in value later, so the owner's team should double-check that each of these items is obtained and safely stored.*

AQUISITIONS

Critical Considerations and Key Issues

Critical Considerations and Key Issues

Acquiring and importing a brand new Gulfstream aircraft Is a **massive undertaking,** here are some **critical things to be aware of at various stages, to avoid pitfalls and ensure a smooth project:**

⚠️ Delivery Slots and Backlog

Whatever the new jet model for Gulfstream is, since it's a newly introduced model that would mean that available delivery positions maybe backlogged. Early buyers would likely have placed orders years in advance. If you're coming into the process late, be aware that your delivery might be scheduled **a few years out.**

Gulfstream's production plans are constrained by supply chain realities, for a Saudi buyer wanting a jet ASAP, this could mean paying a premium to acquire an earlier slot or even a nearly-new model from an existing customer after delivery.

Plan accordingly and **manage expectations on timing. Lock in the delivery data in the contract as firmly as possible, but also have some flexibility if minor delays occur.**

⚠️ Completion Delays

As noted, one frequent cause of delay is the interior completion phase. Essentially, each novel feature might require regulatory approval. This is a critical consideration: If you insist on an extremely bespoke interior such as (**Exotic materials, one of a kind configurations, etc**) understand that it may push out delivery date.

Mitigate this by working closely with the completions centre design team to choose options that are proven or already certified whenever possible. If a delay seems likely, then maintain dialogue the completion center. Also, be prepared that **supply chain issues** (for example, a vendor part like a seat or galley component) could also cause hiccups. Having a technical representative monitoring progress would help in getting honest updates so you're not caught off-guard.

⚠️ Legal Jurisdiction and Cross-Border Transactions

The cross-border nature of this purchase would introduce legal and logistical complexities. The contract will likely be under a U.S. jurisdiction, meaning any legal disputes could be governed by U.S. law and resolved there, not in Saudi.

The buyer should have legal counsel both in the **U.S.** (for the purchase) and in **Saudi** (For import and local law compliance). This would ensure that **the law governing the APA** is clearly stated and that you understand the implications (i.e. if Georgia law, how does that treat remedies, interest, etc.).

Another aspect is **export control law,** while Saudi Arabia is an allied nation, U.S. export law must be complied with; Gulfstream **will handle obtaining any necessary export clearances,** but the buyer may need to sign assurances that the aircraft won't be re-exported to bad actors.

Additionally, transferring large sums internationally requires coordinating with banks on both sides for smooth currency exchange and compliance; **Saudi regulations on moving money abroad (above a certain threshold) should be observed, and the currency (likely USD for the transaction) should be arranged in advanced.**

Cross-border tax issues are also key, so for instance, the deal might be structured through an offshore entity to legally minimize taxes, but one must ensure this doesn't conflict with Saudi Import rules.

So **ALWAYS COORDINATE AMONG FINANCIAL, LEGAL, AND TAX ADVISORS IN BOTH JURISDICTOINS.**

⚠️ Manufacturer's Warranty Terms

A new Gulfstream comes with one of the best support networks in aviation, but the owner must clearly understand the **warranty coverage and its limitations.** As mentioned, different parts of the aircraft have different warranty periods. The owner should be aware that routine wear-and-tear items (Carpets, Leather Scuffs, etc.) may only be covered for a short time. The warranty also requires that the aircraft be maintained according to Gulfstream's recommendations and often at authorized service centers.

Skipping the required maintenance or using non-authorized facilities might void certain coverage. Additionally, warranty is limited to defects in manufacturing, and it won't cover damage for misuse of accidents. Knowing these limits is important so that appropriate insurance or maintenance programs can cover what the warranty doesn't.

It’s also useful to know the **warranty transferability:** where Gulfstream warranties typically follow the aircraft, so if you sell the jet within the warranty period, the remaining coverage adds value for the next owner. Finally, be mindful of any **service bulletins or software updates** Gulfstream issues for their flagship aircraft; complying with these will keep the warranty intact and the aircraft performing optimally.

⚠️ Residual Value and Market Dynamics

Business jets are **depreciating assets**, but some hold value better than others. Gulfstream’s large cabin jets **have historically had** strong residual value thanks to their reputation and demand. However, a buyer should have realistic expectations: typically private jets loose around **5 - 10% of their value per year in its early years (25 – 30% over five years is an often-cited average).**

The flagship aircraft, being the latest long-range model, might go against the trend initially if demand outstrips the supply, meaning it’s value might appreciate a bit if the supply is limited due to production lines. However, note that if the aircraft you’re planning on acquiring is brand new in the market, the value may stay high in the first years, especially if the order backlog is long. Nonetheless, plan for depreciation in your financial outlook. **Consider how long you intend to keep the aircraft and keep the interior and avionics updated to maintain value. Also, factor in global economic conditions:** these can affect jet demand and values.

i.e. A recession can soften the market,

While the typical residual value for flagship jets is likely to be strong relative to other jets, the owner should not assume an increase in value, use conservative estimates in your planning.

⚠️ Title, Liens, and the Cape Town Convention

Even for a brand-new aircraft, ensuring a **clean title** transfer is absolutely essential. The Cape Town Convention (CTC) provides an **International Registry** for aircrafts where buyers, sellers, and lenders can register their interests to protect their rights.

Saudi Arabia, as a CTC signatory, recognizes these **international Interests.** The buyer should ensure that at delivery, Gulfstream's title is free of any **encumbrances.** Which it should be, as Gulfstream will not have any creditor holding a lien by the time of sale. If the buyer used financing, however, the financing bank will record a lien on the aircraft. Under CTC, this is done by registering the bank's interest on the **International Registry.** The **priority of liens** goes by the order of registration, so it's critical that the lender's interest is registered immediately at closing.

If the buyer paid in cash, it's still recommended to register the Contract of Sale at the International registry as a record of ownership (It's not mandatory but adds an extra layer of proof internationally). Additionally, remember that **FAA registration is not proof of ownership;** similarly, GACA's registry is an operator's registry and not definitive proof of title. **The TRUE proof of ownership is the BoS (Bill of Sale) and the contract. Therefore always store these documents safely.**

When importing into Saudi Arabia, check if **any local liens or fines (such as customs liens for unpaid VAT)** could arise, pay all dues to avoid any implicit liens. And if the aircraft every leaves the Saudi registry (for resale elsewhere), ensure the deregistration process is handled properly in coordination with any registered international interests (That's where an IDERA would be used if it exists)

All in all, title and liens issues are less dramatic in a new purchase than in a used one, but you should still **exercise due diligence:** use escrow, do lien searches, and use **The International Registry to safeguard your asset.**

⚠️ Operational Regulations (Saudi & International)

Beyond the acquisition itself, the owner must be keenly aware of operational rules that will affect the use of the aircraft. In Saudi Arabia, compliance with GACA regulations such as crew licensing, Part 125 operations, and maintenance requirements is mandatory.

If the aircraft will fly to the EU, ensure it has the **EASA Ops Approvals** like **RNAV, CPDLC, etc.,** and consider getting an EASA validation of airworthiness if needed (usually not needed if operated privately and not based in the EU, but it's worth checking if planning extended stays). For the U.S., if the owner wants to operate there under their own operations, they might need to obtain an FAA Part 91 LOA (Letter of Authorization) for things such as ADS-B, etc.

These are operational considerations, but they tie back to the acquisition in that failing to account for them could render a freshly bought $70M jet grounded until resolved. One example would be **noise compliance,** to ensure the aircraft's configuration (especially if added after any aftermarket modifications later) stays **Stage 5** noise compliant to avoid restrictions at certain airports.

⚠️ Insurance Nuances

One often overlooked consideration is the **period between acceptance and entry into service.** The moment the buyer signs the acceptance and the aircraft becomes theirs, they are **responsible for it.** Therefore, the insurance must cover **that moment.** Usually, the insurance binder is aligned, but it's something to double check!

Also, consider **hangar liability** insurance when basing the jet at a facility in Saudi Arabia, and ensure the policy meets any local requirements (some airports might require a certificate of insurance filed with them). Given the value and profile of the flagship aircraft, some owners might also consider **additional liability coverages such as personal injury for guests, or kidnap & ransom insurance if high-profile individuals are on-board.** These aren't strict acquisition issues, but they are part of the holistic risk management that goes hand-in-hand with owning such an asset.

By keeping these critical considerations in mind, the buyer can preempt many challenges. It's about being proactive: planning for delays, covering legal bases, and understanding obligations, and protecting the investment at every step.

AQUISITIONS

Common Mistakes to Avoid

Common Mistakes to Avoid

Even seasoned buyers can stumble during a complex purchase like this. Here are some mistakes to avoid **at each stage of the process**:

🚫 Skipping Professional Advice

Trying to negotiate the purchase or handle legal documents without specialized advisors. You can avoid all this by **hiring an experienced aviation attorney early to review the LOI and APA, and an aviation technical consultant to guide the technical decisions.** This would prevent agreeing to unfavorable terms or missing technical red flags.

🚫 Inadequate Due Diligence on Contract Terms

Not thoroughly understanding the APA's clauses (i.e. penalties for cancellation, what happens if there's a delay or a defect). This can be avoided by going through the contract **line-by-line** with your **aviation lawyer.** Therefore, pay attention to warranty fine print, default clauses, and any performance guarantees. Ensure that any verbal promises (training, specific completion items) are written into the contract.

🚫 Not Planning For Regulatory Compliance in Time

Overlooking local regulations, such as the requirement for a **Part 125 operating certificate** in Saudi Arabia, until the aircraft is already delivered. This could leave the aircraft **unable to legally fly in-country.** This can be avoided by Engaging with GACA and a management company **months in advance.** Have the operating structure (management agreement, or your own certificate) in place before the jet arrives. Similarly, ensure that crew licensing and validations are sorted out ahead of time.

🚫 Underestimating Import Tax and Costs

Assuming the cost ends at the purchase price, and then being surprised by VAT or other import costs. This can be avoided by **Consulting a tax advisor** on **Saudi Import Implications.** Ensure you budget the 15% VAT (or any applicable tax) as part of your acquisition cost. **Never try to "Sneak" the aircraft in without formally importing, that can lead to legal troubles and huge penalties.**

Poor Payment Management

Missing a payment deadline or failing for fraud in payment transfers. **Large wire transfers can be targets for cyber-fraud (hackers sending fake account details).** This can be avoided by marking all milestone payment dates on the calendar and ensure **funds are liquid well in advance.** When wiring payments, **verify the recipient account** via a direct call to the known **Gulfstream finance office** or **escrow agent**.

Don't rely Soley on **email instructions to avoid spoofing, using escrow can also add a layer of security in payments.**

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Neglecting the Pre-Delivery Inspection (PDI)

Rushing through the **Pre-Delivery Inspection** or being so **excited** that you sign acceptance without addressing issues to be rectified. This can lead to **headaches once you own the aircraft (Warranty will cover some issues, but you might lose the leverage you had pre-acceptance).** This can be avoided by taking the **PDI extremely seriously, therefore you would want to bring a detailed checklist, if you're not personally experienced, and let your technical representative lead the inspection.**

Don't sign the acceptance until every discrepancy that can be rectified, is fixed or at least documented with a commitment to fix. Remember that after you sign, corrections are goodwill/warranty matters, not contractual obligations

🚫 Over-Customization of the Aircraft

Designing an interior so unique (i.e. unusual layout or very taste-specific décor) that it complicates completion and later reduces resale value. Following the **keep it elegant but mainstream** rule for ultra-long-range jets. **By all means tailor it to your taste**, but avoid structural changes that require specific certifications or aesthetics that would only appeal to you.

This will save time on completion and help in eventual resale. Reputable completion designers will guide you on this, **listen** to their advice on what's feasible without causing delays.

🚫 Not Preparing the Operations Team

A big mistake that would take place is taking delivery of a plane but having no pilots or maintenance staff ready to operate it. This can lead to the plane sitting idle (Wasting warranty time and risking systems going unflyable) or scrambling to find crew. **This can be avoided by hiring and training crew early. Ideally, your pilot(s) should be on staff at least 3 – 6 months before delivery, involved in the process (they can even attend inspections).**

They should complete simulator training and be ready to fly the aircraft home on delivery. **Similarly, line up a maintenance engineer or a contract with a service provider beforehand.**

🚫 Failing to Secure Hangar and Support in Home Base

A big mistake would be bringing the aircraft home and then realizing there's no hangar space or the necessary ground equipment. **The harsh environment or lack of support can cause damage to the aircraft,** (I mean imagine leaving a $75 M jet on the ramp under the desert sun).

This can be avoided **by Arranging hangarage at your airport as soon as you'll have the aircraft. Sometimes, there can be a waiting list. Therefore, Pre-position any needed equipment. If you're with a management company, confirm they've arranged all this.**

🚫 Ignoring The International Registry (Cape Town)

A big mistake would be in a cash deal, forgetting to get a certificate from the **International Registry** for your records. While this might not bite immediately, it could complicate things in a dispute or future sale. **This can be avoided by working with Escrow agencies or counsel to register all interests on the international registry at closing.** At least run a search to prove there are no interest and **optionally register the sale**. This way your ownership is clear on a global scale, and there's no ambiguity.

Each of these mistakes has caused real problems for aircraft buyers in the past, and by learning from them, the buyer can steer clear and ensure their flagship aircraft acquisition is smooth and successful. Remember, meticulous planning and expert guidance are the antidote to most of these pitfalls.

AQUISITIONS

Best Practices and Expert Tips

Best Practices and Expert Tips

Even seasoned buyers can stumble during a complex purchase like this. Here are some mistakes to avoid **at each stage of the process**:

✅ Use Special Purpose Vehicles For Ownership

It's generally wise to register the aircraft under an SPV, (such as a single-purpose LLC). This would isolate the asset from personal liabilities and vice versa. In case of an incident or lawsuit, your other assets are protected. Choosing the jurisdiction of the SPV carefully is important, **A Saudi company may be needed for local registration, but some owners use trusts (such as Delaware trusts or cayman) that can still qualify in Saudi via ownership structure.**

Therefore, consult legal experts to set this up in a compliant way.

✅ Engage a Reputable Escrow and Title Service

Even though gulfstream is a top-tier seller, never skip using an **Escrow Agent and title Company for the closing.** They provide neutral handling of large sums and ensure lien searches and filings are done correctly. **An escrow agent can also handle the International Registry (IR).** This provides peace of mind, you won't accidently wire millions to the wrong account, and the transfer of ownership will be legally airtight.

Firms like **AIC Title or Aerodox (In Oklahoma City) are experienced in business jet transactions;** Gulfstream is accustomed to working with them. These are invaluable services if any complications arise.

✅ Obtain Insurance from Day One

Work with an **aviation insurance broker** well ahead of the delivery to tailor the insurance program for your flagship aircraft. As an expert tip, algin the insurance start date with the transfer of risk, **which is typically upon Acceptance and Delivery Signing.**

The policy can initially be on a short-term basis to cover the ferry and then convert to an annual policy. Also, ensure the policy does include **ferry and training flight coverage, crew coverage (some policies exclude training flights, so get that included given your crew will be new on type).**

It's easier to get comprehensive coverage while the aircraft is new and the value is clear. Keep your insurer in the loop about the plane's movements (for instance, let them know It's ferrying **across the Atlantic, and when it's officially based in Saudi Arabia).**

Once in operation, consider periodic insurance reviews to adjust hull value as the aircraft depreciates or if your **usage pattern changes.**

✅ Take Advantage of Included Training and Support

Gulfstream often includes a package of pilot training slots and maintenance training with a new aircraft. **Use them fully.** Even if you have **very experienced pilots, the aircraft is a new flagship, send them to the best training. Also some OEMs provide initial technical support on-site.**

i.e. A field service representative for 30 days, or priority troubleshooting. Utilize that window to identify any bugs and get them fixed under the manufacturer's watch. Establish a strong relationship with the Gulfstream Support Team and the regional service center.

Early proactive engagement with support networks is a best practice that pays off over the life of the jet.

✅ Engage a Technical Representative (Early and Throughout)

We've mentioned this before, but it's worth emphasizing as a best practice, hire a **technical consultant/inspector** to be your advocate from **contract** through **delivery.** This could be an individual expert, or a firm that specializes in aircraft oversight. They will attend Gulfstream production meetings, capture build discrepancies, and ensure your requested options are implemented correctly, and manage the PDI process expertly.

Many owners credit their technical representatives with saving them from **expensive issues (such as catching subtle paint defect that later would corrode, or ensuring an optional high-speed data system was installed correctly rather than omitted).**

This is especially important with a new model where even the manufacturer is on a learning curve. The technical representative essentially would provide quality control and project management on the owner's behalf.

✅ Consider an Early "Green Aircraft" Inspection

Some buyers would negotiate the right to inspect the aircraft at the **green phase** (That is before the interior installation) or to do a **mid-completion visit.** If possible, do so. Seeing the aircraft unfurnished can reveal any structural or system concerns unmasked by interior panels. It's also a chance to **verify that serial numbers of major components (engines, etc) match what the paperwork says.**

This is practice, while not common for every buyer, it's a tip from experts dealing with high-value acquisitions. It's an extra checkpoint that would cost a little but could catch **some defects.**

✅ Plan Your Delivery Logistics in Detail

As delivery approaches, work out the **ferry flight plan** and logistics meticulously. Decide whether you want **Gulfstream** to provide a **supplemental crew** (They might offer a pilot or technical representative on the way). Plan for any **en route support,** so for instance, if you're stopping at Europe, coordinate handling and hangar (don't leave the new jet on an open ramp overnight in an unfamiliar airport if the weather is bad.

Have your preferred **catering**, **amenities** and even **custom aircraft registration plates** ready so that from day one, the aircraft feels like yours.

Expert Tip: Some owners bring their interior decorator during delivery to outfit the aircraft with it's final touches (Pillows, bedding for the berthable seats, dishes in the galley, etc). So that it's fully mission-ready upon arrival home.

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✅ Payment Milestone Flexibility

Structure the payment milestones with a bit of **built-in flexibility or conditions.** So for instance, instead of a fixed calendar date (which could pressure you if there's a delay in production but payment comes due regardless), tie **payments** to **milestones** and have a clause that they are due "within X days of **written notice of achievement of that milestone**.

That way you pay when **aircraft actually reaches that stage.** Also, consider using a **Standby Letter of Credit (SBLC)** for some payments, this can satisfy Gulfstream of your commitment without you outlaying cash too early. An **SBLC** from a top bank can guarantee a payment upon a milestone completion. This is more commonly used in **airline purchases but a UHNWI might leverage this if they prefer to keep funds invested until needed.**

✅ Keep Communication Open and Documented

Maintain a single point of contact with Gulfstream (Often **a sales director or customer program manager)** and keep a **paper trail of all communications.** If any change or issue arises, confirm it in writing. Not only does this prevent misunderstandings, but if disputes ever arise, you have clear records.

For example, if Gulfstream promises a certain interior element substitution due to supply issues, get that in an email or **contract amendment. Friendly, and frequent communication also ensures you remain a priority client.** Manufacturers tend to go the extra mile for **engaged and knowledgeable customers**.

✅ Post-Delivery Management

Once the plane is delivered, **treat the initial period as an extension of the acquisition process. This means staying on-top of any warranty claims, scheduling the first maintenance events proactively, and soliciting feedback from crew of any niggles.**

Many experts advise a **Post-Delivery Debrief** with the manufacturer after **3 - 6 months, basically a meeting to discuss how the aircraft is performing, any recurring issues, and to ensure that those are addressed to the owner's satisfaction.** Gulfstream wants a happy customer, so they will usually be responsive to ensure the jet meets expectations.

✅ Contingency Planning

Finally, to round it all off, always have a plan B, if say, the G800's program faced an unexpected delay (hypothetically), what is your backup for **travel?** Some buyers arrange **short-term leases or charters to cover any gaps between the promised delivery and actual.**

It's best practice to negotiate perhaps some **compensation or solution in the APA for delays. i.e. Gulfstream helping facilitate a lease of a similar aircraft if they cannot deliver on time** (They've done this on occasion for later deliveries, albeit not always written in contract).

Having contingency plans ensures the owner's travel needs are met, even if the ideal plan changes.

*By following these best practices, the UHNWI buyer will navigate the flagship aircraft's acquisition with the savvy of an expert. Each tip adds a layer of **protection**, **efficiency**, or **foresight** that can save **time**, **money**, or **hassle**.*

*In summary, prepare thoroughly, use experts, and stay engaged at every step. This approach will turn the daunting task of acquiring a Gulfstream flagship aircraft into a manageable and even enjoyable experience, culminating in the thrill of owning one of the **world's most advanced private jets…***

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