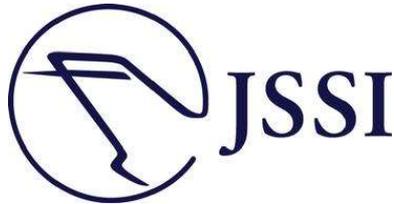




The Principles of Aircraft Valuations and Appraisals

Friday 11th January 2019
David B. O'Maley College of Business
Embry-Riddle Aeronautical University
Daytona Beach, FL, USA

In Association with



Thursday 10th January 2019

Networking Drinks Reception for Seminar Participants
Time TBC

Sponsored by

EMBRY-RIDDLE
Aeronautical UniversitySM



Friday 11th January 2019

SEMINAR AGENDA

8:30 AM Registration & Networking Coffee

9:00 AM **Welcome and Opening Remarks**

Louis C. Seno, ASA, Chairman Emeritus, Jet Support Services

9:15 AM **The Accreditation Process & USPAP**

Michael J. Williams, Dean and Professor, College of Business – Daytona Beach, Embry-Riddle Aeronautical University

9:30 AM **Current State of the Business Aircraft Market**

Jeremy Cox, Owner/Vice President, JetBrokers

10:15 AM Networking Coffee Break

10:30 AM **Current State of the Rotorcraft Market**

Richard Hart, Chief Helicopter Appraiser, VREF Aircraft Value Reference and Appraisal Services

11:15 AM **Appraising Aircraft of the Future**

Dr. Richard P. Anderson, Professor of Aerospace Engineering and Director, Eagle Flight Research Center, Embry-Riddle Aeronautical University

12:00 NOON Networking Lunch Break

1:00 PM **Issues Surrounding Diminution of Value**

Christopher Zarnik, Program Director - MENA, Corporate Concepts International

1:45 PM **Applying Objective Analytics to Derive Aircraft Values**

Anthony Kioussis, President & CEO, Asset Insight

2:30 PM **Effective Report Writing**

Joseph Zulueta, ASA, Managing-Partner, Aeronautical Systems

3:15 PM Networking Coffee Break



3:30 PM The Approach to Value

Dr. Vitaly Guzhva, Director of Appraisal Education Program, Embry-Riddle Aeronautical University

4:15 PM Legal Issues Surrounding Aircraft Appraisals

Roland H. Moore Esq., Aviation Attorney

5:00 PM Closing Remarks

Louis C. Seno, ASA, Chairman Emeritus, Jet Support Services

SPEAKERS

Dr. Richard P. Anderson, Professor of Aerospace Engineering and Director, Eagle Flight Research Center, Embry-Riddle Aeronautical University

Dr. Anderson is a professor of Aerospace Engineering and the Director of the Eagle Flight Research Center. He is an authority on flight dynamics; automatic flight controls; electric and hybrid electric propulsion; and novel vehicle concepts including fixed wing hybrid aircraft and e/hVTOL urban mobility vehicles. Dr. Anderson has led a team that developed and flew the first manned electric gas/battery hybrid aircraft. He is the author of University patents in the area of hybrid aircraft propulsion and active ground noise mitigation of motors and rotors. His research in these areas include \$4M in externally funded programs. His background includes not only engineering but also experience as an ATP rated pilot with category and class ratings that include airplane single and multiengine, land and sea, glider and helicopter. He holds an FAA certified flight instructor, Unmanned Aerial Systems (UAS) operator and airframe & powerplant certificate with inspection authorization. Dr. Anderson's awards include the Lindbergh Electric Airplane Prize, The Carnegie Foundation's Florida University Professor of the Year and the University's Researcher of the Year. He is an EAA Chapter president and the chairman of the GAMA electric propulsion committee. Dr. Anderson has founded several successful companies and is currently the President of a 501(3) charitable organization devoted to general aviation youth education.

Jeremy Cox, Owner/Vice President, JetBrokers

- Senior Certified Aircraft Appraiser
- USPAP Appraiser
- Certified Aircraft Buyers Agent
- Former Professional Aircraft Broker
- Aviation Consultant
- Elected Technician of the Royal Aeronautical Society of Great Britain
- FAA Certified Airframe and Powerplant Mechanic with Inspection Authorization
- FCC GROL Licensed Operator/Technician
- CAA Aircraft Engineering Certificate Holder
- Experimental Aircraft Association Technical Counsellor
- Gulfstream II/IIB Maintenance Qualified
- Falcon 20 Maintenance Qualified
- Commercial and Instrument Rated Pilot
- Certified Ag Pilot
- Aircraft Delivery Specialist
- Published Aviation Writer
- Author of St. Louis Aviation, ISBN # 97807385884102

Known in the Industry as 'JetBroker Jeremy', I am currently the Vice President at JetBrokers, Inc; a professional aircraft sales company. My duties at JetBrokers include acting as a direct interface between aircraft purchasers and sellers, marketplace research, prospecting, technical status/compliance review, pre-purchase inspection monitoring, reporting, and aircraft appraisal. My market focus is Dassault



Falcon products. In addition to these duties at JetBrokers, Inc. I am very active in the aviation industry. I currently hold valid A&P, IA, and FCC Licenses and a Commercial Certificate with Instrument Rating. As a former member of the Society of Licensed Aircraft Engineers and Technologists, I was elected by the Royal Aeronautical Society as a Technician of the Society in 1987. I am now actively involved in the Greater St. Louis Business Aviation Association. During my varied career, I have also been very active in various roles for the National Business Aviation Association, the Popular Flying Association, the Experimental Aircraft Association; and the Aircraft Owners and Pilots Association. I was formerly the Vice President at a St. Louis based full service FBO and Repair Station, and Aircraft Parts Manufacturing company. My twenty-five plus years of diverse technical and operational experience includes North Atlantic aircraft delivery experience, S.T.C. approval processing, government contract negotiation and awards, FAA coordination and extensive maintenance experience on light aircraft through Air Carrier aircraft. I have also been a Director of Maintenance for several different companies and have also been employed by several airframe manufacturers' independent Service Centers which include Dassault, Gulfstream, Raytheon and Lockheed. I have also air-towed targets for the British and NATO fleets prior to emigrating to the United States from Great Britain. Finally, I am also a regular contributing aviation writer, having been published in a variety of trade journals. I currently maintain a monthly column in the Avbuyer Magazine. I first started his aviation career at the age of nine as a helper and student pilot at the Dorset Gliding Club in Great Britain. To date, I believe that I have managed to amass a treasure trove of knowledge and experience during my more than 44-year aviation career.

Dr. Vitaly Guzhva, Director of Appraisal Education Program, Embry-Riddle Aeronautical University

Dr. Guzhva is a Professor of Finance in the College of Business of Embry-Riddle Aeronautical University. He holds BS in Aeronautical Engineering, MS in Military Science, MBA in Aviation, and Ph.D. in Finance degrees as well as the Chartered Financial Analyst (CFA) and Accredited Senior Appraiser (ASA) designations. Dr. Guzhva is an Airline Transport Pilot and Certified Flight Instructor with more than 5,000 flight hours primarily in high performance jet aircraft.

Dr. Guzhva's work has appeared in various peer-review journals including Journal of Economics and Finance and Journal of Air Transport Management. His research related to the U.S. airlines' losses following September 11, 2001 and the financial health of U.S. general aviation airports was widely discussed in national business and aerospace press. Dr. Guzhva's applied research projects included benefit-cost analyses of Operational Improvements for NextGen Air Transport Management system, assessments of major investments in aviation infrastructure, and others.

Dr. Guzhva is one of the principal developers of ERAU/ASA Aircraft Appraisal Program and ISTAT University Aircraft Financing and Leasing courses.

Richard Hart, Chief Helicopter Appraiser, VREF Aircraft Value Reference and Appraisal Services

Richard "Dick" Hart is the VREF Chief Helicopter Appraiser and he has over 40 years of experience in the Aviation with a specialty in Helicopters. He is the owner of National Helicopter Service & Engineering Company and Elite Helicopter Tours, his family's Aerial Motion Picture business which was established in 1957. He joined the family business after graduating in 1975 from USC's Marshall School of Business with a degree in finance, and coupled with an A&P license, he quickly became National's Director of Maintenance and eventually it's President as well. This vast experience of managing flight operations and maintenance requirements for a wide variety of over 20 helicopters and airplanes, has given Richard an unparalleled perspective of the aviation industry. It also became a natural progression for him to combine finance and aircraft knowledge into completing aircraft appraisals. Since the late 1970s, as well as after founding Hart Aircraft Appraisal, he has appraised and produced reports on thousands of aircraft of all makes and models. Richard is a Senior Certified Aircraft Appraiser with NAAA, and an ASA candidate.

Anthony Kioussis, President & CEO, Asset Insight

Mr. Anthony ("Tony") Kioussis is President and CEO of Asset Insight, LLC. The company provides valuations, audits, analytics, and consulting services to the aviation industry, and has developed a



proprietary Asset Grading System Process resulting in a uniform methodology for evaluating and grading an aircraft's maintenance condition.

Prior to Asset Insight, he served as VP, Strategic Marketing with GE Capital's Corporate Aircraft Finance group, joining GE after serving as VP – Aircraft Sales for Jet Aviation Business Jets, Inc.

Following a ten-year tenure with British Aerospace, Inc., where he became VP – Sales, for JSX Capital, the company's aircraft remarketing subsidiary, Tony founded The K Group, Ltd., providing Marketing, Sales, and Financial Services consulting to companies headquartered in the Americas and Europe.

He later joined Jet Support Services, Inc., as Sales Director – Airframe Programs, and developed "Tip-to-Tail," JSSI's Airframe Hourly Cost Maintenance Program.

Tony is a published author and active industry association member, serving as the current Board Secretary for the National Aircraft Finance Association (NAFA), past Chairman of the Products and Services Member Council for the National Aircraft Resale Association (NARA), and as a current Member of the Transportation Research Board's (TRB) Business Aviation Subcommittee.

He holds a Bachelor of Science Degree from Florida Institute of Technology's College of Aeronautics, has completed graduate studies at New York's Pace University toward a MBA in Finance, and is a licensed pilot.

Roland H. Moore Esq., Aviation Attorney

Roland Moore concentrates his aviation law practice primarily on domestic and international airline transactions, particularly with respect to aircraft finance, operating leases, aircraft acquisitions and sales agreements, airline related purchasing and sales agreements.

Roland has over 35 years experience in the aviation industry, having started his airline career with Eastern Airlines in New York and Miami. He served as in-house corporate legal counsel and as a director of legal affairs for 21 years and also as vice-president of its hotel subsidiaries and commuter airline operations. He has been special counsel and advisor to Pan Am, BAX Global, Aero Peru, GECAS, Capital Cargo / ATI, and at least two foreign government owned airlines in Asia and Africa.

During the Eastern and Pan Am liquidations, Roland was appointed special counsel to the Trustees representing the estates in the disposition of their fleets of Boeing, Douglas, Airbus and Lockheed aircraft. He was the author of virtually every aircraft purchase, lease and sale agreement for Eastern during this period, and was credited in the New York Southern District Bankruptcy Court as having authored and negotiated more of these types of transactional documents than perhaps any lawyer in the United States – over 500.

In addition to his busy aviation practice, Roland has been formerly an adjunct professor of aviation law for thirteen years at Embry Riddle Aeronautical University and a guest lecturer at numerous international aviation industry conferences. He is a former Vice Chairman of the Florida Bar Aviation Law Committee and past chair of the Florida Governor's Aviation Advisory Committee.

Roland has been a member of ISTAT for over 25 years, was past chair of the ISTAT Foundation, chair and co-chair of the ISTAT Scholarship Committee, and helped organize ISTAT Asia. In 2013 he was appointed ISTAT Trustee Emeritus. He earned his law degree at the University of Miami and attended graduate courses at Harvard University.

Louis C. Seno, ASA, Chairman Emeritus, Jet Support Services

Louis C. Seno has spent his life as an aviation enthusiast and his entire career as an advocate for all forms of general aviation from homebuilts to business jets. So, it's not surprising that he has been honored with the FAA Wright Brothers Master Pilot Award, the NBAA's John P. Doswell Award and the National Aircraft Finance Association's Lifetime Achievement Award.

Lou has held senior management positions with the business aircraft units of Boeing Capital Corporation and GE Capital Solutions. He was a founding shareholder and CEO of Jet Support Services, Inc. (JSSI) where he currently serves as Chairman Emeritus and Special Advisor to the Board of Directors representing the company in a wide range of projects.

Lou holds many positions and titles that benefit business and general aviation. He serves on the Board of the Experimental Aircraft Association and is an active board member of the General Aviation Manufacturers Association. He has also served terms on the Board of Duncan Aviation and as Co-Chairman of the National Aircraft Resale Association.



His 25-year involvement with Embry-Riddle Aeronautical University led to his being appointed Vice President and establishing the Office of Corporate Relations and Government Affairs. He currently serves on Industry Boards for The University's College of Engineering and College of Business. Lou has also served on a host of Embry-Riddle committees, including finance, flight safety and student life committees. He has been chair of ERAU's development committee and as a member of ERAU's President's Advisory Board and Board of Trustees.

Lou's support and encouragement of the next generation of aviators doesn't stop at the university level. He is President of the West Michigan Aviation Academy Foundation. WMAA is a tuition-free public charter high school in Grand Rapids, Michigan with a focus on students who have a passion for aviation and/or an interest in science, technology, engineering and mathematics (STEM).

Not insignificantly, Lou is a 6,500 hour pilot with an Airline Transport Pilot certificate and a Cessna Citation Jet type rating who has built three airplanes and has owned several single-and twin-engine aircraft. Today, he owns and flies an F33A Beechcraft Bonanza and an Aviat Husky A1-B on amphibious floats.

Michael J. Williams, Dean and Professor, College of Business – Daytona Beach, Embry-Riddle Aeronautical University

Michael J. Williams, Ph.D., is Dean of the David B. O' Maley College of Business and Professor of Management in the Department of Accounting, Economics, Finance and Information Systems at Embry-Riddle Aeronautical University in Daytona Beach, Florida. His academic areas of expertise include information systems, electronic commerce, transportation principles and aviation maintenance management. Dr. Williams received his Ph.D. in Computer Technology from Nova Southeastern University, a Masters of Aviation Management from Embry-Riddle Aeronautical University and is an FAA certificated Airframe and Powerplant technician. His research interests include air transportation, intermodal transportation, radio frequency identification (RFID), information systems, and aviation maintenance management. His work has appeared in such publications as the Journal of Air Transportation, World Review of Science, Technology & Sustainable Development, World Review of Intermodal Transportation Research, and Multimodal Transport Security: Frameworks and Policy Applications in Freight and Passenger Transport.

Christopher Zarnik, Program Director - MENA, Corporate Concepts International

Mr. Zarnik has comprehensive corporate, airline and military jet operational experience complemented with extensive aircraft finance, sales, acquisition, leasing, aircraft management, operational auditing, interior completion management, expert witness and appraisal experience. With over 30 years in the aviation industry, he has been serving a diverse client base to achieve their corporate and commercial airline sales and acquisition objectives as well as managing their boutique aviation projects.

Since 2011, Mr. Zarnik has worked as Program Manager for CCI in the US, Western and Eastern Europe, MENA and ASIAN regions. Mr. Zarnik brings fresh expertise as he serves corporate, individual and institutional clients. Mr. Zarnik works closely with several corporate jet Maintenance, Repair and Overhaul (MRO) Facilities managing complex customer pre-purchase inspections, interior completion projects and scheduled maintenance events/upgrades. Boutique project management experience examples include sales/acquisitions of corporate and commercial, domestic and international, MRO facilities. Additional project management examples include the acquisition, sales, appraisal and disposal of corporate and commercial aircraft engine portfolios and appraisals/valuations of commercial and corporate aircraft portfolios. Further, interacting with debt and equity financing sources in project analysis and assisting in structuring transactions. Mr. Zarnik's additional duties and expertise also includes contract structuring with focus on identifying and managing risks and mitigants in complex acquisition and progress payment financing structures, exposure to current maintenance condition, analysis of maintenance due status and return conditions. Mr. Zarnik also works with the FAA on customer registration/deregistration, conformance and ferrying of aircraft for maintenance purposes.

Joseph Zulueta, ASA, Managing-Partner, Aeronautical Systems

Joseph T. (Joe) Zulueta, ASA, is an accredited senior aircraft appraiser designated by the American Society of Appraisers (ASA) and has been an independent aircraft appraiser, surveyor, and auditor



specializing in corporate jet and turboprop aircraft for over 25 years. A U.S. licensed pilot, graduate of Trinity International University with a B.A., in Business Administration and has completed numerous post-graduate courses within the aviation and appraisal disciplines.

He is a Managing Partner of Aeronautical Systems, headquartered in Miami Lakes, Florida, serving the aviation industry worldwide since 1986. The firm specializes in aircraft consulting; prospective, current and prospective appraisals; damage event and diminution of value assessments; expert witness testimony to include pre-trial consulting through post-trial support; fractional aircraft ownership redemption consultation; major asset and portfolio management; and acquisition services on a diverse range of aircraft. The firm has appraised thousands of aircraft with an aggregate value totalling well over one billion dollars.

He is a guest lecturer and speaks on a broad range of aviation topics. First and foremost, he is a skilled aircraft appraiser. More broadly, he is a well-established expert witness in the assessment of diminution of value for damage aircraft events. He also has leadership responsibilities over aircraft asset and fleet portfolio management along with new and pre-owned acquisition services.

Mr. Zulueta analyzes and designs intra-company workflow processes, digital valuation tools, software integration models specific to the appraisal field and strives every day to produce and publish accurate, transparent and common-sense appraisal reports that the recipient will clearly understand.