

EXHIBIT 1

UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

SUBPOENA

To President, SkyPan International Inc.

711 North Milwaukee Avenue, Chicago, IL 60622

At the instance of the Federal Aviation Administration

you are hereby required to appear before Alfred R. Johnson, Jr. Regional Counsel, or his designee

of the Federal Aviation Administration, at Federal Aviation Administration, Office of the Eastern Regional Counsel, 1 Aviation Plaza

in the city of Jamaica, NY 11434

on the 19th day of August, 2013, at 09:00 o'clock A M. of
that day, to testify in the Matter of SkyPan International commercial operation of Unmanned Aerial System aircraft within the New York City Class B airspace and Chicago Class B airspace.

And you are hereby required to bring with you and produce at said time and place the following books, papers, documents, and records:

SEE ATTACHMENT 1

Fail not at your peril.

IN TESTIMONY WHEREOF, the undersigned, an officer designated by the Administrator of the Federal Aviation Administration, has hereunto set his

hand at Jamaica, New York

this 2d day of August

Alfred R. Johnson, Jr. Regional Counsel

NOTICE TO WITNESS: If claim is made for witness fee or mileage, *this subpoena should accompany voucher*

Return of Service

I HEREBY CERTIFY that a duplicate original of the within subpoena was

in person.
by leaving copy at principal office or place of business, to wit:

duly served
(Indicate by check method used)

Edward E. Gypson

CMRRR

on the person named herein on

AUG - 2 2013

(Month, day, and year)

Kevin J. Smith
(Name of person making service)

Timothy J. Spaccatol
(Official title)

I CERTIFY that the person named herein was

in attendance as a witness at

on

(Month, day, and year)

(Name of person certifying)

(Official title)

Attachment 1

The following request for information from SkyPan International Inc. applies from January 1, 2012 to present (except as otherwise noted):

1. Any and all agreements or contracts, in the possession or control of SkyPan International Inc., entered into between Macklowe Properties and SkyPan International Inc. concerning the surveillance and/or photography of the area surrounding 432 Park Avenue, New York, NY.
2. Any and all photographic products and/or materials, in the possession or control of SkyPan International Inc., created by SkyPan International Inc. and paid for and/or ordered by Macklowe Properties to include, but not limited to, hard copies of any information posted on any website or other electronic media, at any time, and used or created for Macklowe Properties.
3. Any and all surveys and/or reports, in the possession or control of SkyPan International Inc., created by SkyPan International Inc. and paid for and/or ordered by Macklowe Properties including, but not limited to, hard copies of any information posted on any website or other electronic media, at any time, and used or created for Macklowe Properties.
4. Any and all agreements, in the possession or control of SkyPan International Inc., relating to the photography and/or videography of area around 432 Park Avenue including, but not limited to, any records of payments made or payable to SkyPan International Inc.; scope of work agreements; and description of work specifications.
5. Any and all documents, in the possession or control of SkyPan International Inc., relating to any business relationships that Macklowe Properties has with SkyPan International Inc. to include, but limited to, the following:
 - a. Any and all documents, in the possession or control of SkyPan International Inc., regarding contract negotiations and understandings between Macklowe Properties and SkyPan International Inc. to include, but not limited to, correspondence records, telephonic messages, emails, or any text communication.
 - b. Any and all documents, in the possession or control of SkyPan International Inc., regarding the expenses and fees associated with the photography of 432 Park Avenue to include, but not limited to, cost estimates reports, proposals, receipts, billing invoices, or payment acknowledgement.
6. Any and all records of any payment, in the possession or control of SkyPan International Inc., made by Macklowe Properties to SkyPan International Inc., or any agents thereof, for the photography of the area around 432 Park Avenue.
7. Any and all agreements or contracts, in the possession or control of SkyPan International Inc., concerning the use of the SkyPan RPV System, or any other unmanned aerial system, to conduct surveillance and/or photography in the New York City and Chicago metropolitan area Class B airspace.

8. Any and all photographs and/or materials, in the possession or control of SkyPan International Inc., relating to the use of the SkyPan RPV System, or any other unmanned aerial system, in the New York City and Chicago metropolitan area Class B airspace to conduct aerial photography to include, but not limited to, hard copies of any information posted on any website or other electronic media, at any time, and used or created by SkyPan International Inc.
9. Any and all surveys and/or reports, in the possession or control of SkyPan International Inc., relating to the use of the SkyPan RPV System, or any other unmanned aerial system, in the New York City and Chicago metropolitan area Class B airspace to conduct aerial photography including, but not limited to, hard copies of any information posted on any website or other electronic media, at any time, and used or created by SkyPan International Inc.

EXHIBIT 2

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

Michael Huerta, Administrator,)
Federal Aviation Administration) No.
)
Petitioner,)
)
v.)
)
Skypan International Inc.,)
)
Respondent.)

DECLARATION OF JOSE L. NIEVES, ATTORNEY,
FEDERAL AVIATION ADMINISTRATION

1. I am, and have been since 2012, an attorney employed by the Federal Aviation Administration (FAA), Eastern Region, Regional Counsel's Office, located in Jamaica, New York.
2. Alfred R. Johnson is the Regional Counsel for the Federal Aviation Administration employed in the FAA's Eastern Region, and is authorized to issue a Federal Aviation Administration subpoena pursuant to the authority contained in 49 U.S.C. §§ 40113, 46104 and 47122; and Title 14, Part 13 of the Federal Aviation Regulations.
3. Respondent, Skypan International Inc. (hereafter Skypan), is a private for-profit photography company that specializes in aerial photography. The company has advertised on the internet their use of an unmanned aerial aircraft to produce aerial photography and videography products that cannot be obtained through conventional use of manned aircraft.
4. Respondent does business at 711 North Milwaukee Avenue, Chicago, IL 60622, which is within the jurisdiction of this Court.
5. Based on a preliminary investigation conducted by the FAA it is believed that Skypan International Inc. operated an unmanned aircraft to conduct commercial

aerial photography within the New York City Class B airspace in violation of Federal Aviation Regulations.

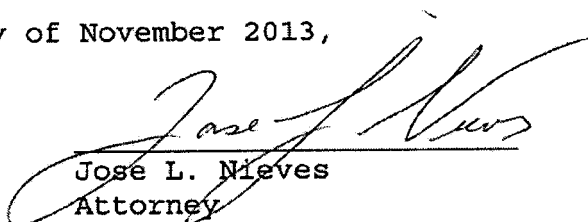
6. Presently, the FAA is specifically investigating Skypan's operation of an unmanned aircraft to conduct commercial aerial photography on behalf of Macklowe Properties in the vicinity of 440/432 Park Avenue, New York, NY on or about May, July, August and September of 2012.
7. On August 2, 2013, the FAA Eastern Region Regional Counsel issued a subpoena to Respondent to produce any and all business records agreements, contracts, email communication, proposals, photographic products and/or materials and records of payment, in the possession or control of SkyPan, relating to a contract for aerial photography between Macklowe Properties and SkyPan concerning the photography of the area surrounding 440/432 Park Avenue, New York, NY. The FAA's investigative subpoena duces tecum also required Skypan International Inc. to produce any and all surveys, reports, photographs and/or materials, in the possession or control of SkyPan, relating to the use of the SkyPan RPV System, or any other unmanned aerial system, in the New York City and Chicago Class B airspace to conduct commercial aerial photography.
8. The investigative subpoena was sent to Skypan via Federal Express, Certified Mail - Return Receipt Requested and regular mail.
9. The subpoenas were validly issued under the authority of 49 U.S.C. § 46104(a) and (c), which authorizes the FAA to subpoena a witness and/or records and to conduct depositions if the information sought is related to a matter being investigated by the FAA.
10. The subpoena was issued because the documents requested are necessary to determine if Skypan's operation of an unmanned aircraft during May, July, August and September of 2012 violated Federal Aviation Regulations.
11. On August 16, 2013, attorney for the Respondent, Mr. Mark Barinholtz, sent the undersigned a letter requesting an extension of time to locate and review

the relevant documents that may be responsive to the investigative Subpoena.

12. On August 19, 2013, the undersigned sent Mr. Barinholtz a letter granting an extension of time for Skypan International Inc. to respond to the investigative subpoena.
13. On August 30, 2013, Mr. Barinholtz sent the undersigned a letter indicating it would not provide information in response to the investigative subpoena and reserved all rights to object, or to move to quash on the ground that the Agency's request is unnecessary, unduly vague, unreasonably, overbroad and potentially burdensome.
14. It is the belief of the undersigned that in order to conduct a full investigation it is necessary that all of the documentation requested from Skypan must be obtained.
15. Respondent has failed to fully comply with the subpoena to this date.
16. As a result of Respondent's refusal to comply with the subpoena, the FAA is unable to continue its investigation into the potentially unsafe and unauthorized operation of Skypan's unmanned aircraft within the New York City and Chicago Class B airspace.

I declare under the penalty of perjury that the foregoing is true and correct.

Executed this 21st day of November 2013,



José L. Nieves
Attorney
Federal Aviation Administration

EXHIBIT 3

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

Michael Huerta, Administrator,)
Federal Aviation Administration) No.
)
) Petitioner,
)
) v.
)
Skypan International Inc.,)
)
) Respondent.

**DECLARATION OF JOHN P. WILKENS, AVIAITON SAFETY INSPECTOR,
FEDERAL AVIATION ADMINISTRATION**

1. I am, and have been since 2010, an Aviation Safety Inspector employed by the Federal Aviation Administration (FAA), Farmingdale Flight Standards District Office, Farmingdale, New York.
2. The respondent, Skypan International Inc. (hereafter Skypan), is an aerial photography company that uses an Unmanned Aircraft System (UAS) to conduct commercial photography.
3. Respondent does business at 711 North Milwaukee Avenue, Chicago, IL 60622, which is within the jurisdiction of this Court.
4. Based on a preliminary investigation, it is the belief of the affiant that Skypan International Inc. operated an unmanned aircraft to conduct commercial aerial photography with the New York City Class B airspace in violation of Federal Aviation Regulations.
5. Presently, the FAA is specifically investigating Skypan's operation of an unmanned aircraft to conduct commercial aerial photography on behalf of Macklowe Properties in the vicinity of 440/432 Park Avenue, New York, NY on or about May, July, August and September of 2012.
6. On January 11, 2012 a complaint, Complaint # CEA1120120004, was made to the FAA and a complaint

investigation was opened. The complaint alleged that Skypan operated a UAS aircraft in the New York Class B controlled airspace to conduct commercial aerial photography. This investigation was handled by Aviation Safety Inspector James Ciccone of the Farmingdale Flight Standards Office with the assistant of Aviation Safety Inspector Clifford Sweatte, UAS Specialist with the Eastern Region NEXGEN Office. As a result of that complaint investigation, Inspector Sweatte contacted Mr. Mark Segal, co-owner of SkyPan, to provide him with information on the restrictions against the commercial use of UAS aircraft and how such operations are not approved by the FAA. Further informative materials were furnished to Mr. Segal from the Eastern Region NEXTGEN office, AEA-220. A formal Enforcement Investigation Report (hereafter EIR) was not opened at the conclusion of this complaint investigation. The complaint investigation was closed by Inspector Ciccone.

7. On August 20, 2012, the affiant opened Enforcement Investigative Report # 2012EA110080 as a follow-up investigation to complaint # CEA1120120004. The original complainant that filed complaint # CEA112012004 provided the affiant with additional aerial photographs that he alleged were taken by Skypan with a UAS aircraft within the New York Class B controlled airspace. After a review of the photographs provided, there were approximately 15 photographs that appeared could possibly have been taken from a UAS aircraft. However, after further investigation the complaint was found unsubstantiated because the majority of the pictures were apparently taken prior to March 16, 2012 and before the FAA provided Mr. Segal, Skypan's co-owner, with information regarding the federal restrictions against commercial use of UAS aircraft. There were one or two photographs that could possibly have been taken in August 2012 with the use of a UAS aircraft. However, after the affiant conducted interviews with a Helicopter Rental Company that worked with Skypan on aerial photograph projects it was determined that a manned helicopter asset was used to take these particular photographs. Therefore, at that time the affiant had no evidence that would substantiate any violation under Enforcement Investigation Report # 2012EA110080. As a result Enforcement Investigation

2012EA1100080 was closed out with no further action. On September 6, 2012, a letter was sent to Skypan indicating that the FAA's enforcement investigation into Skypan's alleged operation of a UAS aircraft in August 2012 to conduct commercial aerial photography in the New York Class B controlled airspace was closed. The subject of this closed investigation is separate and unrelated to the pending investigation into Skypan.

8. In February 2012, the FAA received an anonymous complaint regarding SkyPan International utilizing an Unmanned Aircraft System (UAS) to conduct commercial photography in the New York City area. The aircraft used was described to be a remote controlled helicopter.
9. In March 2012, FAA Inspector Clifford Sweate contacted Mr. Mark Segal of SkyPan International based in Chicago, IL. The purpose for this contact was to educate Mr. Segal and discuss SkyPan's use of a remote controlled helicopter to conduct commercial photography. During March 2012, the Inspector had several telephone conversations and email correspondence with Mr. Segal. During these discussions, Mr. Segal was provided with the Title 14 CFR Code of Federal Regulations relevant to his operation over Manhattan, along with UAS airworthiness certification guidance, and methods for authorizing UAS operations in the National Airspace System (NAS). Upon our request, Mr. Segal agreed to cease UAS commercial operations in the NAS, his alternative was to use a manned platform to conduct these activities.
10. After a review of the evidence provided, there were approximately 15 pictures that appeared to be photographs taken from an unmanned aircraft. The majority of the pictures were not substantiated as they were either impossible to determine the date they were taken or the estimated dates were prior to March 16, 2012 when the FAA concluded the educational counseling with SkyPan International. There was one or two photographs that proved to be a manned helicopter. There was no evidence provided to substantiate the opened investigation and it was closed out as a NO ACTION:

11. In September 2012, this office received another anonymous complaint that SkyPan International contracted with Macklowe Properties to conduct Aerial Photography work in Manhattan. A telephone call was made to Mr. Richard Dubrow of Macklowe Properties on September 12, 2012. During the telephone conversation, Mr. Dubrow stated that Macklowe properties contracted with SkyPan International to take pictures of a building project located in Manhattan, NY on or about May 8, 2012. Mr. Dubrow stated that the pictures were taken from various heights ranging from 300' above the ground (AGL) to 1400' AGL. He further stated that SkyPan used a remote controlled helicopter that was not tethered directly over the site to at least 600' AGL. He said that higher shots were taken from a full scale manned helicopter. The use of a manned asset for the higher elevations at this location was not substantiated nor would have been feasible as there were no waivers issued out of the Farmingdale Flight Standards District Office (Farmingdale FSDO) for this operation to take place.

12. A written request to furnish documents to aid the investigation was made to Macklowe Properties on September 26, 2012. There was no response to the written request. A follow-up telephone conversion with Mr. Dubrow took place on October 12, 2012 to check on the status of the document request. Mr. Dubrow confirmed that his company received the request and he passed the letter along to his boss. Mr. Dubrow said they will email the status of the written request. On October 19, 2012 Macklowe properties General Counsel forwarded a letter requesting a subpoena detailing the information that we were requesting. A subpoena was issued as requested. The information contained in the Subpoena was received on December 20, 2012.

13. A letter of Investigation (LOI) was sent to SkyPan International via Certified Mail Return Receipt on November 11, 2012. The letter was returned to the Farmingdale Flight Standards District office as Unclaimed on December 20, 2012. A call was made to Mr. Segal advising him verbally of the investigation on December 21, 2012. A copy of the LOI was sent via email to Mr. Segal and another was sent via normal mail delivery on December 20, 2012.

14. Documentation provided by Macklowe Properties established that Skypan operated an unmanned aircraft on several dates to conduct aerial photography service for Macklowe Properties. Specifically, the documentation provided by Macklowe Properties indicated the following:

- a) on February 16, 2012, SkyPan International sent Job Confirmation to Mr. Richard Dubrow of Macklowe Properties for aerial photography services over NYC 440 Park Avenue site before May 11, 2011. Coverage included 19 morning time spherical VR360 pans at 50' intervals between 340' and 1285' using the SkyPan RPV system producing 360 degree seamless images.
- b) SkyPan submitted a second invoice to Macklowe Properties for a 30% deposit of \$16,006.00 totaling \$53,355.00 on February 16, 2012.
- c) Macklowe Properties paid the 30% deposit in the amount of 16,006.00 on May 10, 2012. The check was paid to the order of SKYPAN and addressed to 711 N. Milwaukee Avenue Chicago, IL 60646.
- d) On May 15, 2012 SkyPan another invoice to Macklowe Properties for the 2nd payment in the amount of \$19,000.
- e) On July 13, 2012 Macklowe Properties paid SkyPan International \$19,000.
- f) On June 5, 2012 SkyPan International sent Macklowe Properties a final invoice totaling \$20,349 for this aerial photography project. This final invoice was for aerial photography services over NYC 440 Park Avenue site. Coverage included 19 morning time spherical VR360 pans at 60' intervals between 341' and 1400' using the SkyPan RPV system producing 360 degree seamless images.
- g) On July 24, 2012 SkyPan International submitted revised estimate to 56th and Park (NY) owner, LLC in care of c/o McGraw Hudson Construction Corp. for aerial photography services over NYC 432 Park Avenue site in July/Aug 2012. Coverage included 19 Dusk/night spherical VR360 pans at 60'

intervals between 340' and 1400' using the SkyPan RPV system producing 360 degree interactive seamless images.

- h) On August 10, 2012 SkyPan International submitted an invoice to 56th and Park (NY) owner, LLC in care of c/o McGraw Hudson Construction Corp. for a 40% deposit of \$19,978.00 on the 432 Park Avenue Dusk operation.
- i) The 56th and Park (NY) Owner, LLC to SkyPan International paid \$19,978.00 on October 18, 2012.
- j) On September 4, 2012, Skypan submitted a revised cost estimate was to Richard Dubrow. This revised cost estimate totaling \$12,410.00 was for aerial photography services over NYC 432 Park Avenue site in September 2012. Coverage included 6 morning time spherical VR360 pans as specified in August 30, 2012 email from 340' to 698' using the SkyPan RPV System.
- k) Skypan submitted to Mr. Dubrow two additional invoices that were generated on October 26, 2012. The first invoice was for aerial photography over 432 Park Avenue. site on September 24, 2012 totaling \$15,635.00. The second invoice was for aerial photography services over NYC 432 Park Avenue site in Sept/Oct 2012. This invoice included Dusk/Night spherical VR360 pans at 60' intervals between 340' and 1271' using the SkyPan RPV System.
- l) On October 18, 2012 56th and Park (NY) owner, LLC paid SkyPan International \$19,978. On October 26, 2012 Skypan was sent a revised invoice to Mr. Richard Dubrow 56th and Park (NY) Owner, LLC 767 fifth Avenue, New York, NY. This revised invoice for \$15,635 was for aerial photography services over 432 Park Avenue site on September 24, 2012. Coverage included 6 morning time spherical VR360 pans as specified in August 30, 2012 email (which this office does not have) from 340' to 698' using the SkyPan RPV system.

15. The documentation provided by Macklowe Properties clearly indicated that SkyPan utilized an UAS in a

commercial operation (for hire). This operation was for purposes other than hobby or recreational use. The UAS that was used was not issued an appropriate and current Airworthiness Certificate or an effective United States Registration.

16. The location of these operations located at 440 Park Avenue in New York, NY was plotted on a New York Helicopter Route Chart and a New York VFR Terminal Area Chart (TAC).
17. The plotted location is less than 5 miles West of the New York LaGuardia Airport (LGA). This location is within the lateral limits of the New York Class B airspace from the surface to 7000'. Operating in this location requires the pilot to receive an ATC clearance which the pilot did not attain. For an aircraft to be operated in Class B airspace, the aircraft must be equipped with an operable two-way radio capable of communications with ATC on the appropriate frequencies and an operable coded radar beacon transponder having Mode C capability. This aircraft is not equipped with these required items. In addition, SkyPan International operated an aircraft that was not equipped with an operable coded mode C transponder within 30 nautical miles of the New York Class B airspace from the surface to 10,000'. Since the operation took place within 5 miles of the New York LaGuardia airport, SkyPan International was required to provide the airport operator and the airport air traffic control tower notice prior to this operation taking place. There is no evidence to show this was accomplished.
18. The location that these operations took place is a congested area with multiple obstructions that are depicted to be in excess of 900'. It is not feasible to operate an aircraft at this location from the surface to 1400' and maintain a minimum safe altitude of 1000' above and 2000' horizontally from the highest obstacle.
19. It is the belief of the affiant that several of Skypan's aerial photography operation took place under Visual Flight Rules (VFR) conditions and SkyPan did not maintain vigilance so as to see and avoid other aircraft.

20. Furthermore, it is the belief of the affiant that SkyPan operated an unmanned aircraft at night without having lighted position lights installed.

21. Lastly, it is the belief of the affiant that SkyPan operated their RPV system in a manner that endangered the safety of the National Airspace System.

I declare under the penalty of perjury that the foregoing is true and correct.

Executed this 21 day of November 2013,



John P. Wilkens
Aviation Safety Inspector
Federal Aviation Administration

EXHIBIT 4



U.S. Department
of Transportation

**Federal Aviation
Administration**

AUG - 2 2013

FEDERAL EXPRESS MAIL, REGULAR MAIL
& CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Eastern Region
Regional Counsel
Telephone: 718 553-3278
Facsimile: 718 995-5699

1 Aviation Plaza
Jamaica, NY 11434

SkyPan International Inc.
President
711 North Milwaukee Avenue
Chicago, IL 60622

Re: In the Matter of SkyPan International Inc.

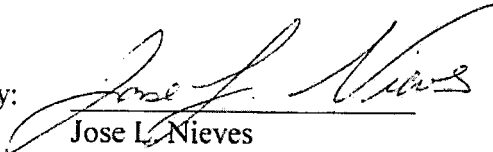
Dear Sir/Madame:

Enclosed please find a subpoena with regard to the above-referenced matter. Please be advised that no personal appearance is necessary if the requested information is provided prior to the return date of this subpoena. If you have any questions, please do not hesitate to contact me at (718) 553-3278.

Sincerely,

ALFRED R. JOHNSON, JR.
Regional Counsel

By:


Jose L. Nieves
Attorney

Enclosures

EXHIBIT 5

Law Office of

MARK H. BARINHOLTZ, P.C.

55 WEST MONROE STREET • SUITE 3600

ADMITTED
ILLINOIS • NEW YORK
DISTRICT OF COLUMBIA

CHICAGO, ILLINOIS 60603
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FAX (312) 977-0733
mark@mhbpc.com

August 30, 2013

Via E-Mail & FedEx

Jose L. Nieves, East. Reg. Csl.
Federal Aviation Administration
One Aviation Plaza, Rm 561
Jamaica, NY 11434

Re: Response In the Matter of SkyPan Int'l, Inc.

Dear Mr. Nieves:

We write further to your letter of 8/19/13 extending time for my client to respond to your document requests. As I explained to you, the activities of SkyPan were investigated last year by Mr. John P. Wilkens, who communicated to SkyPan that the investigation was completed without any adverse findings, and was therefore closed. I am enclosing a copy of Mr. Wilkens letter for your information.

Although you mentioned you believe your office may have additional information beyond that which Mr. Wilkens considered, I am informed that SkyPan's activities have not changed since Mr. Wilken's conclusion.

It's my understanding many of the materials which you request regarding Macklowe Properties and 432 Park Avenue, have already been turned over directly to you by Macklowe. In addition, I am informed that my client is regularly and voluntarily in touch with the FAA's UAS Division in Washington, D.C., which should by itself obviate the need for your office to separately investigate.

Of course, since your materials are styled as "subpoena" we must reserve all rights to object, or to move to quash if necessary, including without limitation on grounds that the requests are unduly vague, unreasonably overbroad and potentially burdensome, and in fact unnecessary in light of the above.

Thank you for your attention to the foregoing.

Very truly yours,
MARK H. BARINMHOLTZ, P.C.


Mark Barinholtz

MHB:wvm
w/encls.
Cc: SkyPan



U.S. Department
of Transportation
Federal Aviation
Administration

SEP 08 2012

Mr. Mark Segal
SkyPan International
711 N. Milwaukee Avenue
Chicago, IL 60642

Farmingdale Flight Standards District Office
7150 Republic Airport
Administration Building, Suite 235
Farmingdale, NY 11735
T-631.755.1300 x244
F-631.694.5516
Email- JOHN.P.WILKENS@FAA.GOV

Dear Mr. Segal:

The Federal Aviation Administration has investigated an alleged violation that reportedly occurred in August 2012, which involved the operation of an Unmanned Aircraft System (UAS) by SkyPan International, within the National Airspace System (NAS) surrounding the New York City area.

This letter is to inform you that the investigation did not establish a violation of 14 CFR, and you may consider the matter closed.

Should you have any questions, feel free to contact our office.

Sincerely,

A handwritten signature in black ink, appearing to read "John Wilkens".

John Wilkens
Aviation Safety Inspector- Operations