



STANDARD TERMS AND CONDITIONS

DEFINITIONS:

Additional Expenses – The amount in excess of the Quote including, but not limited to, costs related to or arising from other and additional services which are described within the Standard Terms and Conditions.

Agreement – The executed Quote and any amendments thereto, and the terms and conditions set forth herein.

Charter Company – The company providing the air charter service(s) known as “Pegasus Elite Aviation, Inc.” (hereinafter referred to as “PEA”), which holds Air Carrier Certificate number E0XA672J, issued by the Federal Aviation Administration.

Client – The individual or entity requesting the charter service.

International Flights or Charters – A trip that includes at least one segment that lands and/or departs at an airport outside the contiguous United States.

Parties – The two parties who are entering into this agreement are “Client” and “Charter Company”.

Quote – The estimated amount of fees and costs, and the terms and conditions, as set forth herein, to contract for the usage of the reference aircraft, including any modified or amended Quote(s).

Schedule – The date(s), flight itinerary, and time(s) referenced in the Quote that the Client anticipates for the usage of the referenced aircraft.

GENERAL: This charter Quote may be aircraft specific or fleet specific based on aircraft scheduling. Should the need to arise to change aircraft or Schedule for any reason whatsoever, the Quote may change. In the event of a modification to the Schedule or type of aircraft, for any reason whatsoever, or request and/or addition of other goods, services or both not referenced in the Quote (e.g., ground transportation or catering), the Client shall be solely responsible for the associated increase in Quote. Client's use of an alternative aircraft, modified Itinerary, or additional goods, services, or both not reflected in the original Quote, shall be deemed acceptance of and agreement for such modifications and increased costs and Additional Expenses associated therewith. Client modifications to the Quote are not accepted by the Charter Operator unless Charter Operator provides express written confirmation to the Client of acceptance of the change. Client shall be informed of any such change(s) prior as soon as practicable and the amount of additional cost, if any. The Quote is valid for 48 hours upon receipt and is contingent upon aircraft and crew availability.

QUOTE AND ADDITIONAL EXPENSES: All prices quoted herein are accurate on the date quoted, are subject to change without notice, and are valid for 24 hours. All Quotes are calculated on estimated flight times based on the route segments to be flown. Quotes do not include additional expenses incurred during the trip unless previously documented, including, but not limited to, the following: catering, ground transportation, deicing due to inclement weather, hangar fees, flight phone fees, internet/WiFi fees, pet fees, smoking fees, special event fees, aircraft cleaning or damage costs, delays and/or reroutes caused by weather or air traffic including enroute holding or diversions to alternate airport caused by weather or airport closures, added fuel stops, high density airport and FBO ramp fees, Client-selected FBO facility fees, and off-hour facility fees. International fees are estimated and are subject to change at the discretion of Charter Company. Charter Company does reserve the right to adjust the fuel surcharge amount on quotes booked more than 14 days in advance due to current market conditions. APU usage for 1 hour before and 30 minutes after each flight is at no additional cost. Excess APU usage due to passenger delay will be billed to customer at \$350.00 USD per hour. If a flight does not reach its destination due to force majeure, weather or mechanical interruption, the Client agrees to pay all charges for the completed portion of the Schedule. While the Charter Company shall use commercially reasonable efforts to locate a suitable alternate aircraft, the Charter Company cannot guarantee that a comparable alternate aircraft will be available, and that the Client will not incur additional charges for an alternate aircraft.

ITINERARY CHANGES AND TRANSMITTAL OF CHANGES: Itinerary changes are permitted, subject to aircraft and crew availability. In the event of a change to the Schedule, the Quote shall no longer be applicable and a new quote, if practical, will be required to be signed by the client prior to departure or, in the Charter Company's sole discretion, anytime thereafter. Notwithstanding the foregoing, the Client agrees and acknowledges that proceeding with any flight, even those with different aircraft or modified Schedules, or making payment, shall be deemed acceptance of the Quote, regardless of if executed, and Client shall be responsible for the full payment. Notification of changes must be in writing and transmitted by email to charter@pegjet.com within the cancellation timeframe listed within the Cancellation Policy.

PAYMENT TERMS: Full prepayment for Domestic Charters is due no later than three (3) business days prior to the scheduled departure date of the charter. Full prepayment for International Charters is due no later than five (5) business days prior to the scheduled departure date of the charter. The quoted price reflects a five percent (5%) cash discount. If a credit card is used for payment, the 5% cash discount will be forfeited to cover the credit card transaction fee. The Client shall provide the Charter Company credit card information at time of executed Agreement regardless of payment method chosen. Should full prepayment not be received prior to the payment terms set forth in this paragraph, Charter Company holds the right to authorize and/or charge Client's credit card on-file for the full Quoted amount plus five percent (5%).

CANCELLATION POLICY: In the event of cancellation after receiving the executed Agreement, the Client is responsible for and agrees to reimburse the Charter Company for all cost incurred in preparation for the charter flight. Such costs may include but are not limited to foreign permits, handling fees, crew augmentation, hotel reservations, airline tickets, catering, ground transportation, special event fees, or any other Additional Expenses notated within Agreement. All cancellations must be submitted in writing via email to: charter@pegjet.com

Empty Leg: 100% of agreed charter price at time of executed Agreement.

Domestic Flights & Non-Peak Travel Dates:

14 Days before Departure - 10% of Agreement
10 Days before Departure - 25% of Agreement
7 Days before Departure - 50% of Agreement
5 Days before Departure - 75% of Agreement
3 Days before Departure - 100% of Agreement

International Flights & Peak Travel Dates*:

Upon Booking - 10% of Agreement
14 Days before Departure - 50% of Agreement
10 Days before Departure - 75% of Agreement
7 Days before Departure - 100% of Agreement

PEAK TRAVEL DATES*: JAN 1-15, FEB 16-22, MAR 27-APR 4, MAY 22-JUN 2, JUL 1- 8, AUG 29-SEP 5, NOV 18-DEC 5, DEC 15-31.

PET POLICY: Client travelling with pets shall disclose this information at the time of quotation and are subject to approval of the Charter Company. The Quote requires this disclosure for determining the aircraft, as some aircraft do not accommodate pets. For international and offshore travel, federal and foreign government agencies may impose quarantine restrictions on pets. While the Charter Company may provide guidance as to such guidelines, it is the responsibility of the Client to familiarize the Client with the necessary rules and regulations. Pets not previously approved may be denied boarding of the aircraft. Should the Client cancel a flight as a result of the presentation at the time of boarding of a pet not previously approved by the Charter Company, the Client shall pay the full quoted price for the cancelled trip. An interior cleaning fee of \$500.00 USD will be charged for pets on all flights. If the fee is greater than \$500 for it will be passed over to the client and charged to the credit card as a trip incidental.

SMOKING POLICY: Smoking onboard Charter Company aircraft is subject to prior approval and only permitted on certain aircraft. E-cigarettes, vaporizing, and vape pen smoking is allowed, pending approval by Charter Company. Smoking will require an additional cleaning fee to be charged to the client of \$1,500.00 USD per leg.

FEDERAL EXCISE TAX ("FET") EXEMPTION AND CUSTOMS AND IMMIGRATION FEE EXEMPTION: If this Quote has been provided without any tax line items (FET, Segment fees, etc.), then this is a "Wholesale Quote" and by accepting this agreement the Customer (Broker) agrees that it is in the Customer's sole and exclusive responsibility to collect, and account for and pay over (a) to the Internal Revenue Service, and all applicable federal excise taxes described in sections 4261 et seq., and/or sections 4271 et seq., of the Internal Revenue Code of 1986, as amended (or any successors statutes or provisions); and (b) to the appropriate agency or agencies of the United States of America, all applicable customs, immigration and similar fees and charges, and that in either instance (clauses (a) or (b) above), the Charter Company shall be exempt from having to collect, account for and pay over to any person, entity or governmental agency any of the foregoing taxes, fees, charges or other amounts. In the case of a Wholesale Quote, the Customer acknowledges and agrees that (i) in connection with the Flight(s), the Customer is not an agent of the Charter Company, and (ii) the Customer will provide the Charter Company upon written request, evidence of the undersigned's collection and payment of taxes, fees and charges described above and that the absence of any such request by Charter Company shall not affect the blanket exemption provided for herein or otherwise affect any of the rights, duties or obligations of the Charter Company.

INDEMNIFICATION: The Client shall indemnify, defend, and hold harmless the Charter Company, and all of its officers, directors, shareholders, members, employees, legal representatives, and other agents, successors and assigns, and aircraft owners and aircrew (Indemnified Parties) from and against any and all liabilities, losses, damages, penalties, costs (including reasonable attorneys' fees, court costs, expenses and disbursements from the date of first notice) and expenses on account of any claim, suit, cause of action, governmental action or proceeding, or other investigation, demand, proceeding, or anything of a similar nature made or brought against any of the Indemnified Parties as result of the Client's violation of the Agreement or as a result of the services performed hereunder to the Client. Such indemnity shall include all liability resulting from bodily injuries (including death), property damage or any breach of contract damages, except when such indemnified losses arise from the gross negligence or intentional misconduct of the Indemnified Parties.

LIMITATION OF LIABILITY: Under no circumstances shall the Charter Company be held liable or responsible for delay, cancellation, bodily injury, emotional or psychological distress, death, property damage, or failure to furnish any service to be provided to the Client, whether caused by mechanical difficulty, weather conditions, acts of god, war, civil commotion, strikes or labor disputes, government regulation, law, rule or authority, unavailability of aircraft or aircrew, or any causes whatsoever, except when such claims are due to the gross negligence or intentional misconduct of the Charter Company. To that end the Client shall hold harmless the Charter Company, aircraft owners and aircrew from any losses, damages, or costs sustained as a result of any of the events set forth in this paragraph. Furthermore, the client agrees to hold harmless the Charter Company, aircraft and aircrew from any damages, injury, losses, or costs, of any kind, sustained because of any acts or products provided by a third-party provider, including an aircraft owner and its aircrew. **IN NO EVENT WILL THE CHARTER COMPANY, AIRCRAFT OWNERS AND AIRCREW BE LIABLE FOR ANY TYPE OF INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, WHETHER ARISING IN CONTRACT OR IN TORT, INCLUDING, BUT NOT LIMITED TO, LOST REVENUES, LOST PROFIT, LOSS OF PROSPECTIVE ECONOMIC ADVANTAGE, LOSS OF REPUTATION, OR EXPENSES DUE TO REPLACEMENT TRAVEL ARRANGEMENTS, EXCEPT WHEN SUCH CLAIMS ARE DUE TO THE GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT OF THE CHARTER COMPANY, AIRCRAFT OWNERS OR AIRCREW, EVEN IF THE CLIENT HAD BEEN ADVISED, OR KNEW OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES. THE CLIENT WILL INDEMNIFY AND HOLD CHARTER COMPANY, AIRCRAFT OWNERS AND AIRCREW HARMLESS AGAINST ANY LOSS, DAMAGE OR EXPENSE INCURRED BY THE CHARTER COMPANY PROVIDER BY REASON OF ANY ACTION OR OMISSION OF THE CLIENT, ITS EMPLOYEES, AGENTS AND GUESTS.**

OPERATIONAL CONTROL: Charter Company aircraft are operated under the 14 CFR PART 135 FAA Air Carrier Certificate #E0XA672J. In the event Charter Company vetted and approved FAA Part 135 Operator is needed for a flight, Charter Company will act as "Authorized Agent" for Client. Such aircraft are operated under their respective FAA Part 135 Air Carrier Certificates or their foreign Civil Aviation Authority (CAA) equivalents, in which case Client shall hold harmless Charter Company against all losses.

PROHIBITED ITEMS: Passengers have responsibility to comply with Transportation Security Agency (TSA) and Federal Aviation Administration (FAA) regulations regarding prohibited items. In advance of the departure time, passengers shall review TSA and FAA websites for prohibited items: www.tsa.gov/travelers/airtravel/prohibited/permitted-prohibited-items.shtm and <http://www.faa.gov/go/packsafe>. Examples of prohibited items can be found on the previous linked websites. Clients should check the TSA and FAA websites for a current list of prohibited items. Pursuant to TSA and FAA regulations, the Charter Company shall abide by these regulations to maintain its Charter Certificate. No later than 24 hours in advance of the departure time, the Client shall notify the Charter Company that a passenger wishes to bring a firearm, ammunition, or both on the aircraft, as well as the description of each firearm and type of ammunition. The flight crew will secure the weapon and ammunition through use of a cable lock or locked container prior to departure depending on the aircraft. The flight crew shall follow TSA rules in transporting firearms and ammunition aboard an aircraft, including securing the firearm as unloaded and physically separated from the ammunition. Each passenger may only bring one case of ammunition. A passenger may also not carry concealed weapons onboard an aircraft, unless approved by the Charter Company prior to departure. Concealed weapon requests must be requested to the Charter Company at least 24 hours before the flight to allow verification of credentials. Only Federal Law Enforcement Officers or Air Marshals are allowed to carry concealed weapons on board an aircraft. The Pilot in Command has final

authority on whether any of these or other items are allowed on the aircraft. Without prior approval from the Pilot in Command, photography and filming of the interior and exterior of the aircraft is strictly prohibited. The Charter Company maintains a "Zero Tolerance" policy regarding illegal drugs and/or smuggling. The Charter Company reserves the right to inspect any bags or luggage brought to the aircraft by the Client or any person travelling with the Client and may deny boarding of certain items deemed unsafe and/or illegal. If any illegal activity occurs, the flight will be grounded. For International Flights, the Charter Company will return to an airport within the United States to ground the flight. In addition, the Charter Company will alert customs authorities to any illegal activity. In any such event, the Client will be charged 100% of the Quote, plus actual expenses incurred for the grounded flight.

APPLICABLE LAW: This Agreement shall be governed by, and construed in accordance with, the laws of the State of California, including all matters of construction, validity, and performance, without giving effect to its conflict of law's provisions.

ATTORNEY'S FEES: In the event it becomes necessary to enforce the terms of this Agreement by litigation or otherwise, the prevailing party shall be entitled to recover its reasonable attorney fees and court costs, including any such fees or costs arising from subsequent appeals and efforts to execute on any judgement.

ENTIRE AGREEMENT: The parties agree that the terms and conditions of this Agreement constitute the entire agreement between the parties. This Agreement supersedes all prior agreements between the parties, expressed or implied, written, and oral.

ASSIGNMENT: This Agreement may not be assigned nor transferred by the Client without the prior written consent of the Charter Company. Any purported assignment in violation of this paragraph shall be voided and of no effect.

NON-WAIVER: Any failure at any time of either party to enforce any provision of the Agreement shall not constitute a waiver of such provisions or prejudice the right of such party to enforce such provision at any subsequent time.

SEVERABILITY: If any provision in the Agreement is found to be invalid or unenforceable in any respect in any jurisdiction:

- (A) the validity or enforceability of such provision shall not in any way be affected in respect of any other jurisdiction and the validity and enforceability of the remaining;
- (B) provisions shall not be affected, unless the Agreement reasonably fails in its essential purpose; and the parties shall substitute such provision by a valid and enforceable provision approximating to the greatest extent possible the essential purpose of the invalid or unenforceable provision.

WIRE INSTRUCTIONS

Pegasus Elite Aviation, Inc.

Bank Name: JP Morgan Chase

Company Name: Pegasus Elite Aviation, Inc.

Company Address: 7943 Woodley Ave, Van Nuys, CA 91406

Account Number: 900833192

Swift Code: CHASUS33

ABA Number: 021000021 – WIRES ONLY

ACH Routing Number: 322271627 – ACH ONLY

Branch Address: 270 Park Ave, New York, NY 10017 USA

FEDERAL EXCISE TAX EXEMPTION CERTIFICATE

In order for our billing department to invoice a charter with no Federal Excise Tax (F.E.T.), Domestic Segment Fees, or International Head Tax, we must have the following completed, signed and returned Charter Sales Department prior to your flight. The undersigned, being informed concerning the IRS Code and related US Treasury Regulations regarding liability, collection, and payment of Federal Excise Tax, Domestic Segment Fees and International Facilities Use Tax levied on Air Transportation as defined in the IRS Code, claims exemption from F.E.T., Domestic Segment Fees, and International Facilities Use Tax for charters payable to Pegasus Elite Aviation, LLC. For the following Reasons:

The undersigned is responsible for (the collection from the final customer and payment to the IRD) the Federal Excise Taxes, Domestic Segment Fees, and International Facilities Use Tax, Value Added Tax (VAT) on all charter's contracts to Pegasus Elite Aviation, LLC.

The undersigned further acknowledges and agrees that (i), in connection with the Flights, the undersigned is not an agent of Pegasus Elite Aviation, Inc.: and (ii), the undersigned will provide Pegasus Elite Aviation, Inc., upon written request, evidence of the undersigned's collection and payment of taxes and fees. If no proof is timely sent, the undersigned agrees to pay any tax penalties and interest due the IRS to Pegasus Elite Aviation, LLC immediately.

This certificate shall remain in full force and effect between the parties for all trips completed during the calendar year.

Federal Tax Identification Number: _____

Company Name: _____

Address: _____

City: _____ **State:** _____ **Zip Code:** _____

Name: _____ **Title:** _____

Signature: _____ **Date:** _____