



**BlueStarJets, LLC**

**SKYCARD PROGRAM™ AGREEMENT**

**DATED:** \_\_\_\_\_

**PARTIES:**

**Blue Star Jets, LLC**, a New York State Limited Liability Company (“Blue Star”), having an office at 880 Third Avenue, 10<sup>th</sup> Floor, New York, NY 10022,

and \_\_\_\_\_ (“Client” or “you”) having its contact

address at \_\_\_\_\_.

**SKYCARD PROGRAM ACCOUNT INITIAL DEPOSIT:** \$\_\_\_\_\_

**RECITALS:**

**A.** Blue Star is an air charter broker providing services to individuals and organizations on single use and open charter terms;

**B.** Blue Star has developed a program to provide for a higher level of service and commitment between a user and its air charter broker (the “SkyCard Program”);

**C.** The Client desires to acquire the benefits of and participate in Blue Star’s SkyCard Program, and Blue Star is agreeable thereto.

**NOW, THEREFORE**, in consideration of the mutual covenants, conditions and promises set forth below, Blue Star and Client hereby agree as follows:

**1. THE SKYCARD PROGRAM:**

- a.** Blue Star agrees that it shall provide brokerage services for air charters, catering and related services (“Charter Services”) to Client in accordance with the terms of this SkyCard Program Agreement (the “Agreement”).

- b.** The Client shall establish a SkyCard Program Account by purchasing SkyCard Program Credits. Each one U.S. Dollar shall be equivalent to one SkyCard Program Credit. The initial deposit by a participant shall determine the level of participation in the SkyCard Program. There are currently five levels: Blue - \$50,000; Silver - \$100,000; Gold - \$250,000; Platinum - \$500,000; and Black - \$1,000,000. Each level is entitled to the additional benefits, services and bonuses described on Exhibit A attached hereto.
- c.** SkyCard Program Credits may be utilized by Client for Charter Services provided by Blue Star upon the delivery to Blue Star of an executed Charter Quotation pursuant to Section 3 below.
- d.** The cash value of all unused SkyCard Program Credits shall be returned to Client (i) within ten (10) days of written demand therefore by Client; or (ii) by Blue Star, without notice, upon the termination of the Use Period. The term "Use Period" as used herein shall mean (A) the 24 month period following the initial SkyCard Program deposit. The cash value of all unused SkyCard Program Credits shall be one U.S. dollar for each unused SkyCard Program Credit, without interest less a Commitment Obligation of 15% of the unused SkyCard Program Credits. A new Use Period shall commence each time Client replenishes its SkyCard Program Account to the level initially funded.
- e.** Blue Star Jets retains the right to utilize an amount up to 10% of all funds deposited by a client in the SkyCard account (the "Right of Retainer"). The Right of Retainer shall not, in any way, diminish the balance of SkyCard Program Credits purchased by a participant and shall, where such SkyCard Program Credits are utilized, be a credit against the Commitment Obligation. For example, a client purchasing \$100,000 U.S. in SkyCard Program Credits would have, in the SkyCard Program, a full 100,000 SkyCard Program Credits available to purchase Charter Services, notwithstanding the Right of Retainer or potential Commitment Obligation. Only unutilized SkyCard Program Credits will be subject to reduction by the Commitment Obligation.
- f.** All cash received by Blue Star in connection with the purchase of SkyCard Program Credits, less applicable right of retainer, shall be held by Blue Star in a segregated bank account at a financial institution of Blue Star Jets' choice for the benefit of all SkyCard Program participants (the "Segregated Account"). Blue Star shall withdraw Client funds from such account only in accordance with the terms and conditions of this Agreement.

**2. COMMITMENT AND TERMS:** Client hereby

- a.** Agrees to become a participant in the SkyCard Program established and managed by Blue Star in accordance with the terms and conditions of this Agreement. The parties acknowledge that the level of participation in the SkyCard Program is determined by the number of SkyCard Program Credits purchased initially by Client (the “Initial Deposit”), and Client hereby delivers, and Blue Star acknowledges receipt of, the Initial Deposit first set forth above to establish Client’s SkyCard Program Account.
- b.** Client further engages Blue Star to act as its broker to arrange for the Charter Services described on the form Charter Itinerary, as described below, on behalf of Client from (i) third party certified air carriers operating under Part 135 of the Federal Aviation Administration (“FAA”) Regulations (Section 14 Code of Federal Regulations) and (ii) other parties providing services in accordance with the instructions of Client.
- c.** Client reserves the right to appoint, in writing, a Client Representative authorized to make decisions on behalf of Client under this Agreement and Blue Star may rely on the instructions of such Client Representative as if given by the Client.
- d.** Client acknowledges that Blue Star will act as agent for Client in arranging for Charter Services on behalf of Client. The Client hereby designates, constitutes and appoints Blue Star as its true and lawful attorney-in-fact, solely for the purposes of charter air transportation services pursuant to this Agreement. Blue Star may exercise this power of attorney to sign Client’s name on any documents necessary to obtain such services on behalf of Client, and Client declares that any act lawfully done hereunder by Blue Star on behalf of Client shall be good, valid and binding on Client as if the same had been signed, sealed and delivered or done by Client. Blue Star’s appointment as Client’s attorney-in-fact, and all of Blue Star’s rights and powers hereunder, shall be deemed coupled with an interest, are irrevocable and shall remain in effect until Blue Star’s obligation to provide Charter Services hereunder or this Agreement have terminated.

### 3. RESERVATIONS:

- a. Client may request a trip itinerary from Blue Star at any time up to 5 hours prior to the beginning of any trip (except for trips including a Peak Period Day {see Exhibit B} or international service where at least 24 hours minimum notice is required). Upon request, Client will be provided with a verbal estimated price quote for the itinerary. Thereafter, Blue Star will provide Client with a Charter Itinerary by fax providing an estimated price quote, and shall further specify the date(s) and departure time(s) of travel, flight segments arranged on your behalf, aircraft type and other requests specified by you when booking your flight and shall also authorize the debit of Client's SkyCard Program Account and withdrawal of funds from the Segregated Account. The Charter Itinerary will not be confirmed or booked, and Client's Sky Program Account will not be debited unless and until Blue Star has received a copy of the Charter Itinerary executed by Client or its authorized representative.
- b. A Charter Itinerary shall contain, among other things, the following elements of the proposed charter:
  - i. departure and destination points;
  - ii. date and time of departure for each requested flight segment;
  - iii. the names of passengers and nature and extent of baggage;
  - iv. any other pertinent information known to Client or reasonably requested by Blue Star; and
  - v. requested ground transportation and catering requirements (standard or special).
- c. Client understands and acknowledges that the cancellation of any Reservation or portion thereof within two (2) calendar days of the scheduled departure time of the scheduled domestic trip and within three (3) calendar days of the scheduled departure time of the scheduled international trip, will result in a cancellation charge of up to 100% of the quoted price for the trip. Confirmed departures within seven (7) days of Peak Travel Days, as defined in Exhibit B hereto, are non-refundable, and the cancellation of any confirmed reservation within seven (7) days of departure either prior to or after the Peak Travel Days will result in a cancellation charge of up to 100% of the quoted price for the trip. Client acknowledges that any change in date, time, itinerary, number of passengers or type of aircraft may be deemed a cancellation and be subject to a cancellation charge. Client acknowledges that a "no show" will be considered a cancellation and the client will be charged 100% of the cost of the trip. Other types of cancellation charges may include, but are not limited to: costs incurred as a result of partial completion of itinerary, including but not limited to return of aircraft to its base, plus the greater of: (i) costs incurred for specifically positioning and repositioning an aircraft and flight crew in preparation for the cancelled trip, (ii) flight charges equivalent to two hours of operation for each day of the cancelled itinerary, or (iii) any fees incurred by Blue Star as a result of

the client's cancellation. Blue Star reserves the right to change the terms of its cancellation policy at any time. Any cancellation of any confirmed Charter Itinerary or portion thereof may be subject to the terms and conditions of the specific air carrier selected. Blue Star assumes no responsibility for the disposition or cancellation of any reservation, either by Client or air carrier. ALL ONE WAY CHARTER RESERVATIONS ARE NON-CANCELABLE AND NON- REFUNDABLE AND ARE SUBJECT TO A 100% CANCELLATION FEE AT TIME OF BOOKING.

- d. All reservation requests by Client are subject to acceptance by Blue Star and the air carrier. Blue Star hereby expressly reserves the right to accept or reject any reservation requests for any reason, or for no reason, whatsoever.

**4. PRICE QUOTES:** An estimated price quote provided by Blue Star to Client in connection with a specific Charter Itinerary, is subject to the following:

- a. Domestic and international flights may be subject to the federal excise tax and federal departure tax, respectively. Blue Star will add the applicable tax, using the current rate, to each charter invoice, and Client's SkyCard Program Account will be debited, or if the balance of Client's SkyCard Program Account is insufficient, Client will pay such amounts prior to the scheduled departure date of the trip.
- b. Client understands that the cost estimate provided by Blue Star will include estimates for certain cost items. Client's Sky Program Account will be debited, or if the balance of Client's SkyCard Program Account is insufficient, Client will pay within five business days following the completion of the trip, the actual amount of applicable taxes, flight fees, fuel surcharges, over-flight permits, landing charges, catering costs, ground transportation, flight phone, customs fees, crew trip expenses, and similar out-of-pocket expenses relating to the services provided should these amounts differ from the original estimated price quote.
- c. If any deviation from the original itinerary is requested by Client, or if any such deviation is caused or necessitated by Client's actions, the amount owed by Client may differ from the original estimated price quote. Client hereby agrees to pay any and all charges associated with such deviations from the confirmed Charter Itinerary, and Client hereby agrees and acknowledges that Client's SkyCard Program Account will be debited, and authorizes Blue Star to effectuate the debit, for any such charges. If the balance of Client's SkyCard Program Account is insufficient, Client hereby agrees to pay any and all such charges to Blue Star within five business days of notification that such charges are due.

**5. PAYMENT TERMS:** Blue Star shall debit the SkyCard Program Account of the Client, and make the appropriate withdrawal from the Segregated Account upon confirmation of the Charter Itinerary. All charges associated with a Charter Itinerary shall be debited against Client's SkyCard Program Account, and Client may not, without the express written consent of Blue Star, arrange for other payment terms.

**6. ACKNOWLEDGMENT OF OPERATIONS:** Client acknowledges that Blue Star is acting solely as a broker of Charter Services and, further, that Blue Star is not an air carrier and does not operate the flights or provide the other services indicated on a Client Itinerary.

- a. Client further acknowledges that the air charter suppliers have sole responsibility, liability and control of all aspects of the aircraft charter services provided to you, including without limitation, aircraft availability and pricing, the commencement and termination of scheduled flights, the operation, regulation, condition and safety of the flights, passengers, baggage and cargo, and other people and events associated with your air travel, such as crew performance and catering services.

**7. SAFETY OF OPERATION:** Without limitation, Client acknowledges and agrees that the air charter suppliers and/or their pilots, crewmembers, employees and/or agents will be solely responsible for all decisions regarding safety determinations with respect to the commencement, operation and termination of flights. Client further acknowledges that Blue Star bears no responsibility for decisions regarding such safety determinations, and Client agrees to hold Blue Star harmless from any and all consequences resulting from decisions regarding such safety determinations.

**8. FORCE MAJEURE:** Blue Star will not be deemed to be in breach of its obligations hereunder or have any liability or responsibility for any delay, cancellation or damage arising in whole or in part from any weather conditions, act of God, act of nature, acts of civil or military authority, civil commotion, war or warlike operations or imminence thereof, strike or labor dispute, blockade, embargo, government regulation, law, rule or authority, acts or omissions of government authorities including all civil aviation authorities, requisition of aircraft by public authorities, breakdown or accident to the aircraft, mechanical failure, lack of essential supplies or parts, or if the safety of passengers and/or property is deemed by the aircraft commander or the carrier's operational supervisors to be in jeopardy, or for any cause beyond the direct control of Blue Star.

## **9. DAMAGES:**

- a.** Neither the air charter suppliers nor Blue Star shall have liability or responsibility for delay, cancellation or failure to furnish any service to be provided to you when caused by weather conditions, act of God, act of nature, acts of civil or military authority, civil commotion, war or warlike operations or imminence thereof, strike or labor dispute, blockade, embargo, government regulation, law rule or authority, acts or omissions of government authorities including all civil aviation authorities, requisition of aircraft by public authorities, breakdown or accident to the aircraft, mechanical failure, lack of essential supplies or parts, or if the safety of passengers and/or property is deemed by the aircraft commander or the carrier's operational supervisors to be in jeopardy, or for any cause beyond the reasonable control of Blue Star;
- b.** You assume all liability and responsibility for your safety, schedule, baggage, cargo, business and personal activities and financial ramifications associated with your air reservations and travel arranged by Blue Star and performed by the air charter suppliers;
- c.** You, your agents, guests or passengers or any employees, if applicable, shall not engage in any act or possess any substance or allow cargo to contain any substance which may result in the seizure or forfeiture, or unsafe operation of the aircraft used in the charter contracted for you by Blue Star; and
- d.** Blue Star makes no representations or warranties of any kind, either express or implied, as to any matter limited to, implied warranties of fitness for a particular purpose, merchantability or otherwise.
- e.** If the Client's journey involves an ultimate destination or stop in a country other than the country of departure, the Warsaw Convention may be applicable and the Convention governs and in most cases limits the liability of the Carrier for death or personal injury and for loss of or damage to baggage.
- f.** You shall indemnify and hold harmless Blue Star, together with, but not limited to, its affiliates, subsidiaries, parent corporations, successors or assigns, and any present or former officers, directors, shareholders, employees, agents, legal representatives or attorneys (the "indemnified parties") from and against any and all liabilities, losses, damages, penalties, costs and expenses on account of any claim, suit, action, demand, proceeding or anything of a similar nature made or brought against any of the indemnified parties as a result of the services performed hereunder on your behalf.

- g.** IN NO EVENT WILL BLUE STAR BE LIABLE FOR ANY TYPE OF INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, WHETHER ARISING IN CONTRACT OR IN TORT. CLIENT WILL INDEMNIFY AND HOLD BLUE STAR HARMLESS AGAINST ANY LOSS, DAMAGE OR EXPENSE INCURRED BY BLUE STAR BY REASON OF ANY ACTION OR OMISSION OF CLIENT, ITS EMPLOYEES, AGENTS, PASSENGERS AND GUESTS. FURTHERMORE, CLIENT AGREES TO PAY FOR ANY DAMAGE TO THE CHARTER AIRCRAFT CAUSED BY CLIENT, OR ANY EMPLOYEE, AGENT, PASSENGER OR GUEST OF CLIENT, NORMAL WEAR AND TEAR EXCLUDED.
- 10. TERMINATION:** Blue Star may terminate this Agreement upon the happening of any of the following events:
- a.** expiration of the Use Period;
  - b.** Client has violated or breached any material term, representation or warranty set forth in this Agreement , which violation and/or breach Client has failed to cure within 10 days after receipt of written notice of such violation or breach;
  - c.** Client has made a general assignment for the benefit of creditors, or has been decreed insolvent or bankrupt under any bankruptcy, insolvency or other similar law, or has commenced a voluntary proceeding seeking liquidation, reorganization or other such relief under any such law or seeking the appointment of a receiver over or liquidation of any substantial portion of its assets; or,
  - d.** Client has sought to assign this Agreement (or right or interest created hereunder) without the prior written consent of Blue Star.
  - e.** On or before the 60th day following the termination of this Agreement, Blue Star shall deliver a final statement of account to Client, and all accounts settled between the parties. In the event that the final statement of account delivered to Client hereunder shall not have been disapproved or otherwise commented upon within seven (7) days after receipt thereof by Client, same shall be deemed to have been approved.
  - f.** In the event of the termination of this Agreement due to default by Client, Blue Star may cease to provide all remaining services under this Agreement and shall have all right to bring an action or claim against Client for all sums which may be due and owing hereunder and to pursue all other remedies available to it at law or in equity (including, without limitation, attorneys fees, costs, and expenses). Blue Star reserves the right, in its sole discretion, to suspend Charter Services hereunder during any period provided for curing the default by Client. Notwithstanding the foregoing, Client shall remain liable and responsible for all payment obligations under this Agreement.



**11. EXCLUSIONS OR OMISSIONS:** Blue Star will be indemnified and held harmless by Client for any misrepresentations presented by the carriers, on Blue Star's website or otherwise. Any exclusions or omissions either express or implied are not the responsibility of Blue Star.

**12. REGULATIONS:** This Agreement is subject to all applicable rules, regulations, approvals and certifications in effect from time to time including, but not limited to, those promulgated by the FAA, which now or hereafter may be imposed or required.

**13. CHOICE OF LAW:** This Agreement shall be construed, interpreted and enforced in accordance with, and shall be governed by, the laws of the State of New York, both procedural and substantive, without regard to the principles of conflicts of laws.

**14. UNENFORCABILITY OF PROVISIONS:** The illegality or non-validity of any paragraph, clause or provision contained or referred to in this Agreement shall not affect or invalidate any other paragraph or provision hereof. If any provision of this Agreement, or any portion thereof, is held to be invalid and unenforceable, then the remainder of this Agreement shall nevertheless remain in full force and effect.

**15. ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement and understanding of the Parties and no amendment, modification or waiver of any provision herein shall be effective unless in writing and executed by Blue Star and Client. Any and all prior agreements, understandings and representations are hereby terminated and cancelled in their entirety and are of no further force and effect. The Parties acknowledge that no other party, or any agent or attorney of any other party, has made any promise, representation or warranty whatsoever, express or implied, not contained herein concerning the subject matter hereof, to induce them to execute this Agreement, and acknowledge that they have not executed this instrument in reliance on any such promise, representation or warranty not contained herein, and further acknowledge that there are no other agreements or understandings between the Parties relating to this Agreement that are not contained herein.

**16. ATTORNEY'S FEES.** The Client understands and agrees that any breach of this Agreement, or any action, cause, claim, damage, demand or liability arising from his or her breach of this Agreement, could make him or her liable in a complaint, cross-complaint or counterclaim for all resulting damages, including attorneys' fees and legal expenses.

**17. COUNTERPARTS.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be duplicate originals, and one and the same Agreement. Facsimile signatures shall be considered original, legal and binding signatures.

**18. WAIVER.** Waiver by one party hereto of breach of any provision of this Agreement by the other shall not operate or be construed as a continuing waiver.

**19. INDEMNIFICATION.** Client agrees to indemnify, hold harmless and defend Blue Star, together with, but not limited to, its affiliates, subsidiaries, parent corporations, successors or assigns, and any present or former officers, directors, shareholders, employees, agents, legal representatives or attorneys (the “indemnified parties”) from and against any and all actions, causes, claims, damages, losses, penalties, demands, obligations or liabilities, expenses or disbursements (including, without limitation, reasonable costs and attorney’s fees), asserted by any third party, arising out of or relating to this Agreement.

**20. ARBITRATION:**

- a. American Arbitration Association - Any dispute arising out of, in connection with, or in relation to this agreement or the making or validity thereof or its interpretation or any breach thereof shall be determined and settled by arbitration in New York City by a sole arbitrator having substantial experience in matters of this nature pursuant to the commercial arbitration rules and regulations then obtaining of the American Arbitration Association and any award rendered therein shall be final and conclusive upon the parties, and a judgment thereon may be entered in the highest court of the forum, state or federal, having jurisdiction. The service of any notice, process, motion or other document in connection with an arbitration award under this agreement or for the enforcement of an arbitration award hereunder may be effectuated by either personal service or by certified or registered mail to the respective addresses provided herein.
- b. Submission to Jurisdiction - By execution and delivery of this Agreement, the parties each respectively accept, for itself and its property, generally and unconditionally, the jurisdiction of the American Arbitration Association, and agree to be bound by any judgment rendered thereby and in connection with this Agreement, and waive any objection either party may now or hereafter have as to the venue of any such action or proceeding. Each party hereto hereby consents to the service of process in the Arbitration by mailing copies thereof by certified mail, postage prepaid, such service to become effective three (3) business days after such mailing. Nothing herein shall affect either party’s right to service of process in any other manner prescribed by law.

**IN WITNESS WHEREOF**, the parties hereto have executed this SkyCard Program Agreement, as of the date first written above.

CLIENT: \_\_\_\_\_

BLUE STAR JETS, LLC

\_\_\_\_\_  
Authorized Signatory

\_\_\_\_\_  
Authorized Signatory

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

**EXHIBIT A**

**SKYCARD PROGRAM LEVELS AND BENEFITS**

<b><u>SKYCARD PROGRAM LEVEL</u></b>	<b><u>BENEFITS</u></b>
<p align="center"><b><u>BLUE</u></b>  <b><u>\$50,000 SkyCard</u></b></p>	<p>No Membership Fees            Member Pricing Applies            Concierge Services            Standard Program            Access To One-Way Pricing (When Available)</p>
<p align="center"><b><u>SILVER</u></b>  <b><u>\$100,000 SkyCard</u></b></p>	<p>No Membership Fees            Member Pricing Applies            Concierge Services            Complimentary Standard Catering            Access To One-Way Pricing (When Available)</p>
<p align="center"><b><u>GOLD</u></b>  <b><u>\$250,000 SkyCard</u></b></p>	<p>No Membership Fees            Member Pricing Applies            Concierge Services            Complimentary Standard Catering            Access To One Way Pricing (When Available)            Complimentary Upgrades (When Available)</p>
<p align="center"><b><u>PLATINUM</u></b>  <b><u>\$500,000 SkyCard</u></b></p>	<p>No Membership Fees            Member Pricing Applies            Concierge Services            Complimentary Catering            Access To One Way Pricing (When Available)            Complimentary Upgrades (When Available)            No Landing Fees            Complimentary Cabin Hostess on All Heavy Jets</p>
<p align="center"><b><u>BLACK</u></b>  <b><u>\$1,000,000 SkyCard</u></b></p>	<p>No Membership Fees            Member Pricing Applies            Concierge Services            Complimentary VIP Catering            Access To One Way Pricing (When Available)            2 Complimentary Upgrades (When Available)            No Landing Fees            Complimentary Cabin Hostess on All Heavy Jets</p>

**EXHIBIT B**

**PEAK TRAVEL DAYS**

*The term "Peak Travel Day" Includes the day noted,  
the four days prior and two days after:*

**New Year's Day**

**President's Day**

**Easter Sunday**

**Passover**

**Memorial Day**

**July 4**

**Labor Day**

**Thanksgiving**

**Christmas**

**Super Bowl**