

Charter Sales Contact:

Associated Aircraft Group, Inc

Quote for Aircraft Services



Quoted For: Freedom Air
Contact: Visoski, Larry
Address: [Redacted]
Phone: [Redacted]
Fax: [Redacted]
Email: [Redacted]
Date of trip: 27 Jul 2014 to 27 Jul 2014

Quote Number: 12308
Date Quoted: 21 Jul 2014
Aircraft: SK-76C+
Tail #: N76TBA

LEG	DATE	ETD	DEPARTURE CITY	ARRIVAL CITY	ETA	PAX	STAT MILES	ETE	TZC
1	27 Jul 2014	9:39am	TETERBORO, NJ (KTEB)	NEW YORK, NY (HJRA)	9:45am	0	7	00:06	
2	27 Jul 2014	10:00am	NEW YORK, NY (HJRA)	MIDDLETOWN, RI (HGCR)	10:54am	3	152	00:54	
3	27 Jul 2014	1:00pm	MIDDLETOWN, RI (HGCR)	RED HOOK, NY (HBAR)	1:54pm	3	142	00:54	
4	27 Jul 2014	4:00pm	RED HOOK, NY (HBAR)	NEW YORK, NY (HJRA)	4:30pm	3	88	00:30	
5	27 Jul 2014	4:45pm	NEW YORK, NY (HJRA)	TETERBORO, NJ (KTEB)	4:51pm	0	7	00:06	
							396	02:30	

	QUANTITY	RATE	AMOUNT
Aircraft Charter	02:30	4,950.00 /hr	12,375.00
Fuel Surcharge	02:30	400.00	1,000.00
SUBTOTAL			13,375.00
Landing Fee-JRA	1	340.00	340.00
Landing Fee-JRA 2	1	340.00	340.00
Landing Fee-TEB	1	25.00	25.00
Off Ops Charge-JRA	1	500.00	500.00
Pax Facility Chg.-JRA	3	20.00	60.00
Pax Facility Chg.-JRA 2	3	20.00	60.00
Segment Tax	9	4.00	36.00
SUBTOTAL			14,736.00
Federal			1,102.50
GRAND TOTAL			\$15,838.50

PAYMENT METHOD Credit Card Wire Transfer Check

By signing and returning this Quote for Aircraft Services you are agreeing to Associated Aircraft Groups Terms and Conditions of Aircraft Charter.

Approved by name: _____ Signature: _____
Company Name: _____ Date: _____

AAG, Inc.

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TERMS AND CONDITIONS OF AIRCRAFT CHARTER

By submitting the Charter Booking Confirmation you are agreeing, as Charterer, to the following terms and conditions (the "Terms and Conditions") of the Carrier, Associated Aircraft Group, Inc.

1 Definitions

In these Terms and Conditions unless the context otherwise requires the following terms shall be defined as follows:

"Aircraft" means any aircraft which is the subject of the Charter Agreement;

"Carrier" means Associated Aircraft Group, Inc. a corporation having an office located at the Dutchess County Airport, 32 Griffith Way, Wappingers Falls, NY 12590;

"Charter" means the charter of an aircraft and flight crew by the Carrier to the Charterer for the purpose of travel according to the Flight Schedule;

"Charterer" means any individual person, company or firm chartering, or agreeing to charter the Aircraft from the Carrier;

"Charter Agreement" means any arrangement between the Carrier and the Charterer for the Charter of the Aircraft from the Carrier in accordance with the Charter Booking Confirmation which shall be subject to these Terms and Conditions;

"Charter Booking Confirmation" means the details of the Charter Agreement between the Carrier and the Charterer including the Flight Schedule and these Terms and Conditions;

"Charter Price" means the price payable by the Charterer for the Charter as specified in the Charter Booking Confirmation (and as may be adjusted in accordance with these Terms and Conditions);

"Flight Schedule" means the flight, or any series of flights, agreed between the Carrier and the Charterer and as set out in the Charter Booking Confirmation (including places of departure, places of destination, any stopping points, departure and arrival times, waiting times and any additional or ancillary services or functions to be provided by the Carrier); and

"Force Majeure" means any cause preventing the Carrier from performing any or all of its obligations which arises from or is attributable to acts, events, omissions or accidents beyond the reasonable control of the Carrier including, without limitation, strikes, lockouts or other industrial disputes (whether involving the Carrier's workforce or any other relevant party), acts of God, terrorism or the public enemy, compliance in good faith with any applicable foreign or domestic governmental regulation or order whether or not it proves to be invalid, fires, riots, breakdown of machinery, or unusually severe weather.

2 Charter Services

2.1 The Carrier shall provide for the Charterer's use, the Aircraft, manned and equipped for the performance of the Flight Schedule.

2.2 The Carrier shall use all reasonable efforts to complete the Flight Schedule in accordance with the Charter Booking Confirmation (insofar as permitted by applicable law and aviation regulations); provided, however, that the Carrier shall be entitled to depart from the Flight Schedule, without liability, if it determines in its sole discretion that such action is reasonably necessary. In the event that the Carrier departs from the Flight Schedule in accordance with this Paragraph 2.2, any additional expenses (including fees for landing, handling, navigation, ground support service, customs and airport surcharges) shall be the responsibility of the Charterer.

2.3 The decision of the Aircraft pilot shall at all times be final in respect of any flight or operational matters.

3 Changes to Flight Schedule

3.1 Should the Aircraft for any reason (whether before or after the commencement of the Flight Schedule) become incapable of undertaking, or continuing all or part of the Flight Schedule, the Carrier may, in its sole discretion, substitute one or more aircraft of the same or similar type and the provisions of the Charter Agreement shall apply equally to the substituted aircraft.

3.2 If for any reason the Aircraft is diverted from any airfield or destination shown in the Flight Schedule to another airfield, the Carrier will be deemed to have complied with its obligations under the Charter Agreement upon arrival at such other airfield notwithstanding the terms of the Flight Schedule.

4 Delays Caused by Charterer

4.1 If the performance of the Flight Schedule is prevented or delayed by any act or omission of the Charterer or anyone under its control or acting on its behalf (including, without limitation, any passengers arriving late or not being ready to embark by the scheduled departure time) the Carrier may at its sole discretion and without liability:

4.1.1 depart as scheduled without liability to or for any passengers not carried; or

4.1.2 delay departure for and extend the Charter time in which case the Charterer shall be liable for the additional cost of the additional time at the current published charter rates promulgated in fifteen (15) minute intervals.

4.2 If the Charterer, or any of its passengers, is not ready to commence embarkation thirty (30) minutes after the scheduled departure time, the Carrier shall have the option of cancelling the Charter Agreement and the Charterer shall be liable for the cancellation charges set out in Paragraph 7.3 below.

5 Changes made by Charterer

In the event of any variation of the Flight Schedule at the Charterer's request, the Carrier shall use reasonable efforts to accommodate such variation, but is under no obligation to accommodate such variation. If the Carrier accommodates the Charterer's request, the Charterer shall pay for any additional flying and waiting time at the Carrier's current published charter rates per hour for the Aircraft.

6 Fees & Payment

6.1 The Charter Price includes all aircraft operating costs for the agreed Flight Schedule, together with all taxes (with the exception of a 7.5% Federal Excise Tax, if applicable), levies and charges known to the Carrier at the time of issue of the Charter Booking Confirmation. In the event that there are any increased and/or additional costs to the Carrier in connection with its performance of its obligations with the Charter, the Carrier may provide notice of such increases to the Charterer and the Charter Price payable by the Charterer shall increase accordingly.

6.2 Unless otherwise agreed in writing by the Carrier, any new Charterer as well as existing Charterers will be subject to terms, conditions, credit review and approval in accordance with Carrier's current credit administration policy.

6.3 The Charterer shall pay the invoice including all applicable fees within thirty (30) business days of the date of the invoice or as subject to credit approval as referenced in Paragraph 6.2 above.

6.4 If the Charterer cancels the Charter, that percentage of the Charter Price referenced in Paragraph 7.3 below shall become immediately due and payable.

6.5 All payments shall be made in United States Dollars without offset or deduction.

6.6 If the Charterer fails to pay on the due date any amount which is payable to the Carrier under the Charter Agreement then such unpaid amount shall bear interest from the due date until payment is made in full, at the lesser of 1 1/2 % per month (18% per annum) or the maximum amount permitted by law.

6.7 If the Charterer elects to pay any amount due with a credit card, in accordance with Carrier's Authorization to Charge Credit Card form, then Charterer will incur an administrative fee of 4% of the transaction price.

7 Cancellation by Charterer

7.1 Either party may, upon providing written notice, cancel the Charter up to twenty-four (24) hours prior to the scheduled departure date.

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7.2 Should the Charterer cancel the Charter in accordance with Paragraph 7.1 above, Carrier shall notify the Charterer of any expenses already incurred in relation to the Charter and the Charterer shall make payment for those expenses in accordance with Paragraph 6.3 above.

7.3 Cancellation by the Charterer on less than twenty four (24) hours written notice prior to the scheduled departure date shall result in the following charges due from the Charterer:

- | | | | |
|-----|----------------------------|---|---------------------------|
| (a) | No notice/no show | - | 100% of the Charter Price |
| (b) | Less than 24 hours notice* | - | 50% of the Charter Price |
- * but more than one (1) hour before scheduled time of departure

8 Refusal and Limitation of Carriage

8.1 The pilot of the Aircraft shall have absolute discretion:

- 8.1.1 to refuse any passenger(s), or baggage;
- 8.1.2 to decide what load may be carried on the Aircraft and how it should be distributed;
- 8.1.3 to decide whether and when a flight may be safely and legally undertaken;
- 8.1.4 to determine where and when the Aircraft should be landed; and
- 8.1.5 in respect of all matters relating to the operation of the Aircraft.

8.2 In the event that the Charter is not completed in whole or in part for any of the above reasons, the Carrier shall have no liability to the Charterer. The Charterer shall be liable to pay for all expenses incurred by the Carrier in connection with the Charter and for such part of the Charter that has been performed (if any). The Carrier's assessment as to the Charter Price and related expenses due and payable under this Paragraph 8.2 shall be final in the absence of clear error.

9 Insurance

The Carrier shall maintain in full force and effect during the term of the Charter the following insurance:

- 9.1 all risks in respect of the Aircraft hull;
- 9.2 general liability insurance relating to the operation of the Aircraft.

10 Force Majeure

The Carrier shall not be deemed to be in breach of the Charter Agreement, or otherwise liable to the Charterer in any manner whatsoever for any failure or delay in performing its obligations under the Charter Agreement due to Force Majeure. In the event that the Charter is not completed in whole or in part for any reason resulting from Force Majeure, the Charterer shall be liable to pay for all expenses incurred by the Carrier in connection with the Charter and for such part of the Charter that has been performed (if any). The Carrier's assessment as to the Charter Price and related expenses due and payable shall be final in the absence of clear error.

11 Assignment

The Charterer shall not be entitled to assign the benefit of any agreed Charter or Charter Agreement to any other person without the written consent of the Carrier.

12 Severability

In the event that any one or more of the provisions of the Charter Agreement (including, for the avoidance of doubt, these Terms and Conditions) shall for any reason be held to be invalid, illegal, or unenforceable, the remaining provisions of the Charter Agreement shall be unimpaired and the invalid, illegal, or unenforceable provision shall be replaced by a mutually acceptable provision, which, being valid, legal, and enforceable, comes closest to the intention of the parties underlying the invalid, illegal, or unenforceable provision.

13 Notices

Any legal notice to be given under the Charter Agreement shall be sufficient if sent by certified mail, commercial courier, facsimile, or e-mail, in each case at the address, facsimile number or e-mail address set forth in the Charter Booking Confirmation, or such other address, facsimile number or e-mail address as shall have been provided by notice by either party to the other party.

14 Prohibited and Unenforceable Provisions

Any provision of the Charter Agreement (including, for the avoidance of doubt, these Terms and Conditions) which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof. To the extent permitted by applicable law, each of the Carrier and the Charterer hereby waives any provision of applicable law which renders any provision hereof prohibited or unenforceable in any respect.

15 No Waiver

No delay or omission in the exercise or enforcement of any right or remedy hereunder by either party shall be construed as a waiver of such right or remedy. All remedies, rights, undertakings, obligations, and agreements contained herein shall be cumulative and not mutually exclusive, and in addition to all other rights and remedies which either party possesses at law or in equity.

16 Governing Law

This Agreement shall be interpreted in accordance with the plain English meaning of its terms, and the construction thereof shall be governed by the laws of the State of New York, United States of America without regard to its conflict of laws provisions.

17 EXCLUSIONS; LIMITATION OF LIABILITY

17.1 Except as expressly provided in these Terms and Conditions, the Carrier, its affiliates, and their respective shareholders, members, directors, officers, managers, employees, agents and contractors shall not be liable to the Charterer for any loss or damage of any kind whatsoever (other than death or personal injury resulting from the Carrier's gross negligence or willful misconduct) regardless of whether such loss or damage is founded in contract or tort (including negligence, strict tort liability or breach of any warranty), arising out of or in connection with the Charter or the Charter Agreement (including, for the avoidance of doubt, these Terms and Conditions). For the avoidance of doubt, the Carrier, its affiliates, and their respective shareholders, members, directors, officers, managers, employees, agents and contractors shall not be liable to Charterer for any indirect, incidental, special or consequential damages and/or punitive damages of any kind or nature under any circumstances arising out of or in connection with the Charter or the Charter Agreement (including, for the avoidance of doubt, these Terms and Conditions).

17.2 The Carrier hereby excludes to the fullest extent permissible in law, all conditions, warranties and stipulations, express (other than those set out in the Charter Agreement) or implied, statutory, customary or otherwise which, but for such exclusion, would inure to the benefit of the Charterer.

17.3 The Charterer shall at all times hold harmless and indemnify the Carrier, its affiliates, and their respective directors, officers, employees, agents and successors from and against all claims and expenses (including legal fees and costs) in respect of any liability of the Carrier to third parties (including, but not limited to passengers) for any loss or damage arising out of any wrongful act or omission of the Charterer, its employees, agents, contractors or any passenger carried by authority of the Charterer.