

STANDARD TERMS AND CONDITIONS

The following Standard Terms and Conditions are attached to and made a part of that certain Aircraft Charter Agreement (the "Agreement") by and between Carrier and Customer. Each of the following provisions is incorporated by reference into the Agreement as if set out in full therein and shall be deemed a part thereof.

1. Flights

Subject to the receipt of the Fees set out in the Agreement and to the other terms and conditions described herein, Carrier agrees to provide the Flights (as defined in Section 2.01 of the Agreement) to Customer as follows:

(a) The Flights will be provided by Carrier in accordance with the rules and regulations of the Department of Transportation ("DOT") and the Federal Aviation Administration ("FAA"), the terms and conditions of Carrier's Operating Authority (as defined in Section 17(a) hereof) and all laws, rules, regulations or orders of any government having jurisdiction over the operations of Carrier provided in connection with the Agreement. Carrier shall carry the passengers of the Flights and their Baggage (as defined in Section 12(a) hereof) in accordance with the terms of the Agreement and in compliance with applicable law; however, Carrier shall not be liable for the failure of the Aircraft to depart or arrive according to the schedule of departure and arrival times unless due to the acts or omissions of Carrier, as a result of a maintenance issue with the Aircraft or the failure to provide the required crew for the Flight. Carrier does not assume any responsibility for making connections with any other air, surface or water carrier, and shall not be liable for any expenses or losses whatsoever related to missed connections.

(b) In the event that Carrier, in its sole judgment, determines that an airport or any facilities at any airport are inadequate for safe operation, or if landing is prohibited or restricted by law or operating conditions, Carrier may, without liability of any kind to Customer or any passengers, substitute in lieu thereof the nearest point at which suitable facilities are available and landing can be made, as dictated by operational and safety concerns. If a Flight lands at an alternate airport and is unable to continue to its scheduled destination due to Force Majeure (as defined in Section 8(b) hereof), weather conditions, air traffic control delays, or other causes outside Carrier's reasonable control, Carrier, if requested by Customer, shall use its reasonable efforts to make alternative transportation arrangements for the passengers to the scheduled destination. Customer shall reimburse Carrier within ten (10) days of the date of an invoice delivered to Customer by Carrier for any costs incurred by Carrier in making such arrangements.

(c) Customer and all passengers shall observe all instructions of Carrier's flight crew, employees and agents. The Aircraft and its crew will at all times be under the exclusive command and control of the pilot-in-command. The pilot-in-command shall not be obligated to comply with any request from Customer or any passenger with respect to the operation of the Aircraft. In furtherance of the foregoing, Customer agrees that the pilot-in-command of the Aircraft shall have full authority concerning all decisions necessary for the safety of the Aircraft, its passengers, crew, and cargo, including, but not limited to loading, load, distribution, stowage, unloading of Baggage and cargo, how the Flight shall be operated, whether the agreed route can be followed and the location of any landing or intermediate landing.

(d) Carrier shall have the right, without refund or reduction of the Fees to utilize any unused passenger or cargo space in the Aircraft for the transportation of Carrier's own personnel or cargo.

(e) Any changes to the designated flight times requested by Customer or the operation by Carrier of any additional Flights, other than those set forth in the Agreement, shall be subject to the mutual written agreement of the parties, such agreement by Carrier not to be unreasonably withheld, conditioned or delayed.

2. Additional Services

Carrier shall provide additional services ("Additional Services") to Customer upon Customer's request, subject to the mutual written agreement of the parties as to both the services to be provided and the cost to Customer of such additional services which shall be paid by Customer at Carrier's actual cost plus an additional five percent (5%) management fee.

3. Aircraft

Carrier may, without prior notice and in its sole discretion, substitute one or more alternate aircraft for the Aircraft, provided that any such replacement aircraft complies with the provisions of the Agreement. Customer shall not be responsible for any costs or expenses associated with ferrying any replacement aircraft to the applicable airport or with the operation thereof on the Flights, unless replacement of the Aircraft is necessitated by the acts of Customer.

4. Fees, Miscellaneous Expenses and Deposit

(a) **Fees.** Customer shall deliver payment (the "Fees") for each Flight not less than fourteen (14) business days prior to the scheduled departure date of such Flight; provided, however, that if such Flight is scheduled less than fourteen (14) business days prior to the scheduled departure date of such Flight, such payment shall be made not less than seventy-two (72) hours prior to the scheduled departure time of such Flight.

(b) **Miscellaneous Expenses.** Notwithstanding anything contained herein to the contrary, the Fees do not include costs for (i) credit card processing fees for any amounts paid by Customer with a credit card, which shall be assessed a fee equal to five percent of such amounts, or (ii) deicing, non-standard catering or any other unforeseen costs or Additional Services associated with the Flights (collectively, "Miscellaneous Expenses"), which shall be paid by Customer at Carrier's actual cost plus a five percent (5%) administrative fee; provided, however that into-plane fuel expenses above the rate set forth on Schedule 1 shall be paid by Customer at Carrier's actual cost without the administrative fee. Not later than ten (10) days following the completion of each Flight segment or round-trip, as applicable, Carrier shall present a reasonably detailed written invoice for Miscellaneous Expenses due under this Agreement. Customer shall pay Carrier the amounts due under such invoices within three (3) business days after Customer receives such invoices.

(c) **Deposit.** To secure Carrier's reservation of the Aircraft for the Flights and not to secure Carrier's performance of any Flights, Customer shall deliver the a deposit, if any, required by the Agreement (the "Deposit"). If any payment required by Customer under the terms of the Agreement is not made in accordance with the payment provisions set forth herein, Carrier shall have the right, in its sole judgment, to forfeit, take, and use so much of such Deposit as may be necessary to satisfy such payment obligations in full and to exercise any other legal remedies to which it may be entitled. In the event of a draw upon the Deposit, Customer shall immediately reinstate the Deposit

to the full amount required herein. The Deposit, net of any offset, will be refundable to Customer upon termination of the Agreement, as the same may be extended, renewed or terminated pursuant to the terms contained therein. If the Agreement is cancelled by Customer for any reason (other than breach of the Agreement by Carrier), or by Carrier due to breach of the Agreement by Customer, in addition to other remedies available at law or in equity, Carrier shall be entitled to retain the full amount of the Deposit.

5. Payments

(a) Payments of all Fees, Miscellaneous Expenses and the Deposit are to be made by wire transfer to Carrier's bank account pursuant to the following wiring instructions:

Harleysville National Bank
ABA # 031911812
For credit to Account # 1001217593
For credit to:
ExpressJet Escrow Account

(b) Any late payment for Fees, Miscellaneous Expenses or any other sums under this Agreement shall accrue interest at the rate of lesser of eighteen percent (18%) per annum or the maximum lawful rate until paid in full. Additionally, in the event that Customer fails to pay any amount due in accordance with the terms of this Agreement, in addition to any other remedies Carrier may have at law or in equity, Carrier may elect, at its sole discretion to either (i) receive a late payment administrative fee equal to \$500.00 per occurrence or (ii) cancel this Agreement upon not less than forty-eight (48) hours prior written notice to Customer.

6. Services and Conditions of Service

(a) All transportation provided under the Agreement is subject to (i) the terms and conditions of the Agreement; (ii) Carrier's timely receipt of any consents and approvals of foreign governments and the timely grant of all landing rights required to operate the Flights; (iii) the operating rules and regulations of Carrier; (iv) the charter regulations codified in Parts 212 and 380 of the Economic Regulations of the DOT and such other DOT regulations as may be applicable from time to time to transportation (the "Regulations"); and (v) all terms contained in Carrier's Contract of Carriage (a copy of which has been provided to Customer, and Customer acknowledges receipt thereof) and in the Tickets (as defined in Section 11(a) herein) and baggage checks issued pursuant and subject to the Agreement, and the terms thereof are incorporated and made a part hereof insofar as they are applicable to the contracted transportation and not inconsistent with the terms of the Agreement. Customer agrees to cause its agents, officers, employees, passengers and prospective passengers to observe the terms and conditions of the Agreement and all operating rules and regulations of Carrier and obey all instructions of Carrier's agents and employees. Customer further agrees to cause its agents, officers, employees, passengers and prospective passengers to comply with the Regulations and acknowledges that it has in its possession copies of those regulations in effect on the date hereof. In the event that Customer, its agents, officers, employees, or any passenger or prospective passenger on any Flight fails to observe Carrier's rules and regulations and the Regulations or breaches any of the conditions of the Agreement, Carrier shall have the right, at its option, to refuse to operate the applicable Flight until such failure or breach is cured to Carrier's satisfaction without liability or penalty of any kind to Carrier.

(b) Customer shall comply, and shall ensure the compliance by all passengers with all treaties, customs, police, immigration, public health and other laws and regulations of the United States and of each country or state from, through, or to which a Flight is operated pursuant to the Agreement and, subject to applicable laws, Customer shall defend, indemnify and hold harmless Carrier against, and shall pay any loss, damages, penalties, fines or expenses suffered or incurred by Carrier by reason of the failure of Customer and/or any passenger to so comply, including but not limited to any civil penalties assessed by the DOT, FAA or TSA against Carrier arising out of the acts or omissions of Customer, in whole or in part. Further, to the extent permitted by law, Customer will cooperate with Carrier, at Carrier's expense, in connection with any agency investigation into the actions of Carrier and will otherwise provide reasonable assistance to Carrier in the defense of such agency action. Carrier shall not be liable for any aid or information given by any agent or employee of Carrier to Customer or to any passenger to so comply, except in the case of gross negligence or willful misconduct on the part of Carrier. Carrier shall not be liable for any aid or information given by any agent or employee of Carrier to Customer or to any passenger in connection with obtaining necessary documents or complying with the laws, regulations, orders, demands or travel requirements of any country or state, whether given in writing or otherwise, or for the consequences to Customer or any passenger resulting from failure to obtain such documents or to comply with such laws, regulations, orders, demands or travel requirements. Carrier reserves the right to refuse carriage to Customer or to any passenger whose documents are incomplete or who has not complied with the applicable laws, regulations, orders, demands or travel requirements, and Carrier shall not be liable for loss or expense due to failure of Customer or passengers to comply with any regulations described in this Section.

(c) If any of the Flights are "Single Entity Charter Flights" as defined in Part 212 of the Regulations, Customer acknowledges and hereby represents and warrants to Carrier that no passenger shall pay or has paid, directly or indirectly, for the cost of their transportation. If Customer fails to ensure that the terms of any such Single Entity Charter Flight are not fully complied with, Carrier may terminate the Agreement without penalty or liability of any kind and Customer shall defend, indemnify and hold harmless Carrier from any claims asserted against Carrier as a result of such termination.

7. Operation of Flights

(a) Notwithstanding anything contained in Article II of the Agreement to the contrary, departure and arrival times of Flights shall be agreed upon by Carrier and are subject to aircraft routing, airport gate space, weather conditions, aircraft maintenance, crew availability and other operational factors. Subject to such factors, Carrier and Customer will use commercially reasonable efforts to cause on-time departures.

(b) Carrier's obligation to perform the Flights is contingent upon Customer making all payments to Carrier required hereunder. Carrier shall not be liable to Customer or any passengers for any damage, loss, cost, or expense arising out of or in connection with the cancellation of any Flight due to nonpayment or due to the failure to receive timely issuance of any and all necessary approvals, clearances, permits and operating authority by or from governmental authorities, including, without limitation, landing and overflight rights. Other than as set forth in the preceding sentences, Carrier shall use commercially reasonable efforts to obtain issuance of all such approvals, clearances, permits and operating authority on a timely basis. If any Flight or any portion of a Flight is cancelled due to a failure to receive on a timely basis any approval, clearance, permit or operating authority described in this Section 7, Carrier shall refund to Customer all payments received by Carrier applicable to such Flight.

8. Termination

(a) **Cancellation by Carrier.** Carrier shall have the right to cancel the Agreement or any one or more Flights: (i) in the event that Customer makes any material misrepresentation in any of the information supplied by Customer to Carrier; (ii) in the event that Customer fails to meet its payment and other obligations under the Agreement, any applicable grace or cure period has expired, and the failure remains unremedied or (iii) due to civil or political unrest which, in Carrier's sole opinion, would jeopardize the safety of passengers and/or the Aircraft if the Flights were to proceed. In the event that Carrier deems it advisable or necessary to cancel the Flights, or any portion thereof as provided for in clauses (i) or (ii) above, Carrier shall be entitled to receive or retain that portion of the Fees which as of the date of cancellation was due to have been paid by Customer. If any Flight or any portion of a Flight is cancelled as provided for in clause (iii) above, Carrier shall refund to Customer all payments received by Carrier applicable to such Flight, if any. Except as expressly otherwise provided herein, Carrier shall not be liable to Customer or any passengers for any damage, loss, cost, or expense arising out of or in connection with any cancellation pursuant to this Section 8(a).

(b) **Force Majeure.** Carrier may delay the operation of or cancel any Flights, including positioning flight(s), in the event such cancellation or delay is required due to events beyond Carrier's control, including but not limited to weather, strikes, lockouts, other industrial or labor disturbances, acts of public enemy, wars, acts of terrorism, riots, epidemics, lightning, earthquakes, arrests, explosions, failure of public utilities, unavailability of fuel, inability to secure operating approval, seizure under legal process, sanctions, quarantine restrictions, fire, smog, fog, flood, act of God, any restrictive act of government (including, but not limited to, ground stop orders), bomb threats, unavailability of insurance coverage at commercially reasonable rates due to civil or political unrest or acts of terrorism, and any other event beyond the control of Carrier (collectively, "Force Majeure"). NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY, IN NO EVENT SHALL CARRIER BE LIABLE FOR DAMAGES OF ANY KIND ARISING OUT OF OR RELATED TO ANY CANCELLATION OR DELAY SET FORTH IN THIS SECTION 8(b).

9. Advertising

Customer agrees that it will not use Carrier's name in any advertisements or other solicitation materials prepared in connection with the Flights without first obtaining Carrier's specific prior written approval thereof. Customer shall be solely responsible for compliance with Part 257 of the Regulations and will indemnify and hold harmless Carrier for any claims, liability or damages for Customer's failure to do so. Carrier hereby grants Customer permission to use Carrier's name in information supplied to passengers and potential passengers notifying them that the Flights will be operated by Carrier.

10. Terms Applicate Only to Public Charters Flights

If any Flight is a public charter flight ("Public Charter Flights") as defined by Part 380 of the Charter Regulations of the DOT Public Charter Regulations (the "Public Charter Regulations") then the following provisions shall apply only to such Public Charter Flights:

(a) Carrier and Customer agree to jointly file with DOT such prospectuses and other documents and information as may be required by section 380.28(a)(1) of the Public Charter Regulations;

(b) Each party shall comply and the parties will cooperate to comply with their obligations under the Public Charter Regulations governing the sale and operation of public charters. Customer agrees to submit to Carrier such documents and information as may be required by the Public Charter Regulations within the time periods specified therefore; and

(c) Customer shall comply, and shall cause its agents and all passengers to be carried on Flights to comply with all Public Charter Regulations. Customer shall defend, indemnify and hold harmless Carrier from any loss, damages, claims, penalties, fines or expenses suffered or incurred by Carrier by reason of the failure of Customer or its agents, and/or any passenger to so comply. Carrier may terminate the Agreement without penalty or liability of any kind by notice to Customer due to a violation of any Public Charter Regulations.

(d) If during the Term or any extension of this Agreement, Customer obtains the authority to provide air transportation under 49 U.S.C. 41101, or an exemption therefrom, from the DOT, Customer, upon prior notice to Carrier, shall have the right to market Public Charter Flights operated under this Agreement directly as an air carrier and not under Public Charter Regulations.

(e) Whether as a public charter or as a direct air carrier, the Aircraft shall be marked with the words "Operated by ExpressJet Airlines, Inc." wherever required by the Public Charter Regulations, applicable law or statute.

(f) Customer shall be responsible for the sale of all Tickets (as defined in Section 11(a) below) for the Flights. Notwithstanding the foregoing, Tickets may be sold by Customer on its own website and reservation system, and may not be sold through another reservation or global distribution system without the prior written consent of Carrier, which consent may be withheld in the sole discretion of Carrier.

11. Acceptance and Conduct of Passengers

(a) Flight passenger tickets, or the equivalent, will be issued by Customer (hereinafter, a "Ticket"). A Ticket shall entitle the holder to board and be carried in the Aircraft only if (a) the holder is entitled to be carried as a passenger on the Flight in accordance with governmental regulations relating thereto and with the terms of the Agreement and (b) all obligations of Customer to Carrier under the Agreement and otherwise, and by the ticketholder to Customer and Carrier, have been materially performed prior to departure.

(b) Carrier will not be responsible for the transportation of passengers who fail to report at the check-in point at the departure airport at least thirty (30) minutes prior to the scheduled departure time. Carrier reserves the right to change the check-in requirement based on changes in security rules and other operational needs and to impose any fees, costs or taxes on Customer as a result of the imposition of such changes in check-in procedures, security rules, or operational requirements. Carrier assumes no responsibility for notifying passengers of any agreed departure time or for determining the number of or identity of persons boarded or transported on a Flight. If all passengers are not on board the Aircraft at the designated departure time and a representative of Customer is not present or available to request a delay, which delay must also be agreed to by the pilot-in-command, Carrier may, in its sole and exclusive judgment, delay the Flight or take-off. If any delay in excess of fifteen (15) minutes of the scheduled departure time of a Flight is caused through the action or at the request of Customer, and such delay creates additional costs to Carrier, then Customer agrees to reimburse Carrier for the reasonable costs incurred by Carrier as a direct result of such

delays. Carrier will invoice Customer for any such additional costs and Customer shall pay such charges within ten (10) days of receipt of said invoice.

(c) Carrier may refuse to transport, or may remove any passenger from any Flight for any of the reasons set forth below. Upon such removal, Carrier shall not be required to refund any Fees paid by Customer for such Flight:

i. In compliance with any government regulation, including but not limited to passenger and baggage screening and identification requirements, or requisition of space.

ii. Whenever necessary or advisable due to weather or other conditions beyond Carrier's control (including, without limitation, events of Force Majeure), whether actual, threatened or reported.

iii. If Carrier's Captain or First Officer determines that such passenger's conduct is disorderly, abusive or violent, or such passenger:

a) appears to be intoxicated or under the influence of drugs;

b) attempts to interfere with any member of the flight crew;

c) appears to be mentally deranged or incapacitated;

d) engages in any action that might jeopardize the safety or comfort of other passengers; or

e) causes any unusual hazard or risk to himself/herself or to other persons or to property.

iv. In accordance with Carrier's rules and regulations pertaining to acceptance of passengers or refusal to transport passengers, or other applicable rules and regulations of Carrier.

(d) Carrier may refuse to transport any passenger across any international boundary if the travel documents of such passenger are insufficient in the sole discretion of Carrier, or if a passenger's embarkation from, transit through, or entry into, any country would be unlawful.

12. Conditions of Acceptance of Cargo or Baggage

(a) Carrier will accept baggage consisting of such articles and other personal property reasonably necessary or appropriate for the wear, use, comfort or convenience of the Flight passengers (collectively, "Baggage") for transportation, subject to Carrier's standard baggage policies and the following conditions:

i. Total allowable Baggage per passenger shall not exceed the limit as defined by Carrier's baggage policy and the cargo bin limit contained in the Carrier's Aircraft Flight Manual;

ii. All Baggage is subject to search and inspection at any time;

iii. Carrier will not accept Baggage, the size, weight or character of which makes it unsuitable for transportation on the Aircraft, as determined in the sole discretion by Carrier. Items that are considered unacceptable for transportation in checked Baggage, with or without Carrier's knowledge thereof, include (without limitation): Hazardous Materials (defined below), money, negotiable papers, securities, irreplaceable business documents, books, manuscripts and publications, jewelry, silverware, precious metals, antiques, artifacts, paintings and other works of art, lifesaving medication, samples, photographic and electronic equipment, animals and other similar items.

(b) Services contracted for by Customer which eliminate destination-airport baggage claim and return flight baggage check-in, shall be the responsibility of the Customer and such contracts shall negate any liability Carrier would otherwise accept in consideration of baggage claims with the exception of gross negligence or willful misconduct on behalf of Carrier or its contracted service companies.

(c) Carrier will not be responsible for baggage interlined with another carrier.

(d) Carrier will not accept for carriage any cargo other than the checked Baggage of passengers.

(e) Carrier may refuse to accept property for transportation, including unchecked Baggage, that is not suitably packaged, in the sole discretion of Carrier, to withstand ordinary handling, the size, weight or character of which renders it unsuitable for transportation on the particular Aircraft to be used, or that cannot be accommodated without harming or annoying passengers.

(f) Notwithstanding anything to the contrary herein, fragile and perishable items (including, without limitation, glass, plastic, artistic items, pottery, wood, electronic/mechanical devices, flimsy garment bags, liquids, musical instruments, papers, food, plants, flowers, photographic equipment, toys and unsuitably protected recreational and sporting goods) will be accepted if appropriately packaged in a carton, mailing tube, or container designed for shipping such items or packed with airline-approved, protective material. Fragile and perishable items without appropriate packaging may be accepted only upon the execution by the passenger of a release furnished by Carrier which releases Carrier from and indemnifies it against liability for damage to, loss or spillage of contents of, delay in delivery resulting in damage to, or loss or spoilage of, such items. Carrier shall not be liable for delay in delivery of any perishables, nor for damage to or damage caused by fragile items, liquids or perishables that are unsuitably packed and that are included in a passenger's Baggage, with or without Carrier's knowledge.

(g) No firearms may be transported on any Flight.

(h) Up to four (4) animals may be transported in the Aircraft cabin in accordance with Carrier's policy manual in accordance with FAA regulations. Trained guide dogs, properly harnessed, and other permitted service animals will be allowed when accompanying a passenger with impaired vision or hearing, or other qualifying disability as defined in Part 382 of the Regulations. Animals may not be transported in the cargo bin of the Aircraft.

(i) The term "Hazardous Materials" shall mean any article or substance the transportation of which by air is prohibited, restricted or otherwise affected by any rule or regulation of the DOT, including the Pipeline and Hazardous Materials Safety Administration, the FAA, or the International Civil Aviation Organization. The following articles are classified as Hazardous Materials and must not be carried in Baggage or by passengers: compressed gases, corrosives (such as acids and wet batteries), explosives (such as fireworks and munitions), flammables (such as matches and lighter fuels), poisons, magnetic and radioactive materials and all other items restricted by government regulations.

(j) Customer shall be responsible for advising its passengers of the Carrier's conditions for acceptance of baggage and cargo.

13. Liability

(a) Carriage furnished hereunder is subject to the rules relating to liability established by the Convention for the Unification of Certain Rules Relating to International Transportation by Air signed at Warsaw, Poland, October 12, 1929, or that Convention as amended by The Hague Protocol, 1955, whichever may be applicable (hereinafter the "Convention"), unless such carriage is not international carriage or international transportation as defined by the Convention. For passengers on a journey to, from, or with an agreed stopping place in the United States of America, the Convention and special contracts of carriage embodied in applicable tariffs provide that the liability of certain carriers, parties to such special contracts, for death of or personal injury to passengers is limited in most cases to proven damages not to exceed U.S. \$75,000 per passenger, and that liability up to such limit shall not depend on negligence on the part of Carrier. The limit of liability of U.S. \$75,000 above is inclusive of legal fees and costs except that in cases of a claim brought in a state where provision is made for separate award of legal fees and costs, the limit shall be in the sum of U.S. \$58,000 exclusive of legal fees and costs. Additional protection can usually be obtained by purchasing insurance from a private company. In addition, liability for loss, delay or damage to Baggage is limited unless a higher value is declared in advance and additional charges are paid. For international travel (including domestic portions of international journeys), the liability limit for loss, delay or damage to Baggage is approximately \$9.07 per pound (\$20.00 per kilo) for checked Baggage and \$400 per passenger for unchecked Baggage in the custody/control of Carrier. The weight of each piece of checked Baggage will establish Carrier's liability limit; maximum liability, unless excess weight is noted and additional charges paid, is limited to Carrier free weight allowance. Excess valuation may not be declared on certain types of articles. Carrier assumes no liability for certain valuable, fragile, or perishable articles.

(b) With respect to claims other than those covered by Section 13(a) above, and except as otherwise provided herein, Carrier shall not be liable to Customer for any injury to or death of person(s), or for delay or damage to property, unless caused by Carrier's gross negligence or willful misconduct.

(c) Except as provided in Section 13(a) above, total liability for provable direct, incidental, and/or consequential damages resulting from the loss or delay of or damage to Baggage in Carrier's custody is limited to \$3,000 per passenger. Carrier assumes no responsibility or liability for Baggage carried in the passenger compartment of the Aircraft. Carrier assumes liability only for Baggage actually received by a representative of Carrier from the individual passenger at the departure airport. As between Customer and Carrier, Customer assumes all responsibility for Baggage in possession of transfer companies engaged by Customer. Customer agrees that Carrier is not liable for property not delivered to Carrier and agrees to indemnify, defend and hold

harmless Carrier from any claims brought against it by third parties alleging loss or damage to such property. No action shall be maintained for any loss or damage to or delay of checked Baggage not in possession of any passenger unless notice thereof is given in writing to Carrier within two (2) days after the date of the incident from which the action arose and unless legal action commences within one (1) year after the date of such incident. Notwithstanding any other provision of the Agreement, notice of missing Baggage must be given to Carrier or a representative designated by Carrier for the Flight within four (4) hours after arrival of the Flight. If notice is not given in accordance with this Section, or legal action is not commenced within the time period identified above, all such claims shall be considered waived. Carrier assumes responsibility only for those claims arising from the transportation of Baggage over its own routes under its direct control, and not caused by passengers or by agents of Customer. All claims are subject to proof of value and loss.

(d) Except as provided in Sections 13(a) and 13(c) above with respect to Baggage, CARRIER SHALL NOT UNDER ANY CIRCUMSTANCES BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, WHETHER UNDER CONTRACT, NEGLIGENCE, STRICT LIABILITY OR ANY OTHER THEORY OF LAW.

(e) Carrier shall not be liable for any act, omission or event during the time passengers are not aboard the Aircraft, except for damage caused by the acts or omissions of Carrier, its agents or its employees.

(f) Passengers shall have no right to claim any refund of their ticket fee, the Fees or any portions thereof from Carrier.

14. Carrier's Limited Obligation to Passengers

Customer shall have the sole responsibility and duty to inform all passengers of Carrier's limited obligations to passengers under the Agreement and Customer agrees to defend, indemnify and hold harmless Carrier for any claims, liability or damages for Customer's failure to do so.

15. Indemnities

(a) Customer agrees to defend, indemnify and hold harmless Carrier and its directors, officers, employees, parent and affiliated companies from and against any liabilities, fines, penalties, damages, losses, claims, causes of action, or expenses of any type whatsoever (including reasonable legal fees and out-of-pocket expenses) ("Claims") caused by or arising out of (i) any breach of the Agreement by Customer or its officers, directors, employees, passengers or agents; or (ii) any act or omission by Customer or its officers, directors, employees, passengers or agents which is negligent or a violation of any applicable governmental laws, rules or regulations; or (iii) any claim by any officers, directors, employees, or agents of Customer or any passenger on any Flight against Carrier that relates to or is based upon the proper exercise of Carrier's rights under the Agreement; (iv) failure of Customer to collect or remit any taxes; or (v) any Claims brought by any passenger or any person asserting derivative claims by, through or under any passenger against Carrier, except a Claim described in Section 15(b) below, except to the extent caused by (i) a violation of applicable law or regulation by, or (ii) the gross negligence or willful misconduct of, Carrier, its directors, officers, agents, employees and other authorized representatives, provided Carrier promptly notifies Customer thereof and reasonably cooperates in the defense thereof.

(b) Carrier agrees to defend, indemnify and hold harmless Customer, its directors, officers, employees, and affiliated companies from and against

any liabilities, fines, penalties, damages, losses, claims, causes of action, or expenses of any type whatsoever (including reasonable legal fees and out-of-pocket expenses) for any claims against Customer directly arising out of (i) the operation of the Aircraft hereunder by Carrier (ii) any breach of the Agreement by Carrier or its officers, directors, employees, passengers or agents; or (iii) any act or omission by Carrier or its officers, directors, employees, passengers or agents which is negligent or a violation of any applicable governmental laws, rules or regulations, except to the extent caused by (i) a violation of applicable law or regulation by, or (ii) the gross negligence or willful misconduct of, Customer, its directors, officers, agents, employees and other authorized representatives, provided Customer promptly notifies Carrier thereof and reasonably cooperates in the defense thereof.

(c) NEITHER PARTY SHALL, UNDER ANY CIRCUMSTANCES OR UNDER ANY THEORY OF LIABILITY (INCLUDING NEGLIGENCE), HAVE ANY LIABILITY TO THE OTHER PARTY FOR CONSEQUENTIAL, SPECIAL, INCIDENTAL AND/OR PUNITIVE DAMAGES INCLUDING, BUT NOT LIMITED TO, LOSS OF REVENUES RESULTING FROM ANY BREACH OF THIS AGREEMENT OR FAILURE OF EITHER PARTY TO PERFORM ANY OBLIGATION HEREUNDER. CARRIER AND CUSTOMER EXPRESSLY WAIVE ANY AND ALL RIGHTS THAT EITHER MAY HAVE OR OTHERWISE HAD TO SEEK AND/OR TO RECOVER SUCH DAMAGES, EXCEPT IF OCCASIONED BY WILLFUL MISCONDUCT OF THE OTHER PARTY. FOR THE AVOIDANCE OF DOUBT, CARRIER SHALL NOT BE LIABLE TO CUSTOMER FOR ITS FAILURE TO CONDUCT ANY FLIGHTS IN ACCORDANCE WITH THE TERMS OF THIS AGREEMENT (AND NOT OTHERWISE EXCUSED HEREUNDER) EXCEPT TO THE EXTENT MEASURED BY REASONABLE AMOUNTS, IF ANY, PAID BY CUSTOMER FOR SUBSTITUTE AIR TRANSPORTATION OVER THE FEES WITH RESPECT TO NON-OPERATED FLIGHTS.

16. Insurance

(a) Carrier shall maintain at its own cost during the term of the Agreement aircraft accident liability insurance as required by Part 205 of the Regulations.

(b) Carrier shall cause the policies of insurance described above to be duly and properly endorsed by its insurance underwriters to provide that Customer, its directors, officers, agents, employees and other authorized representatives shall be endorsed as additional insured parties thereunder as respects the operations of Carrier under the Agreement.

17. Representations and Warranties

(a) Carrier represents and warrants to Customer that:

i. Carrier is a corporation duly incorporated and in good standing under the laws of the State of Delaware and has the power to enter into and perform the Agreement.

ii. Carrier possesses a Certificate of Public Convenience and Necessity issued by the DOT authorizing it to engage in interstate air transportation and a Part 121 Air Carrier Certificate issued by the FAA (said certificates, collectively "Operating Authority"); as such, it is a DOT and FAA certified air carrier and complies with all governmental requirements and has all required authority from governmental agencies, including the FAA and DOT to perform the Flights it has committed to provide under the Agreement.

iii. Carrier is in good standing in the state of its incorporation and is qualified to do business in each state where the failure to be in good standing would impair its ability to perform its obligations under the Agreement.

iv. The Agreement and the execution, delivery and performance thereof by Carrier have been duly authorized by all necessary corporate actions on the part of Carrier and will not violate any provision of law, any order of any court or agency of the government, the Certificate of Incorporation or by-laws of Carrier or, to the best of Carrier's belief, any provision of any indenture, agreement or other instrument by which Carrier is bound.

(b) Customer represents and warrants to Carrier that:

i. Customer is a corporation duly incorporated and in good standing under the laws of its state of incorporation, or if not a corporation, is otherwise duly constituted and organized and has the power to enter into and perform the Agreement.

ii. The Agreement and the execution, delivery and performance thereof by Customer have been duly authorized by all necessary corporate or other actions on the part of Customer and will not violate any provision of law, any order of any court or agency of the government, the Certificate of Incorporation or by-laws of Customer or, to the best of Customer's belief, any provision of any indenture, agreement or other instrument by which Customer is bound.

iii. It will, at its own expense, provide timely notification in writing to all passengers to be carried on the Flights of all restrictions, limitations and obligations specified in the Agreement which affect such passengers. Customer shall incorporate such terms by reference as permitted by regulation included in any contract Customer enters into with any passenger. Customer will defend, indemnify and hold harmless Carrier against any and all claims by passengers, including the entire cost of such proceedings and reasonable attorneys' fees, which arise from their failure to receive the notification specified in this Section 17(b)(iii) due to any cause whatsoever.

iv. Except as set forth in Section 17(a)(ii), it holds all licenses, permits or other special licenses required of Customer to allow Carrier to perform the services contemplated by this Agreement as required by law.

18. Customer's Responsibility for Damages to Carrier's Property

Customer shall be responsible for all damage by passengers to the property of Carrier, excepting reasonable wear and tear.

19. Flight Cancellations and Refunds

In the event that any Flight or Flights are cancelled at the request of Customer, Customer agrees to pay to Carrier, as liquidated damages but not as a penalty, a cancellation charge to be computed as follows:

(a) In the event that a Flight is cancelled at thirty (30) or more calendar days prior to the date the Flight is scheduled to depart from its point of origin, the cancellation charge shall be ten percent (10%) of the total Fees for such Flight before taxes.

(b) In the event that a Flight is cancelled at fifteen (15) calendar days or more prior to the date the Flight is to depart from its point of origin, the cancellation charge shall be fifty percent (30%) of the total Fees for such Flight before taxes.

(c) In the event that a Flight is cancelled less than fifteen (15) calendar days prior to the date the Flight is to depart from its point of origin, the cancellation charge shall be fifty percent (50%) of the total Fees for such Flight before taxes.

(d) Notwithstanding anything contained in this Section 19 to the contrary, any advance payment made by Customer in exchange for a guaranteed reservation of flight hours that must be used within a particular time period, must be used within that time period or a reasonable time thereafter not to exceed thirty (30) days, or the advance payment will not be refunded

(e) In the event any Flights are so arranged as to provide for a series of round-trip Flights which do require the repositioning of Aircraft without payload and one or more (but not all) of such series of Flight is cancelled for any of the reasons set forth herein, Customer agrees to pay to Carrier a cancellation charge equal to the greater of (1) the ferry rate per hour as applicable, multiplied by the flight hours operated without payload in order to complete the series of Flights, plus the ferry departure charge, if any, as indicated in this Agreement; or (2) the amount due under paragraph (a), (b) or (c), as applicable, of this Section 19.

(f) Carrier may apply any payments made by Customer pursuant to this Agreement to such cancellation charges. Cancellation charges set forth in this Section shall become due and payable at the time of such cancellation unless full payment for such Flight has been made, in which case any remaining balance of the payment shall be promptly refunded to Customer.

20. Confidentiality

Carrier and Customer acknowledge and agree that, in the course of their due diligence review, in the course of the negotiations of the Agreements and during the performance of the Agreement, the parties may receive information belonging to the other (the "Disclosing Party") that is proprietary and confidential, the unauthorized disclosure of which could injure the interests and the business of the Disclosing Party. The receiving party will maintain any information that it receives (the "Information") in the strictest confidence, will accord to it the same treatment and care as it applies to its own proprietary and confidential information, and will not disclose any Information to any third party other than to its principals, executives, employees, advisors or representatives (in the case of Carrier, including Continental Airlines, Inc., United Air Lines, Inc. or financing parties, and in the case of Customer, any financing parties) who have a need to know and only in connection with its due diligence review as contemplated hereby or otherwise in furtherance of the Agreement, the receiving party (a) will use all reasonable efforts to ensure that its principals, executives, employees, advisors and representatives will maintain the Information in the strictest confidence; and (b) will explicitly inform any such person of the foregoing provisions of this Section 20 and of the requirement of confidentiality that applies to the Information. The foregoing provisions will not apply to any information (i) that is obtained from a third party not known to the receiving party to be bound by any confidentiality obligation to the

Disclosing Party in respect of such information; (ii) that is publicly available (other than by reason of any unauthorized disclosure by the receiving party or its shareholders, principals, executives, employees, advisors or representatives); (iii) that is required by law or regulation, judicial proceeding, governmental order or rule of any recognized stock exchange or regulatory agency to be disclosed; (iv) that is required to be disclosed in any public filing with a regulatory authority; or (v) that is required to be disclosed to passengers on any of the Flights. Within ten (10) business days of the termination or cancellation of the Agreement, each party shall return to the other party all Information it receives from the other party in connection with this Agreement, including, without limitation, all manuals.

21. Public Announcements

Carrier and Customer shall mutually agree on the form and content of any public announcement to be made concerning this Agreement and neither Carrier nor Customer shall make any such public announcement without the consent of the other; provided that nothing herein shall prohibit Carrier or Customer from making any public announcement or other disclosure required by law or necessary to be given to passengers on any of the Flights; provided further, however, that each party agrees to use its reasonable efforts to consult with the other before making any such public announcement or other disclosure.

22. General Provisions

(a) Integration. The terms of these Standard Terms and Conditions shall be deemed to be part of the Agreement as if fully set forth therein. Any reference herein to the Agreement shall be considered to be a reference to the Agreement, to these Standard Terms and Conditions, and to any exhibit or schedule to either of said instruments.

(b) Notices. All notices, demands or other communications given under the Agreement and the documents and instruments required hereby shall be in writing and shall be mailed by first-class, registered or certified mail, return receipt requested, postage prepaid, or transmitted by hand delivery (including delivery by courier), telegram, telex, or facsimile transmission, addressed as follows:

i. If to Carrier:

ExpressJet Airlines, Inc.
Attn: Cathy Harris
700 N Sam Houston Parkway West, Suite 200
Houston, TX 77067

With a copy to:

ExpressJet Airlines, Inc.
Attn: General Counsel
700 N Sam Houston Parkway West, Suite 200
Houston, TX 77067

ii. If to Customer: To the address set forth in Article VI of the Agreement.

Or to such other address which each party may designate by notice in writing. Each such notice, demand or other communication which shall be mailed, delivered or transmitted in the manner described above shall be deemed given for all purposes at such time as it is delivered to the addressee (with the return receipt, the delivery receipt, the affidavit of messenger or (with respect

to a telex) the answer back being deemed conclusive (but not exclusive) evidence of such delivery or at such time as delivery is refused by the addressee upon presentation.

(c) Governing Law. The Agreement and the documents and instruments required hereby shall be governed and construed in accordance with the law of the State of Texas without regard to its conflict of laws principles or rules.

(d) Amendment. No term, condition, representation, warranty, covenant or agreement contained in the Agreement or the documents and instruments required hereby may be changed or waived, but only by an instrument in writing signed by Carrier and Customer.

(e) Binding Effect. All of the terms, conditions, stipulations, warranties, representations and covenants of the Agreement and the documents and instruments required hereby shall apply to and be binding upon and shall inure to the benefit of the parties and their respective successors and assigns.

(f) Counterparts. The Agreement may be executed in separate counterparts, none of which need contain the signatures of all parties, each of which shall be deemed to be an original, and all of which taken together shall constitute one and the same instrument.

(g) Assignment. The Agreement shall not be assignable by either party without the prior written consent of the other party. Subject to the foregoing, the Agreement shall be binding upon and inure to the benefit of the parties and their successors and assigns.

(h) Independent Contractor. Carrier is and shall remain at all times an independent contractor of Customer in providing the Flights, and all persons employed by Carrier in connection with the provision of such Flights shall be and remain employees solely of Carrier and subject only to the supervision of Carrier's supervisory personnel. Except as specifically provided herein, none of the parties shall act or represent or hold itself out as having authority to act as an agent or partner of the other party, or in any way bind or commit the other party to any obligations. Nothing contained in this Agreement shall be construed as creating a partnership, joint venture, agency, trust or other association of any kind, each party being individually responsible only for its obligations as set forth in this Agreement. In the event that a travel company or other entity assists or provides Customer with services related to the Flights or makes arrangements for hotel accommodations, tours or land travel, such company or other entity shall act solely as a representative of Customer and not of Carrier, Customer shall advise each passenger of prohibited items not allowed in a sterile area.

(i) Brokers. Neither Carrier nor Customer has retained or agreed to pay any broker or finder with respect to this Agreement and the transactions contemplated hereby.

(j) Non-Waiver. No failure by either party to exercise any power given hereunder or to insist upon strict compliance with any obligation specified herein, and no customs or practices at variance with the terms hereof, shall constitute a waiver of either party's right to demand compliance with the terms hereof.

(k) Prior Agreements. The Agreement supersedes all prior communications and agreements of the parties applicable to the Flights and any other services provided for herein and may only be amended by an instrument in writing signed by authorized representatives of the parties hereto.

(l) Attorneys' Fees. If any action or proceeding is brought by any party with respect to the Agreement or the transactions referred to herein, or with respect to the interpretation, enforcement or breach hereof, the prevailing party in such action shall be entitled to an award of all reasonable costs of litigation, including, without limitation, attorneys' fees, to be paid by the losing party, in such amounts as may be determined by the court having jurisdiction of such action or proceeding.

(m) Arbitration. The parties agree to attempt in good faith to resolve any controversy or claim arising out of or relating to the Agreement by meetings between the senior management of both parties ("Consultation"). If the matter has not been resolved pursuant to the aforesaid Consultation within forty-five (45) days of the commencement of such Consultations (unless extended by mutual agreement), or if a resolution satisfactory to both parties is not concluded, the parties agree that the controversy shall be settled by binding arbitration as the exclusive method of dispute resolution in accordance with the Commercial Rules of the American Arbitration Association by a sole arbitrator ("Arbitration"). The Arbitration shall be governed by the Federal Arbitration Act, 9 U.S.C. §1 *et. Seq.*, and judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. The place of Arbitration shall be Houston, Texas. The arbitrator shall decide any dispute according to the terms of the Agreement and governing law as specified in Section 22(c) above. The arbitrator is not empowered to award damages in excess of the amounts specified in the Agreement or otherwise in excess of actual damages and no damages may be awarded for loss of revenue or profit or any indirect, incidental, consequential or punitive damages of any kind or nature. Carrier and Customer hereby consent to the personal jurisdiction of the Federal or State courts located in Harris County, Texas with respect to the Agreement with respect to the enforcement of a judgment of an award rendered by an arbitrator pursuant to this Section 22(m).

(n) Carrier's Media and Filming Policy. In addition to Carrier's Media Policy (a copy of which may be obtained by request) and any and all applicable regulations of the FAA, DOT or other governing authority in effect from time-to-time with respect to media and filming on the Aircraft, the following shall apply to all Flights:

i. Filming During Flight. Filming or photography on board the Aircraft during a Flight shall only be permitted during such time when the use of electronic devices is permitted; provided, however, that (i) no filming or photography for commercial purposes shall be permitted without the prior written consent of Carrier, which consent may be granted or withheld in the sole discretion of Carrier and (ii) Carrier or its crew may require that such activities be discontinued at any time during a Flight if Carrier believes, in Carrier's sole opinion, such activities would jeopardize the safety of passengers and/or the Aircraft if such activities were to continue

ii. Filming Aboard Stationary Aircraft. Filming or photography on board the Aircraft while stationary shall not be permitted without the prior written consent of Carrier, which consent may be granted or withheld in the sole discretion of Carrier. All activities shall be conducted in accordance with the instructions and policies of Carrier or its authorized representative and shall not interfere with any operations related to the Aircraft.

iii. Customer's Obligations. In addition to the other obligations of Customer set forth in this Agreement, Customer agrees to cause its agents, officers, employees, passengers and prospective

passengers to observe the terms and conditions of this Section 22(n). In the event that Customer, its agents, officers, employees, or any passenger or prospective passenger on any Flight fails to observe this Section, Carrier shall have the right to take any action that it believes to be necessary to prevent such failure to comply with such policies, including, but not limited to, confiscating any media devices, removing passengers from such Flight or refusing to operate the applicable Flight until such failure breach is cured to Carrier's satisfaction, without liability or penalty of any kind to Carrier.