

STANDSTILL AGREEMENT
Effective Date: February 1, 2017

This Standstill Agreement is between the City of Santa Monica, California (“the City”), on the one hand, and Delux Public Charter LLC (“Delux”) and JetSuiteX, Inc. (“JetSuiteX”), on the other hand (collectively, the “Parties”).

Existing Disputes

The City is a State of California Charter City and Municipal Corporation, organized and existing under and by virtue of the Constitution and laws of the State of California, located in the County of Los Angeles, California. The City owns and operates the Santa Monica Municipal Airport (“SMO”).

Delux is a Delaware LLC and an air transportation company with its mailing address and California office located at 18952 MacArthur Blvd, Suite 200, Irvine, California. Delux intends to begin conducting commercial activities by and through JetSuiteX at SMO on February 6, 2017.

JetSuiteX is a Delaware C Corporation and on-demand public charter company with its principal executive office and principal business office located at 18952 MacArthur Blvd, Suite 200, Irvine, California. JetSuiteX has publicly stated its intention to begin conducting commercial activities at SMO, including public charter services, as soon as February 6, 2017.

Disputes exist between the Parties concerning JetSuiteX’s stated intent to operate at SMO.

Purpose

The purpose of this Standstill Agreement is to allow the Parties time to attempt to resolve the existing disputes related to JetSuiteX’s proposed operations at SMO short of litigation.

Agreement

To achieve this purpose, and based on good and valid consideration, the Parties agree to enter into this Standstill Agreement, which is valid through at least February 15, 2017.

The Parties agree:

1. JetSuiteX will not commence any operations at SMO before at least February 15, 2017;
2. JetSuiteX will make a public announcement upon execution of this Agreement that it will not commence any operations at SMO before at least February 15, 2017;
3. The City will not lease the space requested by JetSuiteX, as referenced in its Commercial Operations Permit (COP), namely 1,985 square feet of space at 3100 Donald Douglas

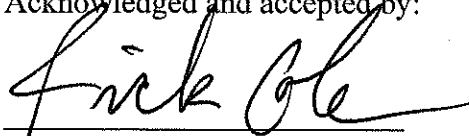
Loop, Santa Monica, CA 90403 through at least February 15, 2017 and will continue to process the COP in accordance with applicable law;

4. The City will not commence litigation or other proceedings against JetSuiteX before at least February 15, 2017;
5. The Parties will work together to issue a joint public statement concerning the suspension of JetSuiteX's operations at SMO until at least February 15, 2017;
6. This Standstill Agreement may be extended, supplemented, amended, or modified only by the mutual agreement of the Parties. No extension, supplement, amendment, or modification of this Agreement shall be binding unless it is in writing and signed by all Parties.
7. Nothing in this Standstill Agreement is intended to nor should be construed to compromise or waive any claim, counterclaim or defense in connection with any future litigation or other proceedings brought by the City against JetSuiteX or by JetSuiteX against the City.


Authority

By signing below, the below signed each affirm that they are duly empowered and authorized to enter into this Standstill Agreement on behalf of and to bind the City and JetSuiteX, respectively, to the terms set forth herein.

Acknowledged and accepted by:

 Date Feb. 1, 2017
Rick Cole
City Manager
City of Santa Monica

Approved as to form:

 Date Feb. 1, 2017
Joseph Lawrence
Interim City Attorney
City of Santa Monica



Alex Wilcox
CEO, JetSuiteX

Date Feb 01, 2017