

# CORPORATE FARE TERMS & CONDITIONS

Updated January 2017

The following terms and conditions govern the Corporate Fare Agreement. It is the Purchaser's responsibility to read and understand all the terms and conditions. There are no exceptions to these terms and conditions except as specifically referenced in the Corporate Fare Agreement.

## CONDITIONS

The discounts set forth in the Corporate Fare Agreement apply for travel by Eligible Travelers traveling on company business only. "**Eligible Traveler**" means any passenger where the party executing the Corporate Fare Agreement (referred to herein as the "**Purchaser**") (or one of its subsidiaries or corporate affiliates) is responsible for payment of the ticket, including but not limited to Purchaser's employees, contractors, agents, guests and consultants as authorized in the Agreement.

Discounts are not cumulative and cannot be combined with other offers, discounts, or coupons.

Discount not valid on all fares, including but not limited to Mileage Plan Award Reservations, Alaska Airlines Vacation packages, tour fares, most discounted first class fares and many privately filed fares.

Discounts apply only at point of purchase.

Discounts will not apply retroactively.

All travel must be booked in the applicable class of service for discounts to apply.

The discounts set forth in the Corporate Fare Agreement apply to all flights marketed by Alaska Airlines and operated by Alaska Airlines, Horizon Air, SkyWest or Virgin America, all flights marketed and operated by Virgin America, and on the following flights marketed by Alaska Airlines and operated by PenAir; 3275-3299, 9280-9299, 9300-9319.

Tickets issued under the Corporate Fare Agreement may not combine any Alaska fare with a private fare filed by another airline. Tickets issued in violation of this rule will result in issuance of a debit memo.

## MONTHLY REPORTS

In addition to the foregoing conditions, Purchaser agrees to either (1) grant Alaska access to Purchaser's travel data through Prism or a similar reporting system for the purpose of determining if Alaska/Horizon's and Virgin America's respective market shares of

Purchaser's travel meet the requirements under the Corporate Fare Agreement, or (2) provide monthly segment share reports in a format reasonably acceptable to Alaska showing Alaska/Horizon's and Virgin's respective market shares of Purchaser's travel for the city pairs for which Purchaser receives a discounted fare.

Purchaser shall provide the monthly segment share reports within 20 days after the close of the month being measured. All such reports and all information contained in them, in whole or in part, shall be deemed Confidential Information (as defined below) and handled in accordance with the parties' confidentiality obligations below.

## TRAVEL AGENCY DESIGNATION

Purchaser agrees to provide Alaska with the name and ARC number(s) of the travel agency(s) that it has designated to ticket passengers using the discount noted in the Corporate Fare Agreement, provided, however, Purchaser's selection of a travel agent must be acceptable to Alaska, in its reasonable discretion. Any changes in this designation must be relayed to Alaska prior to the effective date of the change or as soon as reasonably practicable thereafter.

## MILEAGE PLAN

Purchaser will accrue mileage in the Alaska Airlines Mileage Plan in the standard manner. All rules relating to Mileage Plan upgrades and awards apply. All rules relating to the Mileage Plan set forth on Alaska's Mileage Plan website at <http://www.alaskaair.com/mileageplan/MPtoc.asp> apply. Purchaser may also be eligible to participate in Alaska's EasyBiz Mileage Plan.

## TERMINATION

Either party will have the right to terminate the Corporate Fare Agreement if the other party breaches any material term or condition of the Corporate Fare Agreement and fails to cure such breach within 30 days after receipt of written notice from the non-breaching party.

## CONTRACT OF CARRIAGE

Alaska/Horizon/Virgin America have no duties and liabilities to Eligible Travelers availing themselves of air transportation services under the Corporate Fare Agreement other than as required by applicable law and the Alaska/Horizon/Virgin America standard contracts of carriage applicable to all air transport passengers of Alaska/Horizon/Virgin America. The parties acknowledge and agree that the contractual right of Purchaser to purchase air transportation at discounts pursuant to the terms of the Corporate Fare Agreement is the right of Purchaser, and not that of its employees, who are not parties to the Corporate Fare Agreement and have no rights pursuant to the Corporate Fare Agreement.

## RECORDS AND AUDIT

During the term of the Corporate Fare Agreement and for three years thereafter, each party agrees to keep all usual and proper records and books of account and all usual and proper entries relating to the performance of its obligations hereunder, including but not limited to the monthly reports to be compiled and submitted by Purchaser.

## NOTICES

All notices given hereunder to Purchaser or Alaska shall be in writing delivered by hand, US certified mail, overnight carrier service, electronic mail to those with whom day-to-day communication occurs at the address or email from which the recipient regularly communicates in the course of the performance of this Agreement, or confirmed facsimile at the addresses or fax numbers indicated in the Corporate Fare Agreement, and will be effective when received.

## COOPERATION IN REGULATORY COMPLIANCE

Alaska shall reasonably cooperate with Purchaser with regard to regulatory compliance matters relating to the Corporate Fare Agreement. Such cooperation shall include, but is not limited to responding in good faith to reasonable requests to change or modify the Corporate Fare Agreement as it relates to Purchaser's regulatory compliance. Alaska agrees that the Office of the Comptroller of the Currency ("**OCC**") or such other financial institution regulator with jurisdiction over Purchaser may examine and regulate Alaska's activities relating to the performance of the Corporate Fare Agreement, to the extent such authority is granted under 12 U.S. C. 1867(c). Alaska shall provide all information reasonably requested by the OCC or other regulator in connection with any such examination and provide reasonable assistance and access to all equipment, records, and systems reasonably requested by the OCC or other regulator. Alaska agrees to comply with all reasonable recommendations that result from such regulatory examinations within reasonable timeframes.

## CONFIDENTIALITY

### **Definition of Confidential Information.**

Each party agrees that all information supplied by one party and its affiliates and agents (collectively, the "**Disclosing Party**") to the other ("**Receiving Party**") including, without limitation, (i) source and object code, prices, trade secrets, mask works, databases, hardware, software, designs and techniques, programs, engine protocols, models, displays and manuals, and the selection, coordination, and arrangement of the contents of such materials and (ii) any unpublished information concerning research activities and plans, customers, marketing or sales plans, sales forecasts or results of marketing efforts, pricing or pricing strategies, costs, operational techniques, strategic plans, and unpublished financial information,

including information concerning revenues, profits and profit margins will be deemed confidential and proprietary to the Disclosing Party, regardless of whether such information was disclosed intentionally or unintentionally or marked as “confidential” or “proprietary” (“**Confidential Information**”). Purchaser may use the Alaska name or logo for internal communications to their employees. Any other use of the Alaska name or logo must be approved in writing by Alaska.

**Exclusions.**

Confidential Information will not include any information or material, or any element thereof, to the extent any such information or material, or any element thereof: (a) has previously become or is generally known, unless it has become generally known through a breach of the Corporate Fare Agreement or a similar confidentiality or non-disclosure agreement; (b) was already rightfully known to the Receiving Party prior to being disclosed by or obtained from the Disclosing Party as evidenced by written records kept in the ordinary course of business of or by proof of actual use by the Receiving Party; (c) has been or is hereafter rightfully received by the Receiving Party from a third person (other than the Disclosing Party) without restriction or disclosure and without breach of a duty of confidentiality to the Disclosing Party; or (d) has been independently developed by the Receiving Party without access to Confidential Information of the Disclosing Party. It will be presumed that any Confidential Information in a Receiving Party’s possession is not within exceptions (b), (c) or (d) above, and the burden will be upon the Receiving Party to prove otherwise by records and documentation.

**Treatment of Confidential Information.**

Each party recognizes the importance of the other’s Confidential Information. In particular, each party recognizes and agrees that the Confidential Information of the other is critical to their respective businesses and that neither party would enter into the Corporate Fare Agreement without assurance that such information and the value thereof will be protected as provided in this provision. Accordingly, each party agrees as follows: (a) the Receiving Party will hold any and all Confidential Information it obtains in strictest confidence and will use and permit use of Confidential Information solely for the purposes of the Corporate Fare Agreement. Without limiting the foregoing, the Receiving Party shall use at least the same degree of care, but no less than reasonable care, to avoid disclosure or use of this Confidential Information as the Receiving Party employs with respect to its own Confidential Information of a like importance; (b) The Receiving Party may disclose or provide access to its responsible employees who have a need to know and may make copies of Confidential Information only to the extent reasonably necessary to carry out its obligations hereunder; (c) The Receiving Party currently has, and in the future will maintain in effect and enforce, rules and policies to protect against access to or use or disclosure of Confidential Information other than in accordance with the Corporate Fare Agreement, including without limitation written instruction to and agreements with employees and agents who are bound by an obligation of confidentiality no less stringent than set forth in this provision to ensure that such employees and agents protect the confidentiality of Confidential Information. The Receiving Party expressly will instruct its employees and agents not to disclose Confidential Information to third parties, including without limitation customers, subcontractors or consultants, without the Disclosing Party’s

prior written consent; and (d) The Receiving Party will notify the Disclosing Party immediately of any unauthorized disclosure or use, and will cooperate with the Disclosing Party to protect all proprietary rights in and ownership of its Confidential Information.

**Compelled Disclosures.**

To the extent required by applicable law or by lawful order or requirement of a court or governmental authority having competent jurisdiction over the Receiving Party, the Receiving Party may disclose Confidential Information in accordance with such law or order or requirement, subject to the following conditions: As soon as possible after becoming aware of such law, order or requirement and prior to disclosing Confidential Information pursuant thereto, the Receiving Party will so notify the Disclosing Party in writing and, if possible, the Receiving Party will provide the Disclosing Party notice not less than five (5) business days prior to the required disclosure. The Receiving Party will use reasonable efforts not to release Confidential Information pending the outcome of any measures taken by the Disclosing Party to contest, otherwise oppose or seek to limit such disclosure by the Receiving Party and any subsequent disclosure or use of Confidential Information that may result from such disclosure. The Receiving Party will cooperate with and provide assistance to the Disclosing Party regarding such measures. Notwithstanding any such compelled disclosure by the Receiving Party, such compelled disclosure will not otherwise affect the Receiving Party's obligations hereunder with respect to Confidential Information so disclosed.

**Return of Confidential Information.**

On a party's written request or upon expiration or termination of the Corporate Fare Agreement, the other party will promptly: (a) return or destroy, at the requesting party's option, all originals and copies of all documents and materials it has received containing Confidential Information; and (b) deliver or destroy, at the requesting party's option, all originals and copies of all summaries, records, descriptions, modifications, negatives, drawings, adoptions and other documents or materials, whether in writing or in machine-readable form, prepared by the responding party, prepared under its direction, or at its request from the documents and materials referred to in subparagraph (a), and provide a notarized written statement to the requesting party certifying that all documents and materials referred to in subparagraphs (a) and (b) have been delivered to the requesting party or destroyed, as requested by the requesting party, except such excerpts or residuals as may have been incorporated into internal business documents generated and maintained by the Receiving Party in the ordinary course of business and/or the relationship and/or transaction contemplated by this Agreement.

**Non-Exclusive Equitable Remedy.**

Each party acknowledges and agrees that due to the unique nature of Confidential Information there can be no adequate remedy at law for any breach of its obligations hereunder, that any such breach or threatened breach may allow a party or third parties to unfairly compete with the other party resulting in irreparable harm to such party, and therefore, that upon any such breach or any threat thereof, each party will be entitled to appropriate equitable and injunctive relief from a court of competent jurisdiction without

the necessity of proving actual loss, in addition to whatever remedies either of them might have at law or equity before an arbitrator in accordance with the arbitration provision of the Corporate Fare Agreement. Any breach of this provision will constitute a material breach of the Corporate Fare Agreement and be grounds for immediate termination of the Corporate Fare Agreement in the exclusive discretion of the non-breaching Party.

**Announcements; Publicity.**

During the term and at all times after the termination or expiration of the Corporate Fare Agreement, neither party shall make any media release or other public announcement relating to or referring to the Corporate Fare Agreement without the other party's prior written consent, which may be withheld for any or no reason. Alaska will not refer to Purchaser as a customer or client, or for any marketing, commercial or other public purpose, or disclose the existence or terms of this Agreement, except as required by law.

**DISPUTE RESOLUTION**

The parties shall follow these dispute resolution processes in connection with all disputes, controversies or claims, whether based in law or equity or any other legal theory (collectively "**Disputes**"), except as otherwise noted, arising out or relating to the Corporate Fare Agreement or the breach or alleged breach thereof. The parties will attempt to settle all Disputes through good faith negotiations. If those attempts fail to resolve the Dispute within 30 days of the date of initial demand for negotiation, then the parties shall try in good faith to settle the Dispute by mediation conducted in Seattle, Washington under the Commercial Mediation Rules of the American Arbitration Association ("**AAA**"). Each party shall bear its own expenses; the Parties shall equally share the filing and other administrative fees of the AAA and the expenses of the mediator. The Parties shall be represented at the mediation by representatives having final settlement authority over the matter in dispute. Any Disputes not finally resolved at the mediation level shall be settled by binding arbitration in accordance with the then current Commercial Arbitration Rules of the American AAA by one neutral arbitrator, by arbitration conducted in Seattle, Washington. The arbitrator shall not have the power to award damages in excess of actual damages, such as punitive damages. The Federal Arbitration Act, 9 U.S.C. Sections 1 to 14, shall govern the interpretation and enforcement of this dispute resolution provision. Any decision shall be in accordance with the law and the evidence of record, and shall be promptly rendered in writing.

Disputes relating to either infringement, unauthorized use or misuse of a party's trademarks, or other intellectual property, a violation of which would cause that party irreparable harm for which damages would be inadequate, shall be exempt from the dispute resolution processes described in this provision to the extent necessary to seek preliminary injunctive or other judicial relief in a court of competent jurisdiction.

## MISCELLANEOUS

### **Entire Agreement.**

These terms and conditions along with the Corporate Fare Agreement contain all of the covenants and agreements between the Parties with respect to the subject matter of the Corporate Fare Agreement, and supersede any and all prior negotiations, representations and agreements, whether written or oral, between the Parties with respect to such subject matter. Each party acknowledges that no representations, inducements, promises or agreements, orally or otherwise have been made by any party. No other agreement, statement or promise not contained in these terms and conditions or the Corporate Fare Agreement, and no changes or modifications to the Corporate Fare Agreement, shall be effective unless it is in writing and signed by both Parties.

### **Waivers.**

All waivers hereunder must be made in writing by a duly authorized representative of the party against whom the waiver is to operate, and failure at any time to require the other party's performance of any obligation under the Corporate Fare Agreement shall not affect the right subsequently to require performance of that obligation.

### **Severability.**

If any provision of the Corporate Fare Agreement or the application thereof to any persons or circumstances is, to any extent, held invalid or unenforceable by a court of competent jurisdiction, or if the Securities and Exchange Commission or Federal Trade Commission impose any obligations on either party that cause any provision of the Corporate Fare Agreement to be invalid, the remainder of the Corporate Fare Agreement or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable will not be affected thereby to the extent the benefits conferred upon the parties by the Corporate Fare Agreement remain substantially unimpaired, and each provision of the Corporate Fare Agreement will be valid and enforceable to the extent permitted by law. If severability of the provision(s) would materially change the benefits of the Corporate Fare Agreement to either party, the parties shall modify such provision(s) to obtain legal, enforceable and valid provision(s) and provide benefits to the parties that most nearly affect the parties' intent in entering into the Corporate Fare Agreement.

### **Governing Law.**

For purposes of enforcing the dispute resolution provisions above, the Corporate Fare Agreement will be governed by and construed and enforced in accordance with the laws of the State of Washington and the parties consent to exclusive jurisdiction and venue in the state and federal courts sitting in King County, Washington. If any party employs attorneys to enforce any rights arising out of or relating to the Corporate Fare Agreement, the substantially prevailing party shall be entitled to recover its costs, including reasonable attorneys' fees.

### **Damages.**

Neither party will be liable to the other party for any indirect, special, incidental or consequential damages, including lost revenues, lost profits or lost prospective economic

advantage, whether or not foreseeable and whether or not based on contract, statutory liability, tort, warranty claims or otherwise in connection with the Corporate Fare Agreement, and/or the products or services provided hereunder, and each party hereby releases and waves any claims against the other party regarding such damages.

**Assignments.**

Purchaser may not assign a right or delegate any performance under the Corporate Fare Agreement without the prior written consent of Alaska.

**Survival.**

Each party's obligations under "Confidentiality," "Dispute Resolution" and "Records and Audit," shall survive termination of the Corporate Fare Agreement.