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Operator-Participant Agreement

This Operator-Participant Agreement ("Agreement") sets forth the terms and conditions under which Lānaʻi Resorts LLC, 733 Bishop St. Suite 1500, Honolulu HI 96813 ("Charter Operator"), agrees to provide you ("Participant" or "Passenger") with public charter air transportation ("Charter") in return for payment in the amount indicated as the total Charter price. This Agreement applies to all public charter flights offered by Charter Operator, and is in addition to the Lānaʻi Air operated by Western Aircraft Terms and Conditions between Participant and Carrier (defined below), which sets forth the terms and conditions under which passengers and their baggage are carried on Charter flights, and establishes a separate contract between the Participant and the Carrier.

1. **Disclosure**
   a. Western Aircraft, Inc. is a Commuter Air Carrier ("Carrier") conducting scheduled, on-demand, and public charter flights.
   b. Lāna'i Air is a trade name of Western Aircraft, Inc.
   c. Lāna'i Resorts, LLC is a United States Public Charter Operator under Section 380.2 of the DOT regulations, 14 C.F.R. § 380.2, and has registered as an indirect air carrier under Part 380 for the public charters operated by Western Aircraft, Inc. under the trade name "Lāna'i Air."
   d. Western Aircraft, Inc. is at all times the licensed operator. Lānaʻi Resorts, LLC has no operational control of Western Aircraft's flights operated under the Lāna'i Air trade name.

2. **General**
   a. Lānaʻi Resorts, LLC, 733 Bishop St., Suite 1500, Honolulu, HI 96813, is the authorized Public Charter Operator.
   b. Western Aircraft, Inc. dba Lāna'i Air, 4300 West Kennedy St. Boise ID 83705, is the direct air carrier certified by the Federal Aviation Administration to perform flights pursuant to 14 CFR Part 135.
   c. The price of the flight, date of travel, origin and destination cities and other conditions are as specified in the applicable flight issued itinerary and are incorporated herein by reference.
   d. The price includes air transportation and any applicable taxes, fees, and charges for travel only; unless specified it does not include any ground transportation, accommodations, or services.

3. **Responsibility**

   Lānaʻi Resorts, LLC is the Charter Operator and is responsible for providing public charter air transportation services to the Participant. Participant understands that no ground transportation, hotel, or other lodging accommodations are offered as a part of the public charter air transportation. Participant further understands that Lānaʻi Resorts, LLC, unless negligent, is not responsible for personal injury caused by any direct air carrier or other supplier of services in connection with the public charter air transportation.

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4. Air Transportation

a. Public charter flights are operated by Western Aircraft, Inc. dba Lāna'i Air using nineteen (19) passenger-seat Cessna SkyCourier aircraft. Lāna'i Air provides air transportation subject to applicable laws, rules, regulations, and agreements, and the performance of each flight is subject to the issuance of such approvals, clearances, permits, and operating authorities as may be required by any government, governmental agency, or airport authority for the operation of such flight.

b. Western Aircraft, Inc. reserves the right to change aircraft type in the event the Cessna SkyCourier aircraft is unavailable for mechanical reasons. Such a change in aircraft type is not considered a Major Change, as described in Section 7, and no refund will be provided for such an aircraft change.

c. Passengers who travel on scheduled flights will receive the consumer protections applicable to scheduled service.

d. Travel documents issued by Lāna'i Resorts, LLC are not endorsable to other carriers. Flight dates and times are not guaranteed.

e. Smoking is prohibited on all flights, including all tobacco products and the use of electronic cigarettes.

f. Lithium battery-operated devices, including but not limited to electronic cigarettes, mobile phones, and laptop and tablet computers, may not be included in checked baggage but may be included in a personal item carry-on.

g. Any spare batteries must be insulated from one another.

h. Notwithstanding the forgoing or any other terms in this Agreement, the aircraft's crew members, including but not limited to the Captain, may deny boarding or refuse to transport any passenger, article of baggage, or animal for reasons of flight safety, aircraft performance or other limitations, or the security, comfort, or safety of the other passengers on the flight, or if such transportation would violate federal regulations (including but not limited to FAA and TSA regulations) or Western Aircraft, Inc., FAA-issued operating manuals.

5. Reservations and Payment

a. Flight reservations may be made directly on the Lāna'i Air website at www.lanaiair.com "Search for Public Charter Flights".

b. Full payment and acceptance of this Agreement are due at the time the reservation is made.

c. The Lāna'i Air booking portal accepts Visa, MasterCard, Discover, and American Express and does not accept cash or checks.

d. Credit card payments are processed directly into the Lāna'i Resorts, LLC escrow account at the depository bank, First Hawaiian Bank, as identified in section (5) below.

e. All reservations are confirmed and delivered electronically to the email address provided by the Passenger.

f. No reservation shall be considered a confirmed reservation if the purchase is not completed at least one (1) hour prior to scheduled departure and until payment in full has been collected and received. No reservation, paid by any means Lāna'i Resorts, LLC accepts, shall be considered a confirmed reservation if the transaction is not accepted by Lāna'i Resorts, LLC for any reason, including but not limited to the circumstances identified in paragraph (g), below, whether or not Passenger is notified that the reservation has been canceled.

g. Except as otherwise prohibited by applicable law, Lanai Resorts LLC reserves the right to cancel a confirmed reservation, without refund or recourse, to any Passenger suspected of making or confirmed to have made an abusive or fraudulent booking, at the sole judgment of Lāna'i Resorts, LLC. Examples of fraudulent and abusive bookings include, but are not limited to:
   i. A passenger who books a confirmed reservation with the intention of reselling their purchase for the purpose of financial gain and who is not an authorized agent of Lāna'i Resorts, LLC; and/or
   ii. A passenger who books refundable confirmed reservations for multiple flights on the same route, the same direction of travel, on the same or successive calendar days with the intent to cancel unused confirmed reservations; and/or
   iii. A passenger who books a refundable confirmed reservation and a ticket on a space-available non-revenue basis with the intent to cancel their refundable confirmed reservation for the purpose of utilizing reduced or complimentary travel as part of the qualified non-revenue program. Where fraudulent or abusive booking behavior has been identified, passenger shall not be entitled to compensation or recourse in accordance with applicable fare rule(s); the parameters within this section shall supersede and Lāna'i Resorts, LLC may act, at its own reasonable discretion, with any of the following measures, in any combination:
      1. Passenger's confirmed reservation will be canceled without refund; and/or
      2. Passenger will be permanently disallowed to travel with Lāna'i Air; and/or
      3. Passenger will be reported to their employer in the event of an employee travel or travel benefit violation; and/or
      4. Lāna'i Resorts, LLC may refer the matter to law enforcement and/or pursue all available legal remedies.

6. Financial Protection

a. In accordance with federal regulations, your payment is protected in part by a surety bond between Lāna'i Resorts, LLC, and Fidelity & Deposit Company of Maryland, 800 5th Ave Suite 3810, Seattle WA 98104.

b. Unless you file a claim with Lāna'i Resorts, LLC, or if Lāna'i Resorts, LLC is unavailable, with Fidelity & Deposit Company of Maryland , within sixty (60) days after arrival (or in the case of a canceled flight, the intended date of arrival) of your flight itinerary, First Hawaiian Bank shall be released from all liability to you under the security agreement. In addition, your payment is deposited in Lāna'i Resorts, LLC, Public Charter depository (escrow) account at First Hawaiian Bank.

c. Payment by credit card is subject to refund prior to your acceptance of this Agreement.

7. Major Changes, Price Terms, and Cancellations by Lāna'i Resorts, LLC

a. If we make a major change prior to departure, you have the right to cancel and receive a full refund.
b. The following are considered a major change ("Major Change"); (1) a change in the departure date, unless the change results from a flight delay experienced by the Air Carrier. (If, however, the delay is longer than 48 hours, it will be considered a major change.) (2) A change in the origin or destination (unless the change results from a flight diversion necessitated by weather conditions at the intended destination or other operational factors). (3) A price increase of more than 10 percent occurring 10 or more days before departure. In no event can we increase your price less than 10 days before departure or if your tickets are already purchased.
c. If a Major Change must be made in the program, we will notify you within 7 days after first learning of the change, but in any event at least 10 days prior to the scheduled departure. If, less than 10 days before scheduled departure, we become aware that a Major Change must be made, we will notify you as soon as possible.
d. Within 7 days after receiving notification of a Major Change, but in no event later than departure, you may cancel your reservation and you will receive a full refund within 14 days after cancellation.
e. If a Major Change occurs after the departure of the flight, which you are unwilling to accept, we will refund, within 14 days after your scheduled departure, that portion of your payment, which applies to the services, not accepted.
f. If we must cancel the Charter; we will notify you in writing by email, within 7 days of the cancellation, but in no event later than 10 days before the scheduled departure date.
g. We have no right to cancel the Charter less than 10 days before departure, except for circumstances that make it physically impossible to perform the Charter trip.
h. If the Charter is canceled, we will make a refund to you within 14 days after cancellation.
i. The rights and remedies made available under this contract are in addition to any other rights or remedies available under applicable law. However, we offer refunds under this contract with the express understanding that the receipt of that refund by a passenger waives the additional remedies.

8. Insurance

a. Trip cancellation, health, and accident insurance is available for purchase by passengers and is recommended.
b. Lāna'i Resorts, LLC does not provide or offer insurance. Passengers interested in such insurance may go to travelinsurance.com for detailed information and costs. Travelinsurance.com is not affiliated with or controlled by Lāna'i Resorts, LLC.

9. Check-In Information

a. Please refer to your itinerary for check-in information. Passengers must present

themselves for check-in at least thirty (30) minutes prior to the scheduled departure time, unless notified otherwise.

b. If you are not present at the boarding area at least twenty (20) minutes prior to the scheduled departure, you will be considered a "no-show," and your seat may be sold to a standby passenger, and/or the flight may depart without you. In such event, Lāna'i Resorts, LLC shall not be responsible or liable for your transportation. Please refer to section 10 below for additional information on "no-shows".

10. Passenger Cancellations, Changes or Dates, and Refunds:

a. When a ticket is purchased, the ticket is fully refundable within 24 hours of booking if travel is made 72 hours or more in advance of the flight's scheduled departure time.

b. When a ticket is canceled at least 48 hours before departure, there is no cancellation fee, and all charges are fully refundable.

c. When a ticket is canceled less than 48 hours prior to departure, the ticket is nonrefundable; however, its value may be applied toward future travel within one year of the original date of purchase, subject to the restriction stated below in Section 10, d.

d. There are no fees for reservation changes. Any ticket cancellations or changes (dates and or times) must be done at least two (2) hours prior to flight departure, or your reservation will be canceled. You will then be considered a "no-show", and all ticket value will be forfeited.

11. Baggage Allowance and Restrictions

a. All baggage, including carry-on baggage, shall be transported in the onboard baggage compartment. Space is limited. The Carrier encourages a modest size and weight for all checked baggage. Each customer passenger is allowed at no additional cost two (2) checked bags no more than 62 linear inches (length + width + height) with a weight no more than 50 pounds each, except as provided below, and one (1) personal carry-on item.

b. A personal item must:
   1. Not obstruct the access to, or use of, any required emergency or regular exit; and
   2. Must not obscure the view of the "seat belt" sign, "no smoking" sign, or any required exit sign.
   3. Personal items may include but may not be limited to:
      a. Laptop computers, personal cameras, and other electronic devices.
      b. Infant supplies.
      c. Briefcases, small backpacks, and purses.
      d. Reading material.

c. If Carrier is unable to accommodate the baggage needs of all passengers on a single flight, remaining bags will be transported on the next available flight.

12. Air Carrier Limitations of Liability for Baggage

a. Liability for the loss of or damage to a passenger's personal property, including baggage, when such personal property or baggage has been checked is limited to USD $3,800 per ticketed passenger. Passengers will be responsible for documenting damages arising from

the loss of or damage to baggage.

b. The Carrier assumes no responsibility or liability for personal items that are carried on board by the Passenger.

c. In the case of lost or damaged baggage, a preliminary notice of claim must be submitted to the Carrier by the Passenger within four (4) hours after the arrival of the flight on which the baggage was or was expected to be transported. In the event of failure to give such preliminary notice of claim (absent extraordinary circumstances to be determined at the Carrier's discretion), no claim or action shall lie against the Carrier.

13. Passenger Identification

a. Before boarding, you must present a current and valid form of government-issued photo identification (acceptable forms include a valid driver's license or passport); the name shown on the identification should match your name as it appears on the passenger reservation list.

b. Failure of a passenger to possess valid and unexpired travel identification may result in denial of boarding with no refund.

14. Communication

a. All communication regarding this Agreement should be sent to Lāna'i Resorts, LLC via Lāna'i Air by email to reservations@lanaiair.com

b. Communication to Lāna'i Air are effective upon actual receipt by Lāna'i Air.

15. Security Screening

a. Passenger and Passenger's accessible property are subject to one or more security screening methods, including but not limited to the TSA Secure Flight program, walk-through metal detection, physical pat-down search, x-ray screening of accessible property, physical property searches, and/or use of electronic or other detection devices for screening at the sole discretion of Lāna'i Resorts, LLC personnel, with or without the Passenger's presence, consent, or knowledge, in accordance with applicable TSA security regulations. Refusal to submit to required screening may result in denial of transportation of the Passenger and/or Passenger's accessible property.

b. Neither Lāna'i Resorts, LLC, nor its employees or agents are liable for any damages, losses, delays, refusals to transport, confiscations of property, injuries or other harm relating to or arising out of security screening or the Passenger's failure to submit to or comply with such security screening.

16. Consumer Rights (Chapter 468L, Hawaii Revised Statutes)

As a consumer, you have the following rights regarding the purchase of travel and related services from travel agencies registered in Hawaii.

a. The right to be informed by the travel agency, prior to the purchase of travel services from the travel agency, of any limitations, conditions, events, circumstances, or other business or commercial factors which may affect the availability of the travel services and your ability to

obtain a refund of monies paid for the travel services.

b. The right to rely on any promises, guarantees, representations, or information provided by the travel agency, regarding travel services. These include, but are not limited to: 1) the availability of travel services offered or sold by the travel agency; 2) the condition for obtaining a refund of monies paid for the travel services; and 3) the nature or quality of the travel services provided.
c. The right to have the travel agency fulfill any term or condition of the contract for travel services between you and the travel agency, whether the term or condition was made in writing or otherwise by the travel agency.
d. The right to have the travel agency fulfill any promises, guarantees, or representations made by the travel agency regarding travel services, where the promises, guarantees, or representations are made by the travel agency in writing or verbally.
e. The right to be informed of any conditions upon which the contract between the travel promoter and the entity providing the transportation or related services may be cancelled, and the respective rights and obligations of all parties in the event of cancellation.
f. The right to obtain the ticket or other similar documentation for travel services from the travel agency, upon making full payment to the travel agency.
g. The right to a refund within 14 calendar days from the date the refund is requested of all monies paid to the travel agency for travel services which are not performed in accordance with the contract for travel services. However, the travel agency may withhold any amounts for cancellations fees previously disclosed to you, and any amounts held by the ultimate provider for the travel services, or by a representative that the ultimate provider required the travel agency to contract with.
h. The right to bring legal action against any travel agency that violates these rights.

17. Acceptance

a. Electronic signature or acceptance through the internet via the online booking portal, but not limited to, acceptance by the travel agent (as representatives of the Participant) will be an acceptable form of acknowledgement to the terms and conditions of this Operator-Participant Agreement. No ticket will be issued unless the Participant (or Participant's travel agent) accepts this Agreement.
b. For telephone sales in which the Participant pays by credit card, Lānaʻi Resorts, LLC will send a copy of this Agreement by electronic mail within 24 hours of accepting payment by credit card. Participant must execute the Agreement prior to travel. Participant is entitled to a full refund if the Participant decides not to participate in the Charter after reviewing the Agreement.

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Signature: Passenger agrees to all terms and conditions of this Agreement. If paying by credit card, passenger additionally accepts all terms and conditions of the credit card company's card issuer agreement.

Date:_____Passenger Signature: _____

ATTENTION: Where one passenger pays for a group consisting of two or more passengers, the full names of all such passengers must be listed above. This Agreement is binding on all passengers listed, although only the passenger making payment is required to sign where indicated above.

1. Passenger's name (printed) _____
2. Passenger's name (printed) _____
3. Passenger's name (printed) _____
4. Passenger's name (printed) _____
5. Passenger's name (printed) _____
6. Passenger's name (printed) _____
7. Passenger's name (printed) _____