

Chiasso, 2007

Company name:

Attn.:

Subject: Franchise agreement

Further to our talks, we wish to submit to you the marketing and commercial collaboration agreement divided into the following points:

1.	Definitions.....	2
2.	Recitals	2
3.	Subject matter of the agreement.....	3
4.	Liability	4
5.	Sales method and payment	4
6.	Consideration and Royalties.....	4
7.	Avoidance clause.....	5
8.	Duration	5
9.	Competent Court.....	5

Please do not hesitate to contact us for any clarifications you may require.

Yours sincerely,

BRAVOFLY SA
Marco Corradino
Legal Representative

Commercial agreement by and between:

- **VOLAGRATIS di BRAVOFLY SA** with registered offices in Chiasso, via Girolamo porta, 2 VAT and tax code number 666654, in the person of its legal representative Marco Corradino, hereinafter "BRAVOFLY"
- **AFFILIATE** with registered office in, zip code town....., province....., VAT number:, in the person of its legal representative hereinafter "FRANCHISEE".
Reference e-mail: **Password:**

1. Definitions

- **Internet Service Provider (ISP):** a company that provides access to Internet for individuals and companies.
- **Portal:** a web site or a service that provides a wide range of resources and services: Internet research functions, e-commerce services, information contents etc.
- **Co-branded channel:** an Internet site where BRAVOFLY directly and indirectly provides the sale of tourist services (tickets, holiday packages etc.).
- **Territory:** the whole territory of Italy.
- **Closing date:** the date on which both parties sign the agreement.
- **Registration:** the process in which the user fills out a specific form on the co-branded channel to receive an identifying name and a password for accessing certain of the services offered by the channel.
- **Registered user:** a user who has completed the registration process and is now registered in the customer database of BRAVOFLY and the FRANCHISEE.
- **Identified customer:** a user who has registered with the co-branded channel. The customer is identified ("tagged") in the BRAVOFLY database that refers to the co-branded channel (with a parameter called PortalId).
- **URL:**Uniform Resource Locator

2. Recitals

- BRAVOFLY provides via Internet booking services and sales of tourist services (hotels, flights, transfers, excursions etc.) operated either directly or in collaboration with other major Tour Operators.

BRAVOFLY possesses an exclusive engine for comparing and booking via Internet Low Cost flights and national carriers (BravoFly) that operate in B2C mode for direct sales to the end customer, BravoFly can compare all the flights offered throughout the world. This service is the only one of its kind available in Italy and in Europe.

- The BravoFly "booking engine" can be supplied to distribution partners in ASP mode by the creation of a FRANCHISEE site. This allows the accesses, registered users and eventual bookings to be registered as belonging to the FRANCHISEE world.

- With the objective of delivering to the customer additional, complementary, high added value services, FRANCHISEE considers the BravoFly booking engine to be an important key for customer loyalty and recruitment.

3. Subject matter of the agreement

BRAVOFLY and FRANCHISEE intend to construct a strong agreement of commercial and marketing collaboration with the aim of offering the BRAVOFLYtourist products and services to FRANCHISEE's customers. Said customers must perceive this offer as an "exclusive" high added value service "reserved" for FRANCHISEE's world.

To accomplish this:

3.1 Responsibilities of BRAVOFLY

- BRAVOFLY will develop an affiliated site with its BravoFly booking engine to be dedicated to FRANCHISEE's users. Access to the site will be free for FRANCHISEE's users for the first 3 searches. Users will be asked to register to carry out subsequent searches in order to ensure that the site is not utilised improperly by tourist agencies that do not possess the necessary user license. The flight search and comparison activity requires the utilisation of hardware resources that cannot be granted to parties that do not use the site to make flight bookings.
- BRAVOFLY will make available to FRANCHISEE a web based access dedicated to the back office system where the sales made by the users sent by FRANCHISEE to the BravoFly booking engine can be displayed.
- BRAVOFLY undertakes to supply the complete service of booking and sale of the tourist services present on the site and provide full assistance to the final consumer at the booking stage and during the holiday:
 - phone call center
 - on-line web assistance.
- With the objective of making this collaboration agreement as productive as possible, BRAVOFLY undertakes to cooperate with FRANCHISEE's marketing structures for the promotion of the site itself and any eventual special offers to both the end user and within FRANCHISEE's own organisation.
- BRAVOFLYalso agrees to:
 - ✓ Constantly update the content of the site with special offers and commercial promotions.
 - ✓ Implement and constantly maintain the www.bravofly.com site in perfect technical working order, guaranteeing an effective monthly connectability time of not less than 90% of the theoretical connectability time calculated over 30 continuous days.

3.2 Responsibilities of FRANCHISEE

To ensure that this agreement is productive, FRANCHISEE shall:

- Make available a personalised access for the BravoFly booking engine inside its portal.
- Promote this service to its customers by means of specific targeted marketing activities. These activities may be effected by on-line promotions (Internet site, mail, newsletters etc.) and off-line campaigns (advertising, information on e.c., etc.).

4. Liability

BRAVOFLY declares and warrants that it carries on its business activities in accordance with the National and Regional laws on the subject respectively of tour operators and tourist agencies and undertakes to hold harmless FRANCHISEE from any and all liability for breach of said laws and for the images and content published on the BRAVOFLY site.

5. Sales method and payment

FRANCHISEE's customers will access the affiliated site via a dedicated URL. The system will automatically register the provenance of the customer when the customer registers his/her own personal data (essential for completing a booking).

After registering his/her name, the consumer will be totally identifiable for all subsequent bookings, even if he/she accesses the system directly on the Bravofly.com site.

All the bookings grouped under this provenance code will generate the traffic volume generated by FRANCHISEE.

6. Consideration and Royalties

On the basis of this agreement BRAVOFLY will pay FRANCHISEE a royalty for all flight sales generated in the FRANCHISEE's traffic volume.

FRANCHISEE **agrees to the following tariff plan** for the royalties:

- a royalty of **5 euros for each booking concluded on the franchisee site**

Royalties will be paid every two months against an invoice from FRANCHISEE to BRAVOFLY SA.

For the purpose of calculating the transactions completed the parties agree to refer to the information available on-line, utilising the back-office web applications made available by BRAVOFLY.

7. Avoidance clause

FRANCHISEE may terminate this agreement for cause, for the purposes and effects of Art. 1456 of the Civil Code, in the following cases:

- Breach or non-performance by BRAVOFLY of Art. 3.1 of this contract.
- Non-fulfilment on the part of BRAVOFLY of the obligation contemplated in Art. 4 of this contract.

BRAVOFLY may terminate this agreement for cause, for the purposes and effects of Art. 1456 of the Civil Code, in the following cases:

- Non-fulfilment on FRANCHISEE's part of the obligation contemplated in Art. 3.2 of this contract.

8. Duration

This agreement shall take effect on the date of execution of this contract and shall run for a period of six calendar months, automatically renewed for another six calendar months in the absence of notice sent by registered letter at least three months prior to expiration date.

9. Competent Court

The Court of Milan shall have sole jurisdiction for all controversies regarding the conclusion, existence, validity, interpretation, performance, breach or termination arising out of this agreement.

Chiasso, _____

For the FRANCHISEE

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For BRAVOFLY SA
Legal Representative

Marco Corradino