

BLADE AIR MOBILITY, INC.

FORM 10-Q

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

BLADE AIR MOBILITY, INC. Unaudited Interim Condensed Consolidated Balance Sheets (in thousands, except share and per share data)

	March 31, 2024	December 31, 2023
Assets		
Current assets		
Cash and cash equivalents	\$ 36,758	\$ 27,873
Restricted cash	1,302	1,148
Accounts receivable, net of allowance of \$127 and \$98 at March 31, 2024 and December 31, 2023, respectively	23,550	21,005
Short-term investments	114,215	138,264
Prepaid expenses and other current assets	18,183	17,971
Total current assets	194,008	206,261
Non-current assets:		
Property and equipment, net	3,468	2,899
Intangible assets, net	19,524	20,519
Goodwill	39,777	40,373
Operating right-of-use asset	24,576	23,484
Other non-current assets	1,439	1,402
Total assets	\$ 282,792	\$ 294,938
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued expenses	\$ 10,836	\$ 23,859
Deferred revenue	7,981	6,845
Operating lease liability, current	4,428	4,787
Total current liabilities	23,245	35,491
Non-current liabilities:		
Warrant liability	1,480	4,958
Operating lease liability, long-term	21,101	19,738
Deferred tax liability	357	451
Total liabilities	46,183	60,638
Commitments and Contingencies (Note 9)		
Stockholders' Equity		
Preferred stock, \$0.0001 par value, 2,000,000 shares authorized; no shares issued and outstanding at March 31, 2024 and December 31, 2023, respectively	—	—
Common stock, \$0.0001 par value; 400,000,000 authorized; 77,146,050 and 75,131,425 shares issued at March 31, 2024 and December 31, 2023, respectively	7	7
Additional paid in capital	397,477	390,083
Accumulated other comprehensive income	3,113	3,964
Accumulated deficit	(163,988)	(159,754)
Total stockholders' equity	236,609	234,300
Total Liabilities and Stockholders' Equity	\$ 282,792	\$ 294,938

See Notes to Unaudited Interim Condensed Consolidated Financial Statements.

BLADE AIR MOBILITY, INC.
Unaudited Interim Condensed Consolidated Statements of Operations
(in thousands, except share and per share data)

	Three Months Ended March 31,	
	2024	2023
Revenue	\$ 51,514	\$ 45,271
Operating expenses		
Cost of revenue	41,375	38,107
Software development	670	1,123
General and administrative	17,209	16,257
Selling and marketing	2,128	2,611
Total operating expenses	61,382	58,098
Loss from operations	(9,868)	(12,827)
Other non-operating income		
Interest income	2,072	1,954
Change in fair value of warrant liabilities	3,478	566
Realized loss from sales of short-term investments	—	(81)
Total other non-operating income	5,550	2,439
Loss before income taxes	(4,318)	(10,388)
Income tax benefit	(84)	(196)
Net loss	\$ (4,234)	\$ (10,192)
Net loss per share (Note 7):		
Basic	\$ (0.06)	\$ (0.14)
Diluted	\$ (0.06)	\$ (0.14)
Weighted-average number of shares outstanding:		
Basic	75,796,411	71,992,771
Diluted	75,796,411	71,992,771

See Notes to Unaudited Interim Condensed Consolidated Financial Statements.

BLADE AIR MOBILITY, INC.
Unaudited Interim Condensed Consolidated Statements of Comprehensive Loss
(in thousands)

	Three Months Ended March 31,	
	2024	2023
Net loss	\$ (4,234)	\$ (10,192)
Other comprehensive income:		
Net unrealized investment income	—	29
Less: Reclassification adjustment for losses included currently in net income	—	51
Foreign currency translation adjustments for the period	(851)	845
Other comprehensive income	(851)	925
Comprehensive loss	<u>\$ (5,085)</u>	<u>\$ (9,267)</u>

See Notes to Unaudited Interim Condensed Consolidated Financial Statements.

BLADE AIR MOBILITY, INC.
Unaudited Interim Condensed Consolidated Statements of Stockholders' Equity
(in thousands, except share data)

	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount				
Balance as of January 1, 2024	75,131,425	\$ 7	\$ 390,083	\$ 3,964	\$ (159,754)	\$ 234,300
Issuance of common stock upon exercise of stock options	508,181	—	91	—	—	91
Issuance of common stock upon settlement of restricted stock units	509,565	—	—	—	—	—
Stock-based compensation	—	—	4,318	—	—	4,318
Shares withheld related to net share settlement	(12,119)	—	(37)	—	—	(37)
Issuance of common stock for settlement of contingent consideration compensation (earn-out)	1,008,998	—	3,022	—	—	3,022
Other comprehensive loss	—	—	—	(851)	—	(851)
Net loss	—	—	—	—	(4,234)	(4,234)
Balance as of March 31, 2024	77,146,050	\$ 7	\$ 397,477	\$ 3,113	\$ (163,988)	\$ 236,609
Balance as of January 1, 2023	71,660,617	\$ 7	\$ 375,873	\$ 2,287	\$ (103,678)	\$ 274,489
Issuance of common stock upon exercise of stock options	300,785	—	54	—	—	54
Issuance of common stock upon settlement of restricted stock units	159,875	—	—	—	—	—
Stock-based compensation	—	—	3,221	—	—	3,221
Shares withheld related to net share settlement	(7,211)	—	(81)	—	—	(81)
Issuance of common stock for settlement of contingent consideration (earn-out)	384,756	—	1,785	—	—	1,785
Other comprehensive income	—	—	—	925	—	925
Net loss	—	—	—	—	(10,192)	(10,192)
Balance as of March 31, 2023	72,498,822	\$ 7	\$ 380,852	\$ 3,212	\$ (113,870)	\$ 270,201

See Notes to Unaudited Interim Condensed Consolidated Financial Statements

BLADE AIR MOBILITY, INC.
Unaudited Interim Condensed Consolidated Statements of Cash Flows
(in thousands)

	Three Months Ended March 31,	
	2024	2023
Cash Flows From Operating Activities:		
Net loss	\$ (4,234)	\$ (10,192)
Adjustments to reconcile net loss to net cash and restricted cash used in operating activities:		
Depreciation and amortization	1,594	1,652
Stock-based compensation	4,318	3,221
Change in fair value of warrant liabilities	(3,478)	(566)
Gain on lease modification	(47)	—
Realized loss from sales of short-term investments	—	81
Realized foreign exchange loss	3	5
Accretion of interest income on held-to-maturity securities	(1,481)	(1,386)
Deferred tax benefit	(84)	(196)
Bad debt expense	31	—
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	(416)	(1,621)
Accounts receivable	(2,609)	(5,585)
Other non-current assets	(44)	(42)
Operating right-of-use assets/lease liabilities	(27)	77
Accounts payable and accrued expenses	(10,237)	(3,383)
Deferred revenue	1,160	1,080
Net cash used in operating activities	(15,551)	(16,855)
Cash Flows From Investing Activities:		
Capitalized software development costs	(311)	—
Purchase of property and equipment	(816)	(646)
Purchase of short-term investments	—	(121)
Proceeds from sales of short-term investments	—	16,000
Purchase of held-to-maturity investments	(77,051)	(130,145)
Proceeds from maturities of held-to-maturity investments	102,740	131,187
Net cash provided by investing activities	24,562	16,275
Cash Flows From Financing Activities:		
Proceeds from the exercise of common stock options	91	54
Taxes paid related to net share settlement of equity awards	(37)	(81)
Net cash provided by / (used in) financing activities	54	(27)
Effect of foreign exchange rate changes on cash balances	(26)	3
Net increase (decrease) in cash and cash equivalents and restricted cash	9,039	(604)
Cash and cash equivalents and restricted cash - beginning	29,021	44,423
Cash and cash equivalents and restricted cash - ending	\$ 38,060	\$ 43,819
Reconciliation to the unaudited interim condensed consolidated balance sheets		
Cash and cash equivalents	\$ 36,758	\$ 41,739
Restricted cash	1,302	2,080
Total cash, cash equivalents and restricted cash	\$ 38,060	\$ 43,819
Non-cash investing and financing activities:		
New leases under ASC 842 entered into during the period	2,581	7,166
Common stock issued for settlement of earn-out (1)	3,022	1,785
Purchases of PPE in accounts payable and accrued expenses	285	—

(1) Prior year amounts have been updated to conform to current period presentation.

See Notes to Unaudited Interim Condensed Consolidated Financial Statements



BLADE AIR MOBILITY, INC.**Notes to Unaudited Interim Condensed Consolidated Financial Statements***(amounts in thousands, except share, per share data and exchange rates)***Note 1 – Description of Business and Summary of Significant Accounting Policies*****Description of Business***

Blade Air Mobility, Inc. ("Blade" or the "Company") provides air transportation and logistics for hospitals across the United States, where it is one of the largest transporters of human organs for transplant, and for passengers, with helicopter and fixed wing services primarily in the Northeast United States, Southern Europe and Western Canada. Based in New York City, Blade's asset-light model, coupled with its exclusive passenger terminal infrastructure and proprietary technologies, is designed to facilitate a seamless transition from helicopters and fixed-wing aircraft to Electric Vertical Aircraft ("EVA" or "eVTOL"), enabling lower cost air mobility that is both quiet and emission-free.

Basis of Presentation and Principles of Consolidation

The accompanying unaudited interim condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") for interim financial information and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements. Management's opinion is that all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation of financial position, results of operations and cash flows at the dates and for the periods presented have been included. Operating results for the three months ended March 31, 2024 are not necessarily indicative of the results that may be expected for the fiscal year ending December 31, 2024. These financial statements should be read in conjunction with the Company's consolidated financial statements and accompanying Notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023.

Short-Term Investments***Held-to-Maturity Securities***

The Company's investments in held-to-maturity securities consist of investment grade U.S. Treasury obligations with maturity dates of less than 365 days. The Company has the ability and intention to hold these securities until maturity. Accordingly, these securities are recorded in the Company's unaudited interim condensed consolidated balance sheet at amortized cost and interest is recorded within interest income on the Company's unaudited interim condensed consolidated statement of operations. The held-to-maturity securities balance and market value at March 31, 2024 and December 31, 2023 were \$114,215 and \$114,137, and \$138,264 and \$138,285, respectively. The fair value hierarchy of the valuation inputs the Company utilized to determine such market value is Level 2. See Note 11 – Fair Value Measurements for additional information.

Software Development Costs

The Company incurs costs related to the development of its technology stack. The costs consist of personnel costs (including related benefits and stock-based compensation) and external vendor costs incurred during the development stage. Capitalization of costs begins when two criteria are met: (1) the preliminary project stage is completed, and (2) it is probable that the software will be completed and used for its intended function. Capitalization ceases when the project is substantially complete and the developed features are ready for their intended use, including the completion of all significant testing. Costs related to preliminary project activities, post implementation operating activities and system maintenance are expensed as incurred.

Capitalized costs are included in intangible assets and amortized over three years, on a straight-line basis, which represents the manner in which the expected benefit will be derived. The amortization of capitalized software development costs are recorded within software development expense in our unaudited interim condensed consolidated statement of operations.

Concentrations

Financial instruments which potentially subject the Company to concentrations of credit risk consists principally of cash amounts on deposit with financial institutions. At times, the Company's cash in banks is in excess of the Federal Deposit Insurance corporation ("FDIC") insurance limit. The Company has not experienced any loss as a result of these deposits.

Major Vendors

BLADE AIR MOBILITY, INC.

Notes to Unaudited Interim Condensed Consolidated Financial Statements

(amounts in thousands, except share, per share data and exchange rates)

One vendor accounted for 14% of the Company's purchases from operating vendors for the three months ended March 31, 2024. One vendor accounted for 12% of the Company's purchases from operating vendors for the three months ended March 31, 2023.

One vendor accounted for 18% of the Company's outstanding accounts payable as of March 31, 2024. Two vendors accounted for 17% and 10%, respectively, of the Company's outstanding accounts payable as of December 31, 2023.

Emerging Growth Company

The Company is an "emerging growth company," as defined in Section 2(a) of the Securities Act, as modified by the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"), and it may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies. These exemptions include, but are not limited to, not being required to comply with the independent registered public accounting firm attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in its periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

Further, Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies but any such election to opt out is irrevocable. The Company has elected to use such extended transition period which means that when a standard is issued or revised and it has different application dates for public or private companies, the Company, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of the Company's consolidated financial statements with another public company that is not an emerging growth company or is an emerging growth company that has opted out of using the extended transition period, difficult or impossible because of the potential differences in accounting standards used.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. The Company bases its estimates on historical experience, current business factors, and various other assumptions that the Company believes are necessary to consider to form a basis for making judgments about the carrying values of assets and liabilities, the recorded amounts of revenue and expenses, and the disclosure of contingent assets and liabilities. The Company is subject to uncertainties such as the impact of future events, economic and political factors, and changes in the Company's business environment; therefore, actual results could differ from these estimates. Accordingly, the accounting estimates used in the preparation of the Company's financial statements will change as new events occur, as more experience is acquired, as additional information is obtained and as the Company's operating environment evolves.

Changes in estimates are made when circumstances warrant. Such changes in estimates and refinements in estimation methodologies are reflected in reported results of operations; if material, the effects of changes in estimates are disclosed in the notes to the financial statements. Significant estimates and assumptions by management include, but are not limited to, the fair value of intangible assets and goodwill, the determination of whether a contract contains a lease, the allocation of consideration between lease and nonlease components, the determination of incremental borrowing rates for leases and the provision for income taxes and related deferred tax accounts.

Recently Issued Accounting Pronouncements - Not Adopted

In October 2023, the FASB issued ASU No. 2023-06, *Disclosure Improvements*. The new guidance clarifies or improves disclosure and presentation requirements on a variety of topics in the codification. The amendments in the update are intended to align the requirements in the FASB ASC with the SEC's regulations. The amendments are effective prospectively on the date each individual amendment is effectively removed from Regulation S-X or Regulation S-K, or if

BLADE AIR MOBILITY, INC.**Notes to Unaudited Interim Condensed Consolidated Financial Statements***(amounts in thousands, except share, per share data and exchange rates)*

the SEC has not removed the requirements by June 30, 2027, this amendment will be removed from the Codification and will not become effective for any entity. The Company is in the process of evaluating the impact the adoption of this ASU will have on the financial statements and related disclosures, which is not expected to be material.

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, which expands the segment disclosures of public entities. This expansion includes the requirement to disclose significant segment expenses that are regularly provided to the chief operating decision maker and are included within each reported measure of segment profit or loss. Additionally, the ASU mandates the disclosure of the amount and description of the composition of other segment items, as well as interim disclosures of a reportable segment's profit or loss and assets. These disclosure requirements apply to public entities with a single reportable segment as well. The ASU will be effective for the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024, and early adoption is allowed. The Company is in the process of evaluating the impact the adoption of this ASU will have on the financial statements and related disclosures.

In December 2023, the FASB issued ASU No. 2023-09, *Improvements to Income Tax Disclosures (Topic 740)*. The ASU requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as additional information on income taxes paid. The ASU is effective for annual periods beginning after December 15, 2024 on a prospective basis. Early adoption is also permitted for annual financial statements that have not yet been issued or made available for issuance. The Company is in the process of evaluating the impact the adoption of this ASU will have on the financial statements and related disclosures.

In March 2024, the FASB issued ASU 2024-02, *Codification Improvements - Amendments to Remove References to the Concept Statements*. This ASU amends the Codification to remove references to various concepts statements and impacts a variety of topics in the Codification. The amendments apply to all reporting entities within the scope of the affected accounting guidance. Generally, the amendments in ASU 2024-02 are not intended to result in significant accounting changes for most entities. ASU 2024-02 is effective January 1, 2025. The Company is in the process of evaluating the impact the adoption of this ASU will have on the financial statements and related disclosures.

Other recent accounting pronouncements issued by the FASB (including its Emerging Issues Task Force) and the SEC have not had, or are not anticipated to have, a significant effect on the Company's unaudited interim condensed consolidated financial statements, both present and future.

Note 2 – Revenue**Revenue Recognition**

Blade operates in three key product lines across two segments (see Note 5 for further information on reportable segments):

Passenger segment

- *Short Distance* – Consisting primarily of helicopter and amphibious seaplane flights in the United States, Canada and Europe between 10 and 100 miles in distance. Flights are available for purchase both by-the-seat and on a full aircraft charter basis. Short Distance products are typically purchased using the Blade App and paid for principally via credit card transactions, wire, check, customer credit, and gift cards, with payments principally collected by the Company in advance of the performance of related services, with the exception of Europe where institutional clients pay after the performance of related services under payment terms. The revenue is recognized when the service is completed.
- *Jet and Other* – Consists principally of revenues from non-medical jet charter and by-the-seat jet flights between New York and South Florida, revenue from brand partners for exposure to Blade fliers and certain ground transportation services. Jet products are typically purchased through our Flier Relations associates and our app and are paid for principally via checks, wires and credit card. Jet payments are typically collected at the time of booking before the performance of the related service. The revenue is recognized when the service is completed.

BLADE AIR MOBILITY, INC.
Notes to Unaudited Interim Condensed Consolidated Financial Statements
(amounts in thousands, except share, per share data and exchange rates)

Medical segment

- *MediMobility Organ Transport* – Consisting primarily of transportation of human organs for transplant and/or the medical teams supporting these services. Blade also offers additional services including donor logistics coordination and support evaluating potential donor organs. MediMobility Organ Transport products are typically purchased through our medical logistics coordinators and are paid for principally via checks and wires. Payments are generally collected after the performance of the related service in accordance with the client's payment terms. The revenue is recognized when the service is completed.

The Company initially records advance payments for passenger flights in deferred revenue, deferring revenue recognition until the travel occurs. Deferred revenue from advance payments, customer credit and gift card purchases is recognized as revenue when a flight is flown. Deferred revenue from the Company's passes is recognized ratably over the term of the pass. For travel that has more than one flight segment, the Company deems each segment as a separate performance obligation and recognizes revenue for each segment as travel occurs. Fees charged in association with add-on services or changes or extensions to non-refundable seats sold are considered part of the Company's passenger performance obligation. As such, those fees are deferred at the time of collection and recognized at the time the travel is provided.

Disaggregated Revenue

Disaggregated revenue by product line and segment was as follows:

	Three Months Ended March 31,	
	2024	2023
Passenger Segment		
Short Distance	\$ 9,810	\$ 10,425
Jet and Other	5,678	8,079
Total	<u>\$ 15,488</u>	<u>\$ 18,504</u>
Medical Segment		
MediMobility Organ Transport	\$ 36,026	\$ 26,767
Total	<u>\$ 36,026</u>	<u>\$ 26,767</u>
Total Revenue	<u>\$ 51,514</u>	<u>\$ 45,271</u>

Contract Liabilities

Contract liabilities are defined as entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer. As of March 31, 2024 and December 31, 2023, the Company's contract liability balance is \$7,981 and \$6,845 respectively, and is recorded as deferred revenue on its unaudited interim condensed consolidated balance sheets. This balance consists of payments from customers received in advance of the actual flight, prepaid monthly and annual flight passes, customer credits for flight reservations that were cancelled for good reason by the customer, and prepaid gift card obligations. The customer has one year to use the credit as payment for a future flight with the Company. Gift cards represent prepayment of flights. The table below presents a roll forward of the contract liability balance:

BLADE AIR MOBILITY, INC.
Notes to Unaudited Interim Condensed Consolidated Financial Statements
(amounts in thousands, except share, per share data and exchange rates)

	Three Months Ended March 31,	
	2024	2023
Balance, beginning of period	\$ 6,845	\$ 6,709
Additions	11,960	13,599
Revenue recognized	(10,824)	(12,520)
Balance, end of period	<u>\$ 7,981</u>	<u>\$ 7,788</u>

For the three months ended March 31, 2024, the Company recognized \$ 2,095 of revenue that was included in the contract liability balance as of January 1, 2024. For the three months ended March 31, 2023, the Company recognized \$2,686 of revenue that was included in the contract liability balance as of January 1, 2023.

Certain governmental taxes are imposed on the Company's flight sales through a fee included in flight prices. The Company collects these fees and remits them to the appropriate government agency. These fees are excluded from revenue.

The Company's quarterly financial data is subject to seasonal fluctuations. Historically, its second and third quarter (ended on June 30 and September 30, respectively) financial results have reflected higher Passenger travel demand and were better than the first and fourth quarter financial results.

Note 3 – Right-of-Use Asset and Operating Lease Liability

Blade's operating leases consist of airport and heliport terminals, offices, vehicles and aircraft leases that are embedded within certain Capacity Purchase Agreements ("CPAs"). Upon meeting certain criteria as stated in ASC 842 *Leases*, the lease component of a CPA would be accounted for as an embedded lease, with a corresponding balance included in the operating right-of-use ("ROU") asset and lease liability.

During the three months ended March 31, 2024, the Company added the following leases in accordance with ASC 842:

Effective in March 2022, Blade entered into an agreement for a three-year term ending March 31, 2025 for six aircraft. This CPA was restated and amended in March 2023 for seven aircraft and additional two years (for a total five-year term ending March 31, 2028). This CPA was restated and amended in December 2023 for up to eight aircraft for a five-year term ending March 31, 2028. This CPA was further restated and amended in January 2024 for eight aircraft for a four-year term ending November 30, 2027. The additional eighth aircraft commenced January 1, 2024. Blade has the right to terminate the agreement without cause upon 60 days' written notice, upon such termination a one-year flight hour guarantee will be pro-rated to the date of the termination and the operator will be entitled to retain any unapplied deposit paid by Blade at the time of such termination, in addition, Blade has the right for immediate termination with no penalty if a government authority enacts travel restrictions.

The Company allocates the consideration in the capacity purchase agreements to the lease and non-lease components based on their relative standalone value. The non-lease components for these agreements primarily consist of the costs associated with flight operations. The Company determines its best estimate of the standalone value of the individual components by considering observable information from publicly available market rates.

See Note 9, "Commitments and Contingencies", for additional information about our capacity purchase agreements.

Balance sheet information related to the Company's leases is presented below:

	March 31, 2024	December 31, 2023
Operating leases:		
Operating right-of-use asset	\$ 24,576	\$ 23,484
Operating lease liability, current	4,428	4,787
Operating lease liability, long-term	21,101	19,738

BLADE AIR MOBILITY, INC.
Notes to Consolidated Financial Statements
(amounts in thousands, except share and per share data)

As of March 31, 2024, included in the table above is \$23,165, \$3,857 and \$20,287 of operating right-of-use asset, current operating lease liability, and long-term operating lease liability, respectively, under aircraft leases that are embedded within the capacity purchase agreements. As of December 31, 2023, included in the table above is \$21,081, \$3,215 and \$18,871 of operating right-of-use asset, current operating lease liability, and long-term operating lease liability, respectively, under aircraft leases that are embedded within the capacity purchase agreements.

The following provides details of the Company's lease expense:

	Three Months Ended March 31,	
	2024	2023
Lease cost:		
Short-term lease cost	\$ 98	\$ 94
Operating lease cost	356	467
Operating lease cost - Cost of revenue	1,456	990
Total	<u>\$ 1,910</u>	<u>\$ 1,551</u>

Operating lease costs related to aircraft leases that are embedded within CPAs are recorded within Cost of revenue on the Company's unaudited interim condensed consolidated statement of operations.

Other information related to leases is presented below:

	March 31, 2024
Weighted-average discount rate – operating lease	8.90 %
Weighted-average remaining lease term – operating lease (in years)	6.3

As of March 31, 2024, the expected annual minimum lease payments of the Company's operating lease liabilities were as follows:

For the Year Ended December 31

Remainder of 2024	\$ 4,832
2025	6,166
2026	5,846
2027	4,842
2028	2,387
Thereafter	8,779
Total future minimum lease payments, undiscounted	32,852
Less: Imputed interest for leases in excess of one year	(7,323)
Present value of future minimum lease payments	<u>\$ 25,529</u>

Leases Not Yet Commenced

As of March 31, 2024, the Company had additional operating real estate leases that had not yet commenced of \$ 5,311. These operating leases will commence over the next 12 months.

Construction of the leased facilities will be managed and contracted by the Lessor.

Note 4 – Stock-Based Compensation

Equity Compensation Plans

The Company maintains the 2021 Omnibus Incentive Plan (the "2021 Plan"), which has been approved by our stockholders and provides for the issuance of shares of common stock to our employees, officers, directors, consultants and

BLADE AIR MOBILITY, INC.
Notes to Unaudited Interim Condensed Consolidated Financial Statements
(amounts in thousands, except share, per share data and exchange rates)

advisors, subject to its terms. The 2021 Plan is administered by the Compensation Committee of our Board of Directors. Awards granted under the 2021 Plan are subject to individual award agreements that, among other things, specify the conditions for vesting, termination and forfeiture. The requisite vesting periods for time-based awards made to date range from vesting on grant date to as late as four years from the date of grant. The expiration date of the 2021 Plan, on and after which date no awards may be granted under the 2021 Plan, is May 7, 2031 (the tenth anniversary of the effective date of the 2021 Plan); provided, however, that such expiration shall not affect awards then outstanding under the 2021 Plan, and the terms and conditions of the 2021 Plan shall continue to apply to such awards.

The number of shares of our common stock available for issuance under the 2021 Plan (the "Absolute Share Limit") automatically increases on the first day of each fiscal year by the lesser of (a) 4,653,484 shares of common stock, (b) 5% of the total number of shares of common stock outstanding on the last year of the immediately preceding fiscal year and (c) a lower number of shares of common stock as determined by our Board of Directors. The Absolute Share Limit is also automatically increased by any shares of common stock underlying awards outstanding under the Fly Blade, Inc. 2015 Equity Incentive Plan (the "2015 Plan") that, on or after the effective date of the 2021 Plan, expire or are canceled, forfeited, terminated, settled in cash or otherwise settled without issuance to the holder. Pursuant to the annual automatic increase feature of the 2021 Plan, our Board of Directors approved an increase of 3,756,471 shares of common stock available for issuance under the 2021 Plan, effective January 1, 2024, for a total of 20,521,493 shares available for issuance under the 2021 Plan as of such date.

Stock Option Awards

All of the outstanding stock options awards are fully vested. To date, there have been no stock option awards granted under the 2021 Plan (as defined below).

Following is a summary of stock option activities for the three months ended March 31, 2024:

	Options	Weighted Average Exercise Price	Weighted Average Grant Date Fair Value	Weighted Average Remaining Life (years)	Intrinsic Value
Outstanding – January 1, 2024	7,217,074	\$ 0.19	\$ 0.21	3.5	
Exercised	(508,181)	0.18	0.22		
Forfeited	—	—	—		
Outstanding – March 31, 2024	6,708,893	\$ 0.19	\$ 0.21	3.2	\$ 17,856
Exercisable as of March 31, 2024	6,708,893	\$ 0.19	\$ 0.21	3.2	\$ 17,856

For the three months ended March 31, 2024 and 2023, the Company recorded no stock option expense. As of March 31, 2024, there are no remaining stock options subject to amortization.

Restricted Stock

During the three months ended March 31, 2024, the Company granted an aggregate of 7,149,318 of the Company's restricted stock units ("RSUs"), of which 2,092,178 were to various employees, officers, directors, consultants, and service providers and 5,057,140 Performance-Based Restricted Stock Units ("PSUs") were to named executive officers and key employees under the Blade Air Mobility, Inc. 2021 Omnibus Incentive Plan (the "Plan"). The RSUs have various vesting dates, ranging from vesting on the grant date to as late as four years from the date of grant. The PSUs will vest subject to the achievement of certain financial performance metrics by the Company. Each PSU represents the right to receive one share of the Company's common stock. The grant date fair value of these PSUs was \$3.94 per share. Compensation expense associated with PSUs is recognized over the service period of the awards that are ultimately expected to vest when the related performance objective is met.

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The Company's current default tax withholding method for the vesting of RSUs is the sell-to-cover method, under which shares with a market value equivalent to the estimated tax withholding obligation are withheld from the holder of the RSUs upon vesting and sold on behalf of such holder to cover their applicable tax withholding liability, and the cash proceeds from such sales are then remitted by the Company to the applicable tax authorities. This approach is used for the vesting of RSUs held by the majority of the Company's employees, including all of the Company's Section 16 "officers" as defined by Section 16 of the Securities and Exchange Act of 1934, as amended.

	Restricted Stock Units	Weighted Average Grant Date Fair Value
Non-vested – January 1, 2024	5,259,982	\$ 4.99
Granted (1)	7,149,318	3.77
Vested	(509,565)	4.85
Forfeited	(432,724)	3.61
Non-vested – March 31, 2024	<u>11,467,011</u>	<u>\$ 4.29</u>

(1) 5,057,140 PSUs will vest subject to the achievement of certain financial performance metrics by the Company as discussed above.

For the three months ended March 31, 2024 and 2023, the Company recorded \$ 4,318 and \$3,221 in stock compensation expense for restricted stock unit awards. As of March 31, 2024, unamortized stock-based compensation costs related to restricted stock unit arrangements was \$45,182 and will be recognized over a weighted average period of 3.2 years.

Stock-Based Compensation Expense

Stock-based compensation expense for stock options and restricted stock units in the unaudited interim condensed consolidated statements of operations is summarized as follows:

	Three Months Ended March 31,	
	2024	2023
Software development (1)	\$ (20)	\$ 168
General and administrative (2)	4,197	2,636
Selling and marketing	366	78
Total stock-based compensation expense (3)	<u>\$ 4,543</u>	<u>\$ 2,882</u>

(1) For the three months ended March 31, 2024, a cumulative adjustment of \$181 was recorded due to the forfeiture of restricted stock units of certain former employees.

(2) For the three months ended March 31, 2023, the Company included a credit of \$39 in connection with the settlement of the equity-based portion of contingent consideration related to the acquisition of Trinity Air Medical, Inc. ("Trinity") that was paid in the first quarter of 2023 in respect of 2022 results.

(3) Stock-based compensation expenses for the period ended March 31, 2024 include \$25 accrued expenses.

Note 5 – Segment and Geographic Information
Segment Information

Operating segments are defined as components of an enterprise that engage in business activities for which discrete financial information is available that is evaluated regularly by the chief operating decision maker ("CODM") and is used in resource allocation and performance assessments. In addition, per ASC 280, *Segment Reporting*, paragraph 280-10-50-11, two or more operating segments may be aggregated into a single reportable segment if the segments have similar economic characteristics. The Company has identified two reportable segments - Passenger and Medical, as our Chief Executive Officer, who is our CODM regularly reviews discrete information for those two reportable segments. The Passenger segment consists of our two product lines Short Distance and Jet and Other. The Medical segment consists of the MediMobility Organ Transport product line. Our product lines are defined in Note 2 — Revenue.

Beginning in the first quarter of 2024, the Company changed its primary measure of segment performance to Adjusted EBITDA, as the CODM evaluates the performance of the segments and allocates resources primarily based on their

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respective Adjusted EBITDA. Adjusted EBITDA reflects the operational efficiency and core results of our segment, independent of tax implications and non-operational financial factors. Adjusted EBITDA is defined as net loss adjusted to exclude (1) depreciation and amortization, (2) stock-based compensation, (3) change in fair value of warrant liabilities, (4) interest income and expense, (5) income tax, (6) realized gains and losses on short-term investments, and (7) certain other non-recurring items (shown below) that management does not believe are indicative of ongoing Company operating performance and would impact the comparability of results between periods.

The following table reflects certain financial data of the Company's reportable segments:

	Three Months Ended March 31,	
	2024	2023
Segment revenue		
Passenger	\$ 15,488	\$ 18,504
Medical	36,026	26,767
Total revenue	<u>\$ 51,514</u>	<u>\$ 45,271</u>
Segment Adjusted EBITDA		
Passenger	\$ (2,651)	\$ (3,055)
Medical	4,409	1,880
Adjusted unallocated corporate expenses and software development (1)	<u>(5,304)</u>	<u>(6,549)</u>
Total Adjusted EBITDA	(3,546)	(7,724)
Reconciling items:		
Depreciation and amortization	(1,594)	(1,652)
Stock-based compensation	(4,543)	(3,221)
Change in fair value of warrant liabilities	3,478	566
Realized (gain) loss from sales of short-term investments	—	(81)
Interest income, net	2,072	1,954
Legal and regulatory advocacy fees (2)(3)	(123)	(423)
Executive severance costs	—	(146)
Contingent consideration compensation (earn-out) (4)	—	339
M&A transaction costs	(62)	—
Loss before income taxes	<u>\$ (4,318)</u>	<u>\$ (10,388)</u>

(1) Includes costs that are not directly attributable to reportable segments such as finance, accounting, tax, information technology, human resources, legal costs and software development costs (primarily consists of staff and contractors costs), and excludes non-cash items and certain transactions that management does not believe are reflective of our ongoing core operations.

(2) For the three months ended March 31, 2024, represents legal advocacy fees related to the Drulias lawsuit (see “— Legal and Environmental” within Note 9) that we do not consider representative of legal and regulatory advocacy costs that we will incur from time to time in the ordinary course of our business.

(3) For the three months ended March 31, 2023, represents certain legal and regulatory advocacy fees for certain proposed restrictions at East Hampton Airport and potential operational restrictions on large jet aircraft at Westchester Airport, that we do not consider representative of legal and regulatory advocacy costs that we will incur from time to time in the ordinary course of our business.

(4) Represents the credit recorded in connection with the settlement of the equity-based portion of Trinity's contingent consideration that was paid in the first quarter of 2023 in respect of 2022 results. 2023 was the last year subject to an earn-out payment.

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	March 31, 2024	December 31, 2023
Goodwill		
Passenger	\$ 26,449	\$ 27,045
Medical	13,328	13,328
Total goodwill	<u>\$ 39,777</u>	<u>\$ 40,373</u>

Geographic Information

Revenue by geography is based on where the flight's operator is based. Long-lived assets, net includes property and equipment, net and operating right-of-use assets. Summary financial data attributable to various geographic regions for the periods indicated is as follows:

	Three Months Ended March 31,	
	2024	2023
Revenue		
United States	\$ 45,301	\$ 37,999
Other	6,213	7,272
Total revenue	<u>\$ 51,514</u>	<u>\$ 45,271</u>

	March 31, 2024	December 31, 2023
Long-lived assets		
United States	\$ 14,150	\$ 13,727
Other	13,894	12,656
Total long-lived assets	<u>\$ 28,044</u>	<u>\$ 26,383</u>

Note 6 – Income Taxes

The Company's effective tax rate represents the Company's estimated tax rate for the year based on projected income and the mix of income among the various foreign tax jurisdictions, adjusted for discrete transactions occurring during the period.

For the three months ended March 31, 2024 and 2023, income tax benefit was \$84 and \$196, respectively. The tax benefit in the 2024 period is attributable to Blade Monaco. The difference in the tax benefit in the 2024 period compared to the 2023 period is attributable to the mix of pretax profits from foreign operations and the mix of tax rates in those jurisdictions, while no offsetting tax benefits arising from the Company's U.S., Canada and France net operating losses.

Note 7 – Net Loss per Common Share

Basic loss per common share is computed by dividing net loss by the weighted average number of common shares outstanding during the period. Diluted loss per common share is computed by dividing net loss by the weighted average number of common shares outstanding, plus the impact of common shares, if dilutive, resulting from the exercise of outstanding stock options, restricted shares, and warrants.

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A reconciliation of net loss and common stock share amounts used in the computation of basic and diluted loss per common share is presented below.

	Three Months Ended March 31,	
	2024	2023
Basic and dilutive loss per common share:		
Net loss attributable to Blade Air Mobility, Inc.	\$ (4,234)	\$ (10,192)
Total weighted-average basic common shares outstanding	75,796,411	71,992,771
Net loss per common share:		
Basic and diluted loss per common share	\$ (0.06)	\$ (0.14)

The following table represents common stock equivalents that were excluded from the computation of diluted loss per common share for the three months ended March 31, 2024 and 2023 because the effect of their inclusion would be anti-dilutive:

	Three Months Ended March 31,	
	2024	2023
Warrants to purchase shares of common stock	14,166,644	14,166,644
Options to purchase shares of common stock	6,708,893	7,303,079
Restricted shares of common stock	11,467,011	7,459,037
Total potentially dilutive securities	32,342,548	28,928,760

Note 8 – Related Party Transactions

The Company occasionally engages in transactions for certain air charter services with jet operators who are part of the portfolio of RedBird Capital Partners Management LLC, which is an investor in the Company. Additionally, one member of the Company's board of directors is a Partner of an affiliated company of RedBird Capital Partners Management LLC.

During the three months ended March 31, 2024 and 2023, the Company paid these jet operators approximately \$ 61 and \$68, respectively for air charter services. These costs were recorded within Cost of revenue on the Company's unaudited interim condensed consolidated statement of operations.

Note 9 – Commitments and Contingencies

Capacity Purchase Agreements

Blade has contractual relationships with various aircraft operators to provide aircraft service. Under these CPAs, the Company pays the operator contractually agreed fees (carrier costs) for operating these flights. The fees are generally based on fixed hourly rates for flight time multiplied by hours flown. Under these CPAs, the Company is also responsible for landing fees and other costs, which are either passed through by the operator to the Company without any markup or directly incurred by the Company.

As of March 31, 2024, the Company has remaining unfulfilled obligations under agreements with various aircraft operators to provide aircraft service. The remaining unfulfilled obligation includes amounts within operating lease liability related to aircraft leases embedded within our capacity purchase agreements as discussed in Note 3 – Right-of-Use Asset and Operating Lease Liability. These future unfulfilled obligations were as follows:

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For the Year Ended December 31	Total Unfulfilled Obligation	Immediate Termination (1)	Termination for Convenience (2)
Remainder of 2024	\$ 16,354	\$ 10,201	\$ 1,882
2025	22,539	16,135	—
2026	20,925	14,521	—
2027	20,352	13,947	—
2028	6,405	—	—
2029 - 2032 (each year)	6,405	—	—

(1) Within total unfulfilled obligation, the following amounts are where Blade has the ability for immediate termination if a government authority enacts travel restrictions.

(2) Within total unfulfilled obligation, the following amounts are where Blade could terminate for convenience upon 30 or 60 days' notice, with a one-year annual minimum guarantee being pro-rated as of the termination date.

Legal and Environmental

From time to time, we may be a party to litigation that arises in the ordinary course of business. Other than described below, we do not have any pending litigation that, separately or in the aggregate, would, in the opinion of management, have a material adverse effect on its results of operations, financial condition or cash flows. As of March 31, 2024, management believes, after considering a number of factors, including (but not limited to) the information currently available, the views of legal counsel, the nature of contingencies to which the Company is subject and prior experience, that the ultimate disposition of these other litigation and claims will not materially affect the Company's consolidated financial position or results of operations. The Company records liabilities for legal and environmental claims when a loss is probable and reasonably estimable. These amounts are recorded based on the Company's assessments of the likelihood of their eventual disposition.

In February 2024, two putative class action lawsuits relating to the acquisition of Blade Urban Air Mobility, Inc. ("Old Blade") were filed in the Delaware Court of Chancery. On April 16, 2024, these cases have been consolidated under the caption *Drulias et al. v. Affeldt, et al.*, C.A. No. 2024-0161-SG (Del. Ch.) ("*Drulias*"). Plaintiffs assert claims for breach of fiduciary duty and unjust enrichment claims against the EIC Directors, the former officers of EIC, Experience Sponsor LLC ("Sponsor") and KSL Capital Partners, LLC ("KSL"), and aiding and an abetting breach of fiduciary duty claim against Sponsor and KSL. The Complaint alleges, amongst other things, that the Merger Proxy insufficiently disclosed EIC's cash position, Old Blade's value prospects and risks, and information related to Old Blade's chief executive officer, who is also our current chief executive officer. The complaints seek, among other things, damages and attorneys' fees and costs. Litigation is ongoing. The Company believes that all claims in the lawsuit are without merit and intends to defend itself vigorously against them.

Non-Cancellable Commitments with Vendors

In December 2023, the Company entered into a technology service agreement with a vendor for cloud computing services where we are committed to spend \$0.3 million, \$1.1 million and \$1.6 million for the years ending December 31, 2024, 2025 and 2026, respectively.

Note 10 – Warrant Liabilities

On May 7, 2021, the merger between Old Blade and EIC was consummated (the "Merger"). The warrants acquired in the Merger include (a) redeemable warrants issued by EIC and sold as part of the units in the EIC Initial Public Offering ("EIC IPO") (whether they were purchased in the EIC IPO or thereafter in the open market), which are exercisable for an aggregate of 9,166,644 shares of common stock at a purchase price of \$ 11.50 per share (the "Public Warrants") and (b) warrants issued by EIC to the Experience Sponsor LLC ("Sponsor") in a private placement simultaneously with the closing of the EIC IPO, which are exercisable for an aggregate of 5,000,000 shares of common stock at a purchase price of \$ 11.50 per share (the "Private Placement Warrants").

The Company evaluated its warrants under Accounting Standards Codification ("ASC") ASC 815-40, Derivatives and Hedging—Contracts in Entity's Own Equity, and concluded that they do not meet the criteria to be classified in stockholders' equity. Accordingly, the Company classifies the warrants as liabilities at their fair value and adjusts the

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warrants to fair value at each reporting period. This liability is subject to remeasurement at each balance sheet date until exercised, and any change in fair value is recognized in the Company's unaudited interim condensed consolidated statement of operations. See Note 11 – Fair Value Measurements for additional information.

Warrants — Public Warrants may only be exercised for a whole number of shares. The Public Warrants became exercisable on June 7, 2021. The Public Warrants will expire on May 7, 2026 or earlier upon redemption or liquidation.

Redemptions of Warrants for Cash — The Company may redeem the Public Warrants:

- in whole and not in part;
- at a price of \$0.01 per warrant;
- upon not less than 30 days' prior written notice of redemption to each warrant holder; and
- if, and only if, the reported last sale price of the Company's common stock equals or exceeds \$ 18.00 per share for any 20 trading days within a 30-trading day period ending three business days before the Company sends the notice of redemption to each warrant holder.

Redemption of Warrants for Shares of Common Stock — The Company may redeem the outstanding warrants:

- in whole and not in part;
- at a price equal to a number of shares of common stock to be determined, based on the redemption date and the fair market value of the Company's common stock;
- upon a minimum of 30 days' prior written notice of redemption;
- if, and only if, the last reported sale price of the Company's common stock equals or exceeds \$ 10.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations, and the like) on the trading day prior to the date on which the Company sends the notice of redemption to the warrant holders; and
- if, and only if, there is an effective registration statement covering the shares of common stock issuable upon exercise of the warrants and a current prospectus relating thereto is available throughout the 30-day period after the written notice of redemption is given.

If the Company calls the Public Warrants for redemption for cash, management will have the option to require all holders that wish to exercise the Public Warrants to do so on a "cashless basis", as described in the warrant agreement. The exercise price and number of shares of common stock issuable upon exercise of the warrants may be adjusted in certain circumstances including in the event of a stock dividend, recapitalization, reorganization, merger, or consolidation. However, except as described below, the warrants will not be adjusted for issuance of common stock at a price below its exercise price. Additionally, in no event will the Company be required to net-cash settle the warrants.

The Private Placement Warrants are identical to the Public Warrants underlying the Units sold in the initial public offering, except that the Private Placement Warrants will be exercisable on a cashless basis and be non-redeemable so long as they are held by the initial purchasers or their permitted transferees (unless the Class A common stock equals or exceed \$10 per share and the Company redeem all the Public Warrants). If the Private Placement Warrants are held by someone other than the initial purchasers or their permitted transferees, the Private Placement Warrants will be redeemable by the Company and exercisable by such holders on the same basis as the Public Warrants.

Note 11 – Fair Value Measurements

The Company follows the guidance in ASC 820, *Fair Value Measurement* ("ASC 820"), for its financial assets and liabilities that are re-measured and reported at fair value at each reporting period, and non-financial assets and liabilities that are re-measured and reported at fair value at least annually.

The fair value of the Company's financial assets and liabilities reflects management's estimate of amounts that the Company would have received in connection with the sale of the assets or paid in connection with the transfer of the liabilities in an orderly transaction between market participants at the measurement date. In connection with measuring the fair value of its assets and liabilities, the Company seeks to maximize the use of observable inputs (market data obtained from independent sources) and to minimize the use of unobservable inputs (internal assumptions about how market

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participants would price assets and liabilities). The following fair value hierarchy is used to classify assets and liabilities based on the observable inputs and unobservable inputs used in order to value the assets and liabilities:

- Level 1: Quoted prices in active markets for identical assets or liabilities. An active market for an asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.
- Level 2: Observable inputs other than Level 1 inputs. Examples of Level 2 inputs include quoted prices in active markets for similar assets or liabilities and quoted prices for identical assets or liabilities in markets that are not active.
- Level 3: Unobservable inputs based on management's assessment of the assumptions that market participants would use in pricing the asset or liability.

The following table presents information about the Company's assets and liabilities that are measured at fair value on a recurring basis as of March 31, 2024 and December 31, 2023, and indicates the fair value hierarchy of the valuation inputs the Company utilized to determine such fair value.

	Level	March 31, 2024	December 31, 2023
Warrant liabilities - Public Warrants	1	\$ 958	\$ 3,208
Warrant liabilities - Private Warrants	2	522	1,750
Fair value of aggregate warrant liabilities		<u>\$ 1,480</u>	<u>\$ 4,958</u>

The Warrants were accounted for as liabilities in accordance with ASC 815-40 and are presented within "Warrant liability" on the Company's consolidated balance sheets. The warrant liabilities are measured at fair value upon assumption and on a recurring basis, with changes in fair value presented within "Change in fair value of warrant liabilities" in the consolidated statements of operations.

The Public Warrants are considered part of Level 1 of the fair value hierarchy, as those securities are traded on an active public market. At May 7, 2021 and thereafter, the Company valued the Private Warrants using Level 2 of the fair value hierarchy. The Company used the value of the Public Warrants as an approximation of the value of the Private Warrants as they are substantially similar to the Public Warrants, but not directly traded or quoted on an active market.

Subsequent Measurement

The following table presents the changes in fair value of the warrant liabilities:

	Public Warrants	Private Placement Warrants	Total Warrant Liability
Fair value as of January 1, 2024	\$ 3,208	\$ 1,750	\$ 4,958
Change in fair value of warrant liabilities	(2,250)	(1,228)	(3,478)
Fair value as of March 31, 2024	<u>\$ 958</u>	<u>\$ 522</u>	<u>\$ 1,480</u>

Note 12 – Stockholders' Equity

Preferred Stock

The board of directors of the Company is authorized to provide, out of the unissued shares of Preferred Stock, for one or more series of Preferred Stock and, with respect to each such series, to fix, without further stockholder approval, the number of shares constituting such series and the designation of such series, the powers (including voting powers), preferences and relative, participating, optional and other special rights, and the qualifications, limitations or restrictions thereof, of such series of Preferred Stock. The powers (including voting powers), preferences and relative, participating, optional and other special rights of, and the qualifications, limitations or restrictions thereof, of each series of Preferred Stock, if any, may differ from those of any and all other series at any time outstanding. There was no preferred stock issued and outstanding as of March 31, 2024 or December 31, 2023.

Share Repurchase Program

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On March 20, 2024, the Company announced that its Board of Directors has authorized a stock repurchase program, pursuant to which the Company may repurchase, from time to time, up to an aggregate of \$20.0 million of the Company's Class A common stock, exclusive of any fees, commissions or other expenses related to such repurchases. The Company's stock repurchase programs may be suspended, modified or discontinued by the Board at any time without prior notice at the Company's discretion. The timing and actual number of shares repurchased will depend on a variety of factors, including corporate and regulatory requirements, price and other market conditions and management's determination as to the appropriate use of our cash.

Note 13 – Subsequent Events

On March 11, 2024, Blade entered into definitive agreements to acquire eight fixed-wing aircraft (the "Acquired Aircraft") from M&N Equipment, LLC ("M&N"), Atlas Jet Inc. and Aviation Bridge, LLC for a combined purchase price of approximately \$21.0 million, funded by the application of approximately \$9.3 million in existing prepaid deposits under existing Capacity Purchase Agreements with M&N, and approximately \$ 11.7 million in cash, subject to traditional closing conditions, inspections, holdbacks and adjustments. During the period from April 1, 2024 through May 2, 2024, Blade completed the acquisition of seven of the eight aircraft, with the acquisition of the remaining one aircraft expected to complete in the coming months. Blade intends to utilize the Acquired Aircraft, which were previously dedicated to Blade under existing Capacity Purchase Agreements, to support its Medical business line. The Acquired Aircraft will continue to be operated by the same operator.

Item 2. Management's discussion and analysis of financial condition and results of operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our unaudited interim condensed consolidated financial statements and the related notes and other financial information included elsewhere in this Quarterly Report on Form 10-Q and our audited consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023.

In addition to historical consolidated financial information, the following discussion contains forward-looking statements that reflect our plans, estimates, and beliefs.

Forward-Looking Statements

This Quarterly Report on Form 10-Q may contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements can generally be identified using forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "seeks", "projects", "intends", "plans", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in several places throughout this report and include statements regarding our intentions, beliefs or current expectations concerning, among other things, results of operations, financial condition, liquidity, prospects, growth, strategies, the markets in which we operate and the development of Electric Vertical Aircraft ("EVA") technology. Such forward-looking statements are based on available current market material and management's expectations, beliefs, and forecasts concerning future events impacting us and are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are difficult to predict and generally beyond our control. Actual results and the timing of events may differ materially from the results anticipated in these forward-looking statements.

Our operations and financial results are subject to various risks and uncertainties. The following are among those factors, but are not the only factors, that could adversely affect us and/or that may cause actual results to differ materially from such forward-looking statements:

- continued occurrence of significant losses, which we have experienced since inception;
- the markets in which we operate may fail to grow or may grow more slowly than expected;
- our ability to effectively market and sell air transportation as a substitute for conventional methods of transportation;
- changes in consumer preferences, discretionary spending and other economic conditions;
- reliance on certain customers which could impact our Passenger segment revenue;
- the inability or unavailability to use or take advantage of the shift, or lack thereof, to EVA technology;
- our ability to enter new markets and offer new routes and services;
- any adverse publicity stemming from accidents involving small aircraft, helicopters or charter flights and, in particular, any accidents involving our third-party operators;
- any change to the ownership of our aircraft and the operational and business challenges related thereto;
- effects of competition;
- our reliance on contractual relationships with certain transplant centers, hospitals and Organ Procurement Organizations;
- harm to our reputation and brand;
- our ability to provide high-quality customer support;
- our ability to maintain a high daily aircraft usage rate and to aggregate fliers on our by-the-seat flights;
- impact of natural disasters, outbreaks and pandemics, economic, social, weather, growth constraints, geopolitical, and regulatory conditions or other circumstances on metropolitan areas and airports where we have geographic concentration;
- the effects of climate change;
- the availability of aircraft fuel;
- our ability to address system failures, defects, errors or vulnerabilities in our website, applications, backend systems or other technology systems or those of third-party technology providers;
- interruptions or security breaches of our information technology systems;
- our placements within mobile operating systems and application marketplaces;
- our ability to protect our intellectual property rights;
- our use of open source software;
- our ability to expand and maintain our infrastructure network;
- our ability to access additional funding;
- the increase of costs and risks associated with international expansion;

- our ability to identify, complete and successfully integrate future acquisitions;
- our ability to manage our growth;
- increases in insurance costs or reductions in insurance coverage;
- the loss of key members of our management team;
- our ability to maintain our company culture;
- effects of fluctuating financial results;
- our reliance on third-party operators to provide and operate aircraft;
- the availability of third-party aircraft operators to match demand;
- disruptions to third-party operators and providers workforce;
- increases in insurance costs or reductions in insurance coverage for our third-party aircraft operators;
- the possibility that our third-party aircraft operators may illegally, improperly or otherwise inappropriately operate our branded aircraft;
- our reliance on third-party web service providers;
- changes in our regulatory environment;
- risk and impact of any litigation we may subject to;
- regulatory obstacles in local governments;
- the expansion of domestic and foreign privacy and security laws;
- the expansion of environmental regulation;
- our ability to remediate any material weaknesses or maintain effective internal controls over financial reporting;
- our ability to maintain effective internal controls and disclosure controls;
- changes in fair value of our warrants;
- changes to the price of our securities;
- the possibility that our warrants may expire worthless;
- our ability to redeem outstanding warrants;
- our intention to not declare any dividends in the foreseeable future;
- the possibility that we may issue additional equity securities;
- our use of “smaller reporting company” exemptions from disclosure requirements;
- impact of our loss of “emerging growth company” status;
- provisions in our charter that may discourage unsolicited takeover proposals;
- provisions in our charter that designate exclusive forum; and
- the other factors described elsewhere in the Annual Report on Form 10-K for the year ended December 31, 2023, included under the headings “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition” or as described in the other documents and reports we file with the SEC.

Actual results, performance or achievements may differ materially, and potentially adversely, from any forward-looking statements and the assumptions on which those forward-looking statements are based. There can be no assurance that the data contained herein is reflective of future performance to any degree. You are cautioned not to place undue reliance on forward-looking statements as a predictor of future performance. All information set forth herein speaks only as of the date hereof and we disclaim any intention or obligation to update any forward-looking statements, whether as a result of new information, changes in expectations, future events or otherwise.

Overview

Blade Air Mobility, Inc. (“Blade” or the “Company”) provides air transportation and logistics for hospitals across the United States, where it is one of the largest transporters of human organs for transplant, and for passengers, with helicopter and fixed wing services primarily in the Northeast United States, Southern Europe and Western Canada. Based in New York City, Blade’s asset-light model, coupled with its exclusive passenger terminal infrastructure and proprietary technologies, is designed to facilitate a seamless transition from helicopters and fixed-wing aircraft to Electric Vertical Aircraft (“EVA” or “eVTOL”), enabling lower cost air mobility that is both quiet and emission-free.

Blade operates in three key product lines across two segments (see Note 5 to the unaudited interim condensed consolidated financial statements included herein for further information on reportable segments):

Passenger segment

- *Short Distance* – Consisting primarily of helicopter and amphibious seaplane flights in the United States, Canada and Europe between 10 and 100 miles in distance. Flights are available for purchase both by-the-seat and on a full aircraft charter basis.
- *Jet and Other* – Consists principally of revenues from non-medical jet charter and by-the-seat jet flights between New York and South Florida, revenue from brand partners for exposure to Blade fliers and certain ground transportation services.

Medical segment

- *MediMobility Organ Transport* – Consisting primarily of transportation of human organs for transplant and/or the medical teams supporting these services. Blade also offers additional services including donor logistics coordination and support evaluating potential donor organs.

Seats Flown

The following table reflects the key operating metric we use to evaluate the Passenger segment:

	Three Months Ended March 31,	
	2024	2023
Seats flown – all passenger flights	27,708	28,550

We define “Seats flown — all passenger flights” (Seats Flown) as the total number of seats purchased by paying passengers on all flights, whether sold by-the-seat or within a charter arrangement. Our long-term consumer-facing strategy is primarily focused on growth in by-the-seat products, and we believe that Seats Flown is an important indicator of our progress in executing on this growth strategy. This metric is not always directly correlated with revenue given the significant variability in the price we charge per seat flown across our various products and routes. For products and routes sold by-the-seat, we fly significantly more passengers at a low price per seat; which is captured by Seats Flown. Passenger revenue is heavily influenced by the Jet and Other product lines where we typically fly fewer passengers over long distances at a high price. We believe the Seats Flown metric is useful to investors in understanding the overall scale of our Passenger segment and trends in the number of passengers paying to use our service.

Our Business Model

Blade leverages an asset-light business model: we primarily utilize aircraft that are owned and/or operated by third-parties on Blade’s behalf. In these arrangements, pilots, maintenance, hangar, insurance, and fuel are all costs borne by our network of operators, which provide aircraft flight time to Blade at fixed hourly rates. This enables our operator partners to focus on training pilots, maintaining aircraft and flying, while we maintain the relationship with our customer from booking through flight arrival. For flights offered for sale by-the-seat, Blade schedules flights based on demand analysis and takes the economic risk of aggregating fliers to optimize flight profitability, providing predictable margins for our operators.

When utilizing third-party aircraft and/or aircraft operators, we typically pre-negotiate fixed hourly rates and flight times, paying only for flights actually flown, creating a predictable and flexible cost structure. Blade provides guaranteed flight commitments to some of our third-party operators through capacity purchase agreements, which enable Blade to ensure dedicated access to such aircraft with enhanced crew availability, lower costs and, in many cases, the ability to unlock more favorable rates when flying more than the minimum number of hours we guarantee to the operator. Additionally, a significant portion of Blade trips are flown by safety-vetted operators to whom Blade makes no commitments, providing us with additional flexible capacity for high demand periods.

We also own a small number of fixed wing aircraft, operated and maintained by a third-party, that we utilize primarily for the Medical segment. We prioritize the use of owned aircraft and dedicated aircraft under capacity purchase agreements, which provide better economies of scale. We size our owned fleet and our commitments under capacity purchase

agreements significantly below our expected demand, enabling us to maximize utilization on those aircraft while fulfilling incremental demand through our network of non-dedicated operators.

Blade's proprietary "customer-to-cockpit" technology stack enables us to manage fliers and organ transports across numerous simultaneous flights with multiple operators around the world. We believe that this technology, which provides (i) real-time tracking of organ transports and passenger flights; (ii) profit/loss information on a flight-by-flight basis; (iii) customized portals for all relevant parties including pilots, accounting teams, operator dispatch, transplant coordinators and Blade's logistics team; and (iv) a customer-facing app for passenger missions, will enable us to continue to scale our business. This technology stack was built with future growth in mind and is designed to allow our platform to be easily scaled to accommodate, among other things, rapid increases in volume, new routes, new operators, broader flight schedules, international expansion, next-generation verticraft and ancillary services (e.g., last/first-mile ground connections, trip cancellation insurance, baggage delivery) through our mobile apps, website and cloud-based tools.

Our asset-light business model was developed to be scalable and profitable using conventional aircraft today while enabling a seamless transition to EVA, once they are certified for public use. We intend to leverage the expected lower operating costs of EVA versus helicopters to reduce the consumer's price for our flights. Additionally, we expect the reduced noise footprint and zero carbon emission characteristics of EVA to allow for the development of new, vertical landing infrastructure ("vertiports") in our existing and new markets.

Factors Affecting our Performance

Ability to attract and retain fliers in our Short Distance product line

Our success depends, in part, on our ability to cost-effectively attract new fliers, retain existing fliers, and increase utilization of our platform by existing fliers. Historically, we have made, and expect that we will need to continue to make, significant investments and implement strategic initiatives in order to attract new fliers, such as flier acquisition campaigns and the launching of new scheduled routes. These investments and initiatives may not be effective in generating sales growth or profits. In addition, marketing campaigns can be expensive and may not result in the acquisition of additional fliers in a cost-effective manner, if at all. As our brand becomes more widely known, future marketing campaigns or brand content may not attract new fliers at the same rate as past campaigns or brand content. If we are unable to attract new fliers, our business, financial condition, and results of operations will be adversely affected.

Our fliers have a wide variety of options for transportation, including business aviation, commercial airlines, private aircraft operators, personal vehicles, rental cars, taxis, public transit, and ride-sharing offerings. To expand our flier base, we must appeal to new fliers who have historically used other forms of transportation. If fliers do not perceive our urban air mobility services to be reliable, safe, and cost-effective, or if we fail to offer new and relevant services and features on our platform, we may not be able to attract or retain fliers or increase their utilization of our platform. If we fail to continue to grow our flier base, retain existing fliers, or increase the overall utilization of our platform, our business, financial condition, and results of operations could be adversely affected.

Ability to attract and retain customers in our MediMobility Organ Transport and Jet and Other product line

Our MediMobility Organ Transport product line primarily serves transplant centers, organ procurement organizations and hospitals. Transportation for the hearts, lungs and livers that make up the vast majority of this product line is typically requested only hours before the required departure time. Our ability to successfully fulfill these requests with consistent pricing on the requested aircraft type, be it jet, turboprop or helicopter, is the primary metric by which Medical Customers evaluate our performance.

The organ transportation market is highly competitive and we compete for organ transportation business primarily on our ability to provide reliable, end-to-end air and ground transportation at competitive pricing. Increasingly, we compete directly with manufacturers of organ preservation equipment that also offer transportation or with providers that offer additional services, such as surgical organ recovery, that our customers find valuable. We may face increased competition as our Medical Customers may prefer a streamlined logistics offering, including services or technology that we cannot provide, which could have a material adverse effect on our business, results of operations, and financial condition.

We utilize the same aircraft and aircraft operators in the Jet and Other business line of our Passenger segment. Historically, the combination of our Passenger and MediMobility Organ Transport demand, has been enough to incentivize operators to

provide dedicated aircraft and crews for our use. However, there is no guarantee that we will continue to be able to secure dedicated aircraft at favorable rates, particularly given significant increases in demand for private jet aircraft in the United States in recent years. Periods of increased demand for private jets have historically led to increased charter costs and more limited availability in the spot jet charter market. Although this has not limited our ability to maintain or increase our access to dedicated jet aircraft at fixed prices in recent periods, jet charter, which makes up the majority of our Jet and Other business line, is highly competitive and volumes and pricing have historically been significantly influenced by overall market supply and demand.

Impact of inflation to our business

We generally pay a fixed hourly rate to our third-party operators, based on flight hours flown. These rates are susceptible to inflation and are typically renegotiated on a yearly basis, though some multi-year contracts have fixed rate increases. Some contracts with operators allow for pass-through of fuel price increases above a set threshold. For our owned aircraft, we will be more directly exposed to inflation of aircraft operating expenses, including pilot salaries, fuel, insurance, parts and maintenance.

We have historically passed through cost inflation to customers and most contracts with our MediMobility Organ Transport Customers automatically pass through any fuel surcharges, but there is no guarantee this will continue in the future.

Passenger Expansion into New Geographic Markets

Our Passenger segment growth plan is focused on dense urban areas, primarily those with existing air transportation infrastructure that are facing increasing ground congestion. Growth in our Passenger segment will depend in part on our ability to successfully enter into new markets, create and introduce new routes, and expand our existing routes by adding more frequent flights. In these areas, our urban air mobility services can provide the most time savings for our fliers, and given the short distances involved, costs for our services can be comparable to luxury, private car services. Significant changes to our existing routes or the introduction of new and unproven routes may require us to obtain and maintain applicable permits, authorizations, or other regulatory approvals. In addition, EVA may be commercially viable sooner in these markets given that battery technology constraints may limit the range of early models. Large urban markets with existing heliport infrastructure should be able to accommodate EVA while other cities may need several years to permit and build such infrastructure.

If these new or expanded routes are unsuccessful or fail to attract a sufficient number of fliers to be profitable, or we are unable to bring new or expanded routes to market efficiently, our business, financial condition, and results of operations could be adversely affected. Furthermore, new third-party aircraft operator or flier demands regarding our services, including the availability of superior routes or a deterioration in the quality of our existing routes, could negatively affect the attractiveness of our platform and the economics of our business and require us to make substantial changes to and additional investments in our routes or our business model. The number of potential fliers using our urban air mobility services in any market cannot be predicted with any degree of certainty, and we cannot provide assurance that we will be able to operate in a profitable manner in any of our current or targeted future markets.

Development, approval and acceptance of EVA for commercial service

We intend to leverage the expected lower operating costs of EVA versus helicopters to reduce the price for our flights. Additionally, we expect the reduced noise footprint and zero carbon emission characteristics of EVA to allow for the development of new vertiports in our existing and new markets. However, EVA involves a complex set of technologies, which we rely on original equipment manufacturers ("OEMs") to develop and our third-party aircraft operators to adopt. However, before EVA can fly passengers or cargo, OEMs must receive requisite approvals from federal transportation authorities. No EVA aircraft are currently certified by the FAA for commercial operations in the United States, and there is no assurance that OEM research and development will result in government certified aircraft that are market-viable or commercially successful in a timely manner, or at all. In order to gain government certification, the performance, reliability, and safety of EVA must be proven, none of which can be assured. Even if EVA aircraft are certified, individual operators must conform EVA aircraft to their licenses, which requires FAA approval, and individual pilots also must be licensed and approved by the FAA to fly EVA aircraft, which could contribute to delays in any widespread use of EVA and potentially limit the number of EVA operators available to our business. There is no assurance that research and development will result in government certified aircraft that are market-viable or commercially successful in a timely manner, or at all.

We believe that Blade is well positioned to introduce EVA into commercial service, once available, for a number of reasons. In our Passenger segment, we believe our existing Short Distance routes will be compatible with EVA, which are initially expected to have a limited range, and our existing terminal space will accommodate EVA. Additionally, we believe that the last-mile transports we perform using helicopters or ground vehicles in our Medical segment may be compatible with EVA, reducing organ transport time and cost for our customers. Blade's unit economics are designed to be profitable using either conventional helicopters or EVA, even if early EVA do not deliver significant cost savings relative to helicopters. Moreover, Blade's asset-light business model and technology platform are operator and aircraft agnostic, enabling a seamless transition to EVA.

Seasonality

Passenger segment

Historically, we have experienced significant seasonality in our Short Distance product line with flight volume peaking during the quarters ended June 30 (Q2) and September 30 (Q3) of each fiscal year due to the busy summer travel season, with lower volume during the quarters ended March 31 (Q1) and December 31 (Q4).

Jet and Other revenue has historically been stronger in the first and fourth quarter (Q1 and Q4) given that our by-the-seat jet service between New York and South Florida has historically operated only between November and April. We discontinued this service in Q4 2023 and do not expect the seasonality in our Jet and Other revenue to be significant in 2024.

Medical segment

Historically, seasonality in our MediMobility Organ Transport business has not been significant.

Key Components of the Company's Results of Operations

Revenue

Short Distance products are typically purchased using the Blade App and paid for principally via credit card transactions, wire, check, customer credit, and gift cards, with payments principally collected by the Company in advance of the performance of related services. The revenue is recognized when the service is completed.

Jet products are typically purchased through our Flier Relations associates and our app and are paid for principally via checks, wires and credit card. Jet payments are typically collected at the time of booking before the performance of the related service. The revenue is recognized when the service is completed.

MediMobility Organ Transport products are typically purchased through our medical logistics coordinators and are paid for principally via checks and wires. Payments are generally collected after the performance of the related service in accordance with the client's payment terms. The revenue is recognized when the service is completed.

Cost of Revenue

Cost of revenue consists of flight costs paid to operators of aircraft and cars, landing fees, depreciation for cars, ROU asset amortization and internal costs incurred in generating organ ground transportation revenue using the Company's owned cars.

Software Development

Software development expenses consist primarily of staff costs, stock-based compensation costs and capitalized software amortization costs.

General and Administrative

General and administrative expenses principally include staff costs including stock-based compensation, depreciation and amortization, impairment of intangible assets, directors and officers insurance costs, professional fees, credit card processing fees and establishment costs.

Selling and Marketing

Selling and marketing expenses consist primarily of advertising costs, staff costs including stock-based compensation, marketing expenses, sales commissions and promotion costs. The trend and timing of our brand marketing expenses will depend in part on the timing of our expansion into new markets and other marketing campaigns.

Results of Operations

The following table presents our consolidated statements of operations for the periods indicated:

	Three Months Ended March 31,	
	2024	2023
	(in thousands)	
Revenue	\$ 51,514	\$ 45,271
Operating expenses		
Cost of revenue	41,375	38,107
Software development	670	1,123
General and administrative	17,209	16,257
Selling and marketing	2,128	2,611
Total operating expenses	61,382	58,098
Loss from operations	(9,868)	(12,827)
Other non-operating income		
Interest income, net	2,072	1,954
Change in fair value of warrant liabilities	3,478	566
Realized loss from sales of short-term investments	—	(81)
Total other non-operating income	5,550	2,439
Loss before income taxes	(4,318)	(10,388)
Income tax benefit	(84)	(196)
Net loss	\$ (4,234)	\$ (10,192)

Comparison of the Three Months Ended March 31, 2024 and 2023

Revenue

Disaggregated revenue by product line was as follows:

	Three Months Ended March 31,		
	2024	2023	% Change
	(in thousands, except percentages)		
Product Line:			
Short Distance	\$ 9,810	\$ 10,425	(6) %
Jet and Other	5,678	8,079	(30) %
MediMobility Organ Transport	36,026	26,767	35 %
Total Revenue	\$ 51,514	\$ 45,271	14 %

For the three months ended March 31, 2024 and 2023, revenue increased by \$6.2 million or 14%, from \$45.3 million in 2023 to \$51.5 million in 2024.

Short Distance revenue decreased by \$0.6 million or 6% from \$10.4 million in 2023 to \$9.8 million in 2024. The decrease was primarily driven by lower activity of Europe for a \$0.6 million decrease, mostly due to significant weather impacts, and lower activity in Canada for a \$0.4 million decrease. These were partially offset by growth in our New York airport transfer products for a \$0.3 million increase and a \$0.1 million increase in other US Short Distance.

Jet and Other revenue decreased by \$2.4 million or 30% from \$8.1 million in 2023 to \$5.7 million in 2024. The decrease was driven primarily by the discontinuation of our seasonal by-the-seat jet service between New York and South Florida, resulting in a \$2.9 million decrease, partially offset by growth in Jet charters of \$0.3 million and growth in brand partnership revenues of \$0.2 million.

MediMobility Organ Transport revenue increased by \$9.3 million or 35% from \$26.8 million in 2023 to \$36.0 million in 2024. The growth was driven primarily by the addition of new hospital clients resulting in a \$3.8 million increase, higher activity from existing clients, resulting in a \$2.1 million increase, as hospitals accepted more organs for transplant involving longer travel distances, increasing average flight hours per trip, higher revenue per flight hour resulting in a \$1.0 million increase and an increase in ground revenue for \$2.0 million (from both existing and new clients).

Cost of Revenue

	Three Months Ended March 31,		
	2024	2023	% Change
(in thousands, except percentages)			
Cost of revenue	\$ 41,375	\$ 38,107	9 %
Percentage of revenue	80 %	84 %	

For the three months ended March 31, 2024 and 2023, cost of revenue increased by \$3.3 million or 9%, from \$38.1 million during 2023 to \$41.4 million in 2024 driven by increased flight volume and an increase in the average Medical flight distance.

Cost of revenue as a percentage of revenues decreased by 4 percentage points from 84% to 80%, attributable primarily to increased use of dedicated aircraft (which typically have lower costs per flight hour and enhanced economies of scale) and increased revenue per flight hour in our Medical business, these improvements were partially offset by higher cost of revenue as a percent of revenue in Europe and Canada compared to the same period last year.

Software Development

	Three Months Ended March 31,		
	2024	2023	% Change
(in thousands, except percentages)			
Software development	\$ 670	1,123	(40) %
Percentage of revenue	1 %	2 %	

For the three months ended March 31, 2024 and 2023, software development costs decreased \$0.5 million, or 40%, from \$1.1 million during 2023 to \$0.7 million in 2024, attributable primarily to a decrease in staff and contractors costs and a decrease of \$0.2 million in stock-based compensation costs (due to a forfeiture).

General and Administrative

	Three Months Ended March 31,		
	2024	2023	% Change
	(in thousands, except percentages)		
General and administrative	\$ 17,209	\$ 16,257	6 %
Percentage of revenue	33 %	36 %	

For the three months ended March 31, 2024 and 2023, general and administrative expense increased by \$1.0 million, or 6%, from \$16.3 million in 2023 to \$17.2 million in 2024.

The primary driver for the increase was a \$2.0 million increase in staff costs, of which \$1.5 million is attributable to stock-based compensation and \$0.5 million is attributable to increased headcount to support growth in Medical. Those increases were partially offset by a \$0.6 million decrease in legal and insurance expense and a \$0.3 million decrease in intangibles amortization costs.

Selling and Marketing

	Three Months Ended March 31,		% Change
	2024	2023	
(in thousands, except percentages)			
Selling and marketing	\$ 2,128	\$ 2,611	(18) %
Percentage of revenue	4 %	6 %	

For the three months ended March 31, 2024 and 2023, selling and marketing expense decreased by \$0.5 million, or 18%, from \$2.6 million in 2023 to \$2.1 million in 2024. The decrease is attributable primarily to a \$1.0 million decrease in marketing expenses, primarily driven by the discontinuation of seasonal jet service between New York and South Florida. This decrease was partially offset by a \$0.5 million increase in staff costs, inclusive of stock-based compensation and sales commissions.

Other non-operating income (expense)

	Three Months Ended March 31,		
	2024	2023	% Change
	(in thousands, except percentages)		
Interest income, net	\$ 2,072	\$ 1,954	
Change in fair value of warrant liabilities	3,478	566	
Realized loss from sales of short-term investments	—	(81)	
Total other non-operating income	\$ 5,550	\$ 2,439	128%

For the three months ended March 31, 2024 and 2023, other non-operating income increased by \$3.1 million, or 128% from \$2.4 million in 2023 to \$5.6 million in 2024. This increase was driven primarily by a \$2.9 million decrease in the fair value of our warrant liabilities as the value of the warrant liabilities fluctuates with the warrants' market price. Interest income associated with our short-term investments and money market accounts also increased \$0.1 million.

Segment Results of Operations

We operate our business as two reportable segments - Passenger and Medical. For additional information about our segments, see Note 5 - "Segment and Geographic Information" in the notes to the unaudited interim condensed consolidated financial statements of this Quarterly Report on Form 10-Q.

Segment Revenue and Segment Adjusted EBITDA

The following table presents our segment results for the periods indicated (in thousands, except percentages):

	Three Months Ended March 31,		
	2024	2023	% Change
	(in thousands, except percentages)		
Segment Revenue			
Passenger	\$ 15,488	\$ 18,504	(16) %
Medical	36,026	26,767	35 %
Total revenue	<u>\$ 51,514</u>	<u>\$ 45,271</u>	14 %
Segment Adjusted EBITDA			
Passenger	\$ (2,651)	\$ (3,055)	(13) %
Medical	4,409	1,880	135 %
Adjusted unallocated corporate expenses and software development (1)	(5,304)	(6,549)	(19) %
Adjusted EBITDA(2)	<u>\$ (3,546)</u>	<u>\$ (7,724)</u>	(54) %
Segment Adjusted EBITDA Margin (3)			
Passenger	(17)%	(17)%	
Medical	12 %	7 %	
Adjusted EBITDA Margin	(7)%	(17)%	

(1) Includes costs that are not directly attributable to reportable segments such as finance, accounting, tax, information technology, human resources, legal costs and software development costs (primarily consists of staff and contractors costs), and excludes non-cash items and certain transactions that management does not believe are reflective of our ongoing core operations.

(2) See section titled "Reconciliations of Non-GAAP Financial Measures" for more information and reconciliations to the most directly comparable GAAP financial measure.

(3) Adjusted EBITDA margin is defined as Adjusted EBITDA as a percentage of revenue. Segment Adjusted EBITDA is defined as segment Adjusted EBITDA as a percentage of segment revenue.

Passenger segment

For the three months ended March 31, 2024 and 2023, Passenger revenue decreased by \$3.0 million or 16%, from \$18.5 million in 2023 to \$15.5 million in 2024. The decrease was attributable to a \$0.6 million decrease in Short Distance and a \$2.4 million decrease in Jet and Other. Refer to the disaggregated revenue discussion above under "—Comparison of the Three Months Ended March 31, 2024 and 2023—Revenue" for more details.

Passenger Adjusted EBITDA improved by \$0.4 million or 13% for the three months ended March 31, 2024 from \$(3.1) million in the same period of 2023 to \$(2.7) million in 2024. The improvement is primarily attributable to a \$1.0 million decrease in marketing expenses and a \$0.2 million decrease in personnel costs. These were partially offset by higher effective cost of revenue per flight attributable to difficult weather, which drove high cancellation rates compared to the prior year period for a \$0.7 million impact.

Medical segment

For the three months ended March 31, 2024 and 2023, Medical revenue increased by \$9.3 million or 35%, from \$26.8 million in 2023 to \$36.0 million in 2024. Refer to the disaggregated revenue discussion above under "—Comparison of the Three Months Ended March 31, 2024 and 2023—Revenue" for more details.

Medical Adjusted EBITDA increased by \$2.5 million or 135%, for the three months ended March 31, 2024 from \$1.9 million in the same period of 2023 to \$4.4 million in 2024. \$3.7 million of the increase is attributable to: (i) larger volume for both air and

ground missions, from new and existing clients (ii) increased average air trip distance (iii) lower effective cost of revenue per flight due to higher utilization of dedicated aircraft, which typically have lower cost per flight hour. Those increases were partially offset by a \$1.2 million increase in fixed costs, primarily staff costs in order to support the higher activity.

Adjusted EBITDA, Flight Profit and Flight Margin

The following table presents our consolidated Adjusted EBITDA, Flight Profit and Flight Margin results:

	Three Months Ended March 31,		
	2024	2023	% Change
	<i>(in thousands, except percentages)</i>		
Adjusted EBITDA(1)	\$ (3,546)	\$ (7,724)	(54) %
Flight Profit(1)	\$ 10,139	7,164	42 %
Flight Margin(1)	19.7 %	15.8 %	

(1) See section titled "Reconciliations of Non-GAAP Financial Measures" for more information and reconciliations to the most directly comparable GAAP financial measure.

Comparison of the Three Months Ended March 31, 2024 and 2023

Adjusted EBITDA improved by \$4.2 million for the three months ended March 31, 2024 from \$(7.7) million in the same period of 2023 to \$(3.5) million in 2024. The improvement is primarily attributable to improvements in both Passenger and Medical Adjusted EBITDA (refer to the discussion above), coupled with a \$1.2 million decrease in Adjusted unallocated corporate costs and software development, attributable primarily to \$0.6 million decrease in professional services and insurance and \$0.5 million decrease in staff costs;

Flight Profit increased by \$3.0 million or 42% for the three months ended March 31, 2024 from \$7.2 million in the same period of 2023 to \$10.1 million in 2024. The increase was driven by (i) higher volumes of Medical air and ground missions, from new and existing clients; (ii) increased average air trip distance for Medical flights; and (iii) a lower effective cost of revenue per flight for Medical flights, due to higher utilization of dedicated aircraft, which typically have lower cost per flight hour. This was partially offset by higher effective flight cost per hour in Europe due to difficult weather, which drove high cancellation rates compared to the prior year period, and lower load factor in Canada's by-the-seat flights compared to the prior year period.

Flight Margin increased from 15.8% to 19.7%, primarily attributable to increased use of dedicated aircraft (which are more cost efficient) for Medical flights and higher revenue per Medical flight hour. This was partially offset by higher effective cost of revenue per flight in Europe due to difficult weather (which drove higher cancellation rates) and lower load factor in Canada's by-the-seat flights.

Reconciliation of Non-GAAP Financial Measures

Certain non-GAAP measures included in this segment results of operations review have been derived from amounts calculated in accordance with GAAP but are not themselves GAAP measures. Blade believes that the non-GAAP measure discussed below, viewed in addition to and not in lieu of our reported U.S. GAAP results, provide useful information to investors by providing a more focused measure of operating results, enhance the overall understanding of past financial performance and future prospects, and allow for greater transparency with respect to key metrics used by management in its financial and operational decision making. The non-GAAP measures presented herein may not be comparable to similarly titled measures presented by other companies. These include Adjusted EBITDA, Flight Profit and Flight Margin, which we define, explain the use of and reconcile to the nearest GAAP financial measure below.

Adjusted EBITDA

Adjusted EBITDA is defined as net loss adjusted to exclude (1) depreciation and amortization, (2) stock-based compensation, (3) change in fair value of warrant liabilities, (4) interest income and expense, (5) income tax, (6) realized gains and losses on short-term investments, and (7) certain other non-recurring items (shown below) that management does not believe are indicative of ongoing Company operating performance and would impact the comparability of results between periods.

	Three Months Ended March 31,	
	2024	2023
	(in thousands)	
Net loss	\$ (4,234)	\$ (10,192)
Add (deduct):		
Depreciation and amortization	1,594	1,652
Stock-based compensation	4,543	3,221
Change in fair value of warrant liabilities	(3,478)	(566)
Realized loss from sales of short-term investments	—	81
Interest income, net	(2,072)	(1,954)
Income tax benefit	(84)	(196)
Legal and regulatory advocacy fees (1)(2)	123	423
Executive severance costs	—	146
Contingent consideration compensation (earn-out) (3)	—	(339)
M&A transaction costs	62	—
Adjusted EBITDA	\$ (3,546)	\$ (7,724)
Revenue	\$ 51,514	\$ 45,271
Adjusted EBITDA as a percentage of revenue	(7)%	(17)%

(1) For the three months ended March 31, 2024, represents legal advocacy fees related to the *Drulias* lawsuit (see “— Legal and Environmental” within Note 9) that we do not consider representative of legal and regulatory advocacy costs that we will incur from time to time in the ordinary course of our business.

(2) For the three months ended March 31, 2023, represents certain legal and regulatory advocacy fees for the proposed restrictions at East Hampton Airport and the potential operational restrictions on large jet aircraft at Westchester Airport, that we do not consider representative of legal and regulatory advocacy costs that we will incur from time to time in the ordinary course of our business. It is worth noting that we do not anticipate incurring any further legal fees related to the Westchester litigation.

(3) Represents a credit recorded in connection with the settlement of the equity-based portion of Trinity's contingent consideration that was paid in the first quarter of 2023 in respect of 2022 results. 2023 was the last year subject to an earn-out payment.

Flight Profit and Flight Margin

Flight Profit is calculated as revenue less cost of revenue. Flight Margin is calculated as Flight Profit divided by revenue.

Flight Profit and Flight Margin are measures that management uses to assess the performance of the business. Blade believes that Flight Profit and Flight Margin provide a useful measure of the profitability of the Company's flight and ground operations, as they focus solely on the direct variable costs associated with those operations.

Gross Profit

Gross Profit, which is the most directly comparable GAAP financial measure to Flight Profit, is calculated as revenue less cost of revenue and other costs directly related to revenue generating transactions which primarily includes credit card processing fees, depreciation and amortization, staff costs including stock-based compensation, commercial costs and establishment costs. The reconciliation of gross profit to Flight Profit can be found in the table below.

	Three Months Ended March 31,	
	2024	2023
	<i>(in thousands)</i>	
Revenue	\$ 51,514	\$ 45,271
Less:		
Cost of revenue (1)	41,375	38,107
Depreciation and amortization	1,240	1,471
Stock-based compensation	78	40
Other (2)	2,969	2,424
Gross Profit	\$ 5,852	\$ 3,229
Gross Margin	11.4 %	7.1 %
Gross Profit	\$ 5,852	\$ 3,229
Reconciling items:		
Depreciation and amortization	1,240	1,471
Stock-based compensation	78	40
Other (2)	2,969	2,424
Flight Profit	\$ 10,139	\$ 7,164
Flight Margin	19.7 %	15.8 %

(1) Cost of revenue consists of flight costs paid to operators of aircraft and cars, landing fees, depreciation for cars, ROU asset amortization and internal costs incurred in generating organ ground transportation revenue using the Company's owned cars.

(2) Other costs include credit card processing fees, staff costs, commercial costs and establishment costs.

Liquidity and Capital Resources

Sources of Liquidity

As of March 31, 2024 and December 31, 2023, we had total liquidity of \$151.0 million and \$166.1 million, respectively, consisting of cash and cash equivalents of \$36.8 million and \$27.9 million, respectively, and short-term investments of \$114.2 million and \$138.3 million, respectively. In addition, as of March 31, 2024 and December 31, 2023, we had restricted cash of \$1.3 million and \$1.1 million, respectively. As of March 31, 2024, \$114.2 million of short-term investments consisted of securities that are traded in highly liquid markets.

With \$151.0 million of total liquid funds as of March 31, 2024, we anticipate that we have sufficient funds to meet our current operational needs for at least the next 12 months from the date of filing this Quarterly Report.

Liquidity Requirements

As of March 31, 2024, the Company had net working capital of \$170.8 million, zero debt, cash and cash equivalents of \$36.8 million and short-term investments of \$114.2 million. The Company had net losses of \$4.2 million and \$10.2 million for the three months ended March 31, 2024 and 2023, respectively.

In the course of our business, we have certain contractual relationships with third-party aircraft operators pursuant to which we may be contingently required to make payments in the future. As of March 31, 2024, we had commitments to purchase flights from various aircraft operators with aggregate minimum flight purchase guarantees of \$16.4 million and \$22.5 million for the years ending December 31, 2024 and 2025, respectively, \$10.2 million and \$16.1 million, respectively, of which may be cancelled by us immediately if a government authority enacts travel restrictions and \$1.9 million and \$0.0 million, respectively, of which could be terminated by Blade for convenience upon 30 or 60 days' notice with the annual minimum guarantee being prorated as of the termination date. See "—Capacity Purchase Agreements" within Note 9 to the consolidated financial statements for additional information and for information about future periods. Additionally, the Company has operating lease obligations related to real estate and vehicles with expected annual minimum lease payments of \$0.7 million and \$0.9 million for the years ending December 31, 2024 and 2025, respectively. See Note 3 "Right-of-Use Asset and Operating Lease Liability" to the unaudited interim condensed consolidated financial statements for additional information and for information about future periods.

We have non-cancellable commitments which primarily relate to cloud services and other items in the ordinary course of business. The amounts are determined based on the non-cancellable quantities to which we are contractually obligated. In December 2023, the Company entered into a technology service agreement with a vendor for cloud computing services where we are committed to spend \$0.3 million and \$1.1 million for the years ending December 31, 2024 and 2025, respectively.

We expect to incur net losses in the short term, as we continue to execute our strategic initiatives. Based on our current liquidity, we believe that no additional capital will be needed to execute our current business plan over the next 12 months. Our longer term liquidity requirement will depend on many factors including the pace of our expansion into new markets, our ability to attract and retain customers for our existing products, capital expenditures and acquisitions.

Cash Flows

The following table summarizes our cash flows for the periods indicated:

	Three Months Ended March 31,	
	2024	2023
	(in thousands)	
Net cash used in operating activities	\$ (15,551)	\$ (16,855)
Net cash provided by investing activities	24,562	16,275
Net cash provided by / (used in) financing activities	54	(27)
Effect of foreign exchange rate changes on cash balances	(26)	3
Net increase (decrease) in cash and cash equivalents and restricted cash	9,039	(604)

Cash Used In Operating Activities

For the three months ended March 31, 2024, net cash used in operating activities was \$15.6 million, driven by a net loss of \$4.2 million and \$12.2 million of cash used for working capital requirements, adjusted for non-cash items consisting of stock-based compensation expense of \$4.3 million, depreciation and amortization of \$1.6 million, non-cash accretion of interest income on held-to-maturity securities of \$1.5 million, income from change in fair value of warrant liabilities of \$3.5 million, and a deferred tax benefit of \$0.1 million. The \$12.2 million of cash used for working capital requirements was primarily driven by a decrease in accounts payable and accrued expenses of \$10.2 million, driven by the cash payment for the Trinity contingent consideration compensation and for the 2023 short term incentive plan, an increase in accounts receivable of \$2.6 million (attributable to the revenue growth in the Medical segment), and an increase in prepaid expenses and other current assets of \$0.4 million, driven by prepayments made to operators in connection with capacity purchase agreements; partially offset by an increase in deferred revenue of \$1.2 million (driven by client prepayments).

For the three months ended March 31, 2023, net cash used in operating activities was \$16.9 million, primarily driven by a net loss of \$10.2 million and \$9.5 million cash used for working capital requirements, adjusted for non-cash items consisting of stock-based compensation expense of \$3.2 million, depreciation and amortization of \$1.7 million, accretion of interest income on held-to-maturity securities of \$1.4 million, income from change in fair value of warrant liabilities of \$0.6 million, realized loss of \$0.1 million from the sale of short-term investments, and a deferred tax benefit of \$0.2 million. The \$9.5 million cash used for working capital requirements was primarily driven by an increase in accounts receivable of \$5.6 million, due to the rapid growth in MediMobility Organ Transport, a decrease in accounts payable and accrued expenses of \$3.4 million (driven by the payment of the Trinity contingent consideration compensation payment and the 2022 short term incentive plan), an increase in prepaid expenses and other current assets of \$1.6 million, driven by prepayments to operators in connection with capacity purchase agreements, partially offset by an increase in deferred revenue of \$1.1 million (driven by client prepayments).

Cash Provided by Investing Activities

For the three months ended March 31, 2024, net cash provided by investing activities was \$24.6 million, driven by \$102.7 million of proceeds from maturities of held-to-maturity investments offset by \$77.1 million in purchases of held-to-maturity investments; \$0.8 million in purchases of property and equipment, consisting of leasehold improvements and furniture and fixtures for new office space in Arizona used by the Medical segment, and purchase of vehicles used in generating revenue by the Medical segment; and \$0.3 million in capitalized software development costs.

For the three months ended March 31, 2023, net cash provided by investing activities was \$16.3 million, driven by \$16.0 million of proceeds from the sales of other short-term investments; \$131.2 million of proceeds from maturities of held-to-maturity investments, partially offset by \$130.1 million in purchases of held-to-maturity investments; \$0.1 million in purchases of other short-term investments; and \$0.6 million in purchases of property and equipment, consisting of leasehold improvements and furniture and fixtures used by the Passenger segment, and vehicles used in generating revenue by the Medical segment.

Cash Provided by / Used In Financing Activities

For the three months ended March 31, 2024, net cash provided by financing activities was \$54.0 thousand, reflecting \$91.0 thousand of proceeds from the exercise of stock options, partially offset by \$37.0 thousand cash paid for payroll tax payments on behalf of employees in exchange for shares withheld by the Company ("net share settlement").

For the three months ended March 31, 2023, net cash used in financing activities was \$27.0 thousand, primarily reflecting \$81.0 thousand cash paid for payroll tax payments made on behalf of employees in exchange for shares withheld by the Company ("net share settlement"), partially offset by \$54.0 thousand of proceeds from the exercise of stock options.

Critical Accounting Policies and Significant Judgments and Estimates

This discussion and analysis of the Company's financial condition and results of operations is based on the Company's consolidated financial statements, which have been prepared in accordance with generally accepted accounting principles in the United States of America, or U.S. GAAP. The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported periods. In accordance with U.S. GAAP, the Company bases its estimates on historical experience and on various other assumptions

the Company believes are reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions.

For information on the Company's significant accounting policies and estimates refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Significant Judgments and Estimates" in our Annual Report on Form 10-K for the year ended December 31, 2023. There have been no material changes to these policies and estimates as of March 31, 2024.

Item 3. Quantitative and qualitative disclosures about market risk

There have been no material changes in market risk from the information provided in "Item 7A. Quantitative and Qualitative Disclosures About Market Risk" in our Annual Report on Form 10-K for the year ended December 31, 2023.

Item 4. Controls and Procedures

As of the end of the period covered by this report, our principal executive officer and principal financial officer evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")). Based on their evaluation of our disclosure controls and procedures, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were not effective as of March 31, 2024, to ensure that information required to be disclosed by the Company in the reports that we file or submit under the Exchange Act is (a) recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and (b) accumulated and communicated to management, including our principal executive officer and principal financial officer, as appropriate to allow for timely decisions regarding required disclosure.

We determined that our internal control over financial reporting had the following material weaknesses:

We identified material weaknesses relating to:

- The lack of effective IT General Controls in relation to:
 - user access controls that adequately restrict user access to financial applications, programs and data affecting underlying accounting records, and
 - the change management controls for certain operational applications that ensure IT program and data changes are identified, tested, authorized and implemented properly.
- A number of control deficiencies in relation to the revenue process that, although not individually material in nature, in aggregate constitute a material weakness.

Management has concluded that these deficiencies may impact the Company's financial reporting such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis and represent a material weakness in the Company's internal control over financial reporting.

Because disclosure controls and procedures include those components of internal control over financial reporting that provide reasonable assurances that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, management also determined that its disclosure controls and procedures were not effective as a result of the above-mentioned material weaknesses in its internal control over financial reporting.

Notwithstanding these material weaknesses, management has concluded that the unaudited interim condensed consolidated financial statements included in this quarterly report on Form 10-Q present fairly, in all material respects, our financial position, results of operations, and cash flows in conformity with GAAP.

Management's Plans for Remediation

We have identified and implemented, and continue to implement, certain remediation efforts to improve the effectiveness of our internal control over financial reporting. These remediation efforts are ongoing and include the following measures to address the material weaknesses identified:

- We have completed controls testing to enable management to assess the operating effectiveness of the change management controls for the Company's main operational IT application and we are in the process of implementing those same change management controls for our other operational IT applications.
- We are re-enforcing procedures on proper user access administration and the need for timely documentation of associated requests and approvals.
- We have designed additional controls to supplement the existing business process controls in relation to revenues, with these controls being implemented by the end of Q2 2024.

We expect the above actions will be completed before the end of the fiscal year ending December 31, 2024. The material weaknesses will not be considered remediated until the applicable controls operate for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively. As we continue to evaluate and improve the applicable controls, management may take additional remedial measures or modify the remediation plan described above.

Changes in Internal Control over Financial Reporting

Other than the specific remediation steps discussed above, there were no other changes in our internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15(d)-15(f) promulgated under the Securities Exchange Act of 1934, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting in the fiscal quarter ending March 31, 2024.

Limitations on Internal Control over Financial Reporting

An internal control system over financial reporting has inherent limitations and may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

See “—Legal and Environmental” within Note 9 to the unaudited interim condensed consolidated financial statements in Part I, Item 1 for information on legal proceedings.

Item 1A. Risk Factors

You should carefully consider the risks described under “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2023. These risks could materially affect our business, results of operations or financial condition, cause the trading price of our common stock to decline materially or cause our actual results to differ materially from those expected or those expressed in any forward-looking statements made by, or on behalf of, the Company. These risks are not exclusive, and additional risks to which we are subject include, but are not limited to, the factors mentioned under “Forward-Looking Statements” and the risks of our businesses described elsewhere in this Quarterly Report on Form 10-Q.

Item 2. Unregistered Sales of Equity Securities, Use of Proceeds and Issuer Purchases of Equity Securities

On March 8, 2024, pursuant to the terms of a Purchase and Sale Agreement (the “Purchase Agreement”), dated as of September 2, 2021, by and among Blade Urban Air Mobility, Inc. (“BUAM”), our wholly owned subsidiary, and the other parties thereto, pursuant to which BUAM acquired Trinity Air Medical, Inc., and a related letter agreement, dated February 13, 2024 by and among BUAM and certain of the other parties to the Purchase Agreement, we issued an aggregate of 1,008,998 shares in a private placement exempt from the registration requirements of the Securities Act of 1933, as amended (the “Securities Act”), pursuant to Rule 4(a)(2) thereunder. The shares were issued to two former stockholders of Trinity Air Medical, Inc. in settlement of the equity-based portion of contingent consideration that was owed to them pursuant to the Purchase Agreement in respect of certain fiscal year 2023 results. 2023 is the last year subject to an earn-out payment.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other information

None.

Item 6. Exhibits

Exhibit No.	Description
2.1 ⁽¹⁾	Share Purchase Agreement, dated as of May 18, 2022, by and among Blade Urban Air Mobility, Inc. and the Sellers party thereto
3.1 ⁽²⁾	Second Amended and Restated Certificate of Incorporation of Blade Air Mobility, Inc.
3.2 ⁽³⁾	Amended and Restated Bylaws of Blade Air Mobility, Inc.
10.1*	Aircraft Purchase Agreement, entered into as of March 11, 2024, by and between Atlas Jet, Inc and N84UP LLC +
10.2*	Aircraft Purchase Agreement, entered into as of March 11, 2024, by and between N125XP LLC and M&N Equipment, LLC +
10.3*	Aircraft Purchase Agreement, entered into as of March 11, 2024, by between N154RR LL and Aviation Bridge, LLC +
10.4*	Aircraft Purchase Agreement, entered into as of March 11, 2024, by and between N240V LLC and M&N Equipment, LLC +
10.5*	Aircraft Purchase Agreement, entered into as of March 11, 2024, by and between Atlas Jet, Inc., and N682D LLC +
10.6*	Aircraft Purchase Agreement, entered into as of March 11, 2024, by and between N717KV LLC and M&N Equipment, LLC +
10.7*	Aircraft Purchase Agreement, entered into as of March 11, 2024, by and between N800TL LLC and Aviation Bridge, LLC +
10.8*	Aircraft Purchase Agreement, entered into as of March 11, 2024, by and between N818LX LLC and M&N Equipment LLC +
10.9*	Joint Addendum to the Aircraft Purchase Agreements, dated March 11, 2024
10.10*	Second Joint Addendum to the Aircraft Purchase Agreements, dated April 9, 2024 +
31.1*	Certification of Principal Executive Officer Pursuant to Securities Exchange Act Rules 13a-14(a), as adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Principal Financial Officer Pursuant to Securities Exchange Act Rules 13a-14(a), as adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1*	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted Pursuant to Section 906 of the Sarbanes- Oxley Act of 2002
32.2*	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted Pursuant to Section 906 of the Sarbanes- Oxley Act of 2002
101.INS*	Interactive Data Files pursuant to Rule 405 of Regulation S-T formatted in Inline Extensible Business Reporting Language ("Inline XBRL")
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.SCH*	XBRL Taxonomy Extension Schema Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Labels Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101)

* Filed herewith

+ Portions of this exhibit are redacted pursuant to Item 601(b)(10)(iv) of Regulation S-K.

(1) Incorporated by reference to Exhibit 2.1 of our Form 8-K (file number 001-39046) filed on May 19, 2022.

(2) Incorporated by reference to Exhibit 3.1 of our Form 8-K (file number 001-39046) filed on May 13, 2021.

(3) Incorporated by reference to Exhibit 3.2 of our Form 8-K (file number 001-39046) filed on May 13, 2021.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BLADE AIR MOBILITY, INC.

Date: May 7, 2024

By: /s/ Robert S. Wiesenthal

Name: Robert S. Wiesenthal

Chief Executive Officer

Title: (Principal Executive Officer)

Date: May 7, 2024

By: /s/ William A. Heyburn

Name: William A. Heyburn

Chief Financial Officer

Title: (Principal Financial Officer)

Date: May 7, 2024

By: /s/ Amir M. Cohen

Name: Amir M. Cohen

Chief Accounting Officer

Title: (Principal Accounting Officer)

[**] = Certain information contained in this document has been omitted because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.

AIRCRAFT PURCHASE AGREEMENT

This AIRCRAFT PURCHASE AGREEMENT (this "Agreement") is made and entered into as of March 11, 2024 (the "Effective Date"), by and between Atlas Jet, Inc., a foreign corporation ("Seller"), and N84UP LLC, a Delaware limited liability company ("Purchaser").

WITNESSETH:

A. **WHEREAS**, Seller desires to sell the Aircraft to Purchaser, and Purchaser desires to purchase the Aircraft from Seller, upon the terms and subject to the conditions set forth herein.

B. **WHEREAS**, capitalized terms used herein and not otherwise defined shall have the meanings set forth in Article I.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants, obligations and agreements herein contained, the parties, intending to be legally bound hereby, agree as follows:

ARTICLE I. DEFINITIONS

The following terms shall have the following meanings for all purposes of this Agreement:

"Aircraft" means (i) that certain Raytheon Aircraft Company model Hawker 800XP aircraft bearing manufacturer's serial number [**] and U.S. Registration Number N84UP (the "Airframe") equipped with two (2) Honeywell model TFE731-5BR aircraft engines bearing manufacturer's serial numbers [**] and [**] (the "Engines") and one (1) Honeywell model GTCP36-150(W) auxiliary power unit bearing manufacturer's serial number [**] (the "APU"), (ii) all appurtenances, appliances, parts, instruments, components, accessions, furnishings and other equipment incorporated in or attached to any of the foregoing, (iii) all components, electronics, loose equipment, and accessories normally used or stored aboard the Aircraft or in Seller's possession and control or as otherwise identified on Exhibit A (e.g., china, glassware, flatware, flyaway kits, medical kits, and life rafts) (collectively, the "Equipment"), and (iv) all Aircraft Documents.

"Aircraft Documents" means all (i) documents and records required to be maintained by the FAA with respect to the Aircraft for Part 91 and 135 operations (including electronic versions), Airframe, Engine, and APU logbooks and maintenance records, flight operations manuals and checklists (most current revision), weight and balance manuals, FAA Form 8130-3s (or foreign equivalents), yellow tags, and other parts traceability records, fireblock certificates, task cards, overhaul records, wiring diagrams, completion manuals, supplemental type certificates, and engineering diagrams relating to the Aircraft, and (ii) all other documents and records in Seller's possession and control that relate to the Aircraft.

"Airworthiness" or **"Airworthy"** or **"Airworthy Condition"** means that Purchaser's Representative has determined that (i) the Aircraft is in a condition required to hold the current Airworthiness Certificate; (ii) the Aircraft conforms to the type certification issued by the FAA with respect to the type of aircraft which includes the Aircraft, including any Supplemental Type Certificates; (iii) the Aircraft is in a condition for safe operation; and (iv) the Aircraft is returned to service in accordance with applicable regulations, including those set forth in Parts 91 and 135.

“Business Day” means any day of the year (other than a Saturday or a Sunday) in which banks are authorized to operate or are not required to close in the State of New York and, only when being used with respect to the Closing Date, a day in which the FAA Registry is open for filing documents.

“Cape Town Convention” means, collectively, the Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment which were adopted on November 16, 2001 at a diplomatic conference held in Cape Town, South Africa.

“Closing” means the consummation of the purchase and sale transaction contemplated by this Agreement, as described in Article 4.5.

“Closing Date” means the date Closing is completed.

“Delivery Location” means a mutually agreed upon location within the continental United States that does not give rise to adverse tax consequences to the parties.

“Delivery Receipt” means an Aircraft Delivery Receipt in the form of Exhibit B, attached hereto.

“Deposit” means the purchase money deposit in the sum of US \$921,017.00, which has been deposited with Seller.

“Discrepancy” means (i) items/conditions discovered during the Inspection that do not comply with the Post-Closing Delivery Condition, and (ii) any deferred or extended repairs, maintenance, or inspections, including but not limited to items on the Minimum Equipment List, that exist as of the Closing Date.

“Escrow Agent” means Insured Aircraft Title Service, LLC, 21 E. Main Street, Suite 100, Oklahoma City, Oklahoma 73104.

“Escrow Fees” means the fees and expenses of the Escrow Agent relating to the transactions contemplated hereby which shall be split equally between Purchaser and Seller (but shall not include any fees charged by Escrow Agent to either of the parties with respect to applying as a transacting user entity on the International Registry).

“FAA” means the United States of America Federal Aviation Administration and all successor agencies.

“FAA Airworthiness Certificate” means a United States Standard Airworthiness Certificate (FAA Form 8100-2).

“FAA Bill of Sale” means an FAA Aeronautical Center Form 8050-2 Aircraft Bill of Sale in a form recordable by the FAA.

“FAA Registry” means the FAA Civil Aircraft Registry, Aircraft Registration Branch, Mike Monroney Aeronautical Center, 6500 South MacArthur Boulevard, Oklahoma City, Oklahoma 73169.

“International Interest” has the meaning given to it in the Cape Town Convention.

“International Registry” means the international registry located in Dublin, Ireland, established pursuant to the Cape Town Convention.

“International Registry Procedures” means the official English language text of the Procedures of the International Registry issued by the supervisory authority thereof pursuant to the Cape Town Convention.

“International Registry Regulations” means the official English language text of the Regulations of the International Registry issued by the supervisory authority thereof pursuant to the Cape Town Convention.

“Lien” means any lien, mortgage, security interest, title defect, lease, and/or other notation, claim, charge, International Interest, encumbrance, and/or right of others.

“Material Corrosion” means corrosion (or history of corrosion) of the Aircraft or any part or component thereof beyond manufacturer's tolerances, limitations, or specifications (i) the repair of which constitutes Material Damage, or (ii) which cannot be repaired, rectified and terminated on a non-recurring basis such that the Aircraft can be Returned to Service without a requirement of repetitive or recurring inspections which deviate from the Aircraft manufacturer's normal maintenance procedures or require modifications to the normal component life limitations, overhaul and/or inspection intervals for the Aircraft.

“Material Damage” means any damage (or history of damage) to the Aircraft or any part thereof that (a) requires or required the issuance of an FAA Form 337 or any foreign equivalent or that requires or required an alteration or repair which would constitute a “major repair” as such term is defined in 14 C.F.R., Part 43, Appendix A and recorded in a manner prescribed by 14 C.F.R., Part 43, Appendix B, or foreign equivalent, (b) requires or required any deviation from the original approved manufacturer's aircraft build specification or standard production configuration, (c) requires repetitive or recurring or non-standard inspections which deviate from the Aircraft manufacturer's normal maintenance procedures or required modifications to the normal component life limitations, overhaul and/or inspection intervals for the Aircraft, and/or (iv) bird strikes, lightning strikes, or hail damage.

“Owner Trustee” means TVPX acting solely as owner trustee under the Trust Agreement.

“Purchase Price” means the amount of \$2,415,896.00.

“Purchaser Registration Documents” means an FAA Form AC 8050-1 Aircraft Registration Application, and any other documents necessary to register the Aircraft in Purchaser's name with the FAA Registry.

“Purchaser Representative” means a mutually agreed upon representative.

“Total Loss” means, with respect to the Aircraft (including for the purposes of this definition, the Airframe and Engines), the total loss or the loss of the use thereof due to theft, disappearance, destruction or the requisition or taking of use of the Aircraft or any substantial part thereof by any governmental entity; and/or any damage to the Aircraft or any part thereof to any extent which, in the opinion of the insurers with which the Aircraft is insured, renders repair impractical or uneconomic; and/or any other event which is treated by the insurers with which the Aircraft is insured, or by Seller or any governmental entity having jurisdiction thereof, as a total loss of the Aircraft.

“Trust Agreement” means the Trust Agreement dated May 18, 2018 between Seller, as trustor and beneficiary, and TVPX, as owner trustee, with respect to the Aircraft.

“TVPX” means TVPX Aircraft Solutions Inc., a Utah corporation.

“Warranty Bill of Sale” means a Warranty Bill of Sale for the Aircraft in the form of Exhibit C, attached hereto.

ARTICLE II. AGREEMENT TO BUY AND SELL

- 2.1 **Agreement.** For and in consideration of the Purchase Price, on the Closing Date, Seller shall sell and deliver the Aircraft to Purchaser, and Purchaser shall purchase and accept delivery of the Aircraft from Seller, on and subject to the terms and conditions set forth herein.
- 2.2 **Deposit.** Seller is in possession of the Deposit.
- 2.3 **Owner Trust.** Seller represents and warrants that (i) legal title to the Aircraft is currently held by Owner Trustee under the Trust Agreement and (ii) Seller will cause Owner Trustee to carry out all obligations and actions necessary to satisfy the intentions of this Agreement and that any obligation of Seller herein, shall also be an obligation of Owner Trustee and vice versa, to the extent applicable, and (iii) any failure of Owner Trustee to perform in the manner necessary to satisfy the intentions and obligations of Seller herein, will serve as a Seller default.

ARTICLE III. DELIVERY CONDITION AND INSPECTION

- 3.1 **Closing Date Delivery Condition.** At Closing, the Aircraft will be delivered to Purchaser at the Delivery Location in "as-is, where-is" physical condition.
- 3.2 **Post-Closing Delivery Condition.** "Post-Closing Delivery Condition" means:
- 3.2.1 With all Equipment and Aircraft Documents, which shall be in original, current, up to date (latest revision of each as applicable), complete (including hard copy, digital, or similar formats as applicable), accurate, and consecutive condition and in English;
 - 3.2.2 With a valid Standard US Airworthiness Certificate with no exceptions or limitations other than those common to aircraft of similar make, model, and production year;
 - 3.2.3 In airworthy condition and suitable for operations under Part 91 and 135 of the Federal Aviation Regulations;
 - 3.2.4 With all systems, avionics, equipment, parts, and components of the Aircraft in normal working order and each operating in a manner that is consistent with the standard manufacturers' specifications;
 - 3.2.5 In compliance with all FAA Airworthiness Directives ("AD") and mandatory service bulletins that are due prior to the Closing, without deferment or extensions, and, if any terminating action is due, such action shall have been completed;
 - 3.2.6 With all maintenance and inspections (hourly, calendar, and cycles) in accordance with its current FAR Part 135 FAA approved maintenance program, current through the Closing with no deferments or extensions;
 - 3.2.7 With no engineering dispositions or technical variances, or non-standard or recurring inspections or intervals outside of the manufacturer's recommended maintenance program or maintenance manual;
 - 3.2.8 Enrolled and current on a computerized maintenance tracking program;

3.2.9 With any remaining factory and vendor warranties transferable to Purchaser or available for follow on contracts in accordance with their respective terms;

3.2.10 With no parts, systems or components installed in the Aircraft on a temporary, loan, or exchange basis;

3.2.11 With no Material Damage or Material Corrosion identified during the Inspection; and

3.2.12 With no missing placards and with Seller's company name and logos removed or deleted from the interior and exterior of the Aircraft (including Airshow).

3.3 Post-Closing Inspection. At a mutually agreed upon time and location, within ninety (90) days from Closing, Purchaser, at Purchaser's expense, shall have the right to conduct an evaluation in accordance with the Inspection Workscope attached hereto as Exhibit E (the "Inspection"). The timeline for the Post-Closing Inspection will be extended if Seller's actions or omissions restrict Purchaser's ability to perform the Inspection.

3.4 Discrepancy Correction. Following completion of the Inspection (evidenced by Seller's receipt of a written report of Discrepancies) Seller, at Seller's expense, will cause the correction of Discrepancies.

3.5 Holdback. At Closing, as security for Seller's obligation to correct the Discrepancies, Purchaser will retain fifteen percent (15%) of the Purchase Price ("Holdback"). At Purchaser's discretion, Purchaser may waive Seller's obligation to correct a Discrepancy and the cost of such correction will be credited back to Purchaser from the Holdback.

ARTICLE IV. CLOSING PROCEDURES

4.1 Purchaser's Pre-Closing Obligations. On or prior to the Closing Date, Purchaser shall (i) position or cause to be positioned with Escrow Agent: (1) a signed and undated Delivery Receipt and Assignment of Warranties, attached hereto as Exhibit D, (2) the Purchaser Registration Documents, (3) any necessary documents to release the Aircraft from the Security Agreement in favor of Purchaser ("BSA"), (4) Purchaser's half of Escrow Fees, and (iii) register as a Transacting User Entity and designate the Escrow Agent as its Professional User Entity on the International Registry.

4.2 Seller's Pre-Closing Obligations. On or prior to the Closing Date: Seller shall: (i) position the Aircraft to the Delivery Location; (ii) cause Owner Trustee to register as a Transacting User Entity and designate the Escrow Agent as its Professional User Entity on the International Registry, and (iii) pre-position or cause to be pre-positioned with the Escrow Agent: (1) an undated, but otherwise fully executed Warranty Bill of Sale conveying title from Owner Trustee and Seller to Purchaser; (2) an undated, but otherwise executed Assignment of Warranties; (3) an undated, but otherwise fully executed FAA Bill of Sale conveying title from Owner Trustee to Purchaser; (4) any necessary Lien release documents, (5) Seller's half of Escrow Fees, and (6) any other documents necessary to transfer title from Owner Trustee to Purchaser or accomplish the intent of this Agreement.

THE PRE-POSITIONING OF ANY DOCUMENT WITH THE ESCROW AGENT IS FOR THE CONVENIENCE OF THE PARTIES ONLY SO THAT THEY MAY BE RELEASED AT THE

ORAL OR WRITTEN DIRECTION OF THE DEPOSITING PARTIES FOLLOWING SATISFACTION OF ANY CONDITIONS CONTAINED HEREIN AND SHALL NOT BE CONSTRUED AS OR IMPLY ACCEPTANCE OF THE AIRCRAFT OR CONVEYANCE OF TITLE THERETO, WHICH MAY ONLY OCCUR AS SPECIFICALLY PROVIDED IN THIS AGREEMENT.

4.3 Conditions Precedent to Seller's Obligations. Seller's obligation to sell and deliver the Aircraft to Purchaser on the Closing Date shall be subject to the following conditions precedent:

- 4.3.1 Purchaser shall not be in breach or default of any of Purchaser's obligations arising under this Agreement;
- 4.3.2 All of Purchaser's representations set forth in Article 5.2 shall be true and accurate as of the time of Closing;
- 4.3.3 Purchaser shall have paid all costs agreed to be paid by Purchaser in this Agreement;
- 4.3.4 Purchaser shall have complied with its obligations in Article 4.1 above; and
- 4.3.5 Purchaser shall have performed and complied with all of the terms, conditions and covenants required by this Agreement to be performed or complied with by it prior to or at the Closing.

4.4 Conditions Precedent to Purchaser's Obligations. Purchaser's obligation to purchase and accept delivery of the Aircraft from Seller on the Closing Date shall be subject to the following conditions precedent:

- 4.4.1 Seller shall not be in breach or default of any of Seller's obligations arising under this Agreement;
- 4.4.2 All of Seller's representations set forth in Article 5.1 shall be true and accurate as of the time of Closing;
- 4.4.3 Seller shall have delivered or caused to be delivered the items identified in Article 4.2 required to be delivered by it; and
- 4.4.5 Seller shall have performed and complied with all of the terms, conditions and covenants required by this Agreement to be performed or complied with by it prior to or at the Closing.

4.5 Closing. Closing shall begin on a mutually agreed upon date and time. The parties shall perform the following closing deliverables in the order presented, the consummation of which shall constitute the "Closing":

- 4.5.1 Escrow Agent shall confirm in writing to Purchaser that all proper up to date searches for Liens have been completed by the Escrow Agent on the Aircraft (including the Engines) with the International Registry and the FAA Registry, all showing that there are no Liens (other than Liens which the Escrow Agent or Seller shall be able to discharge at Closing in accordance with this Agreement).
- 4.5.2 Escrow Agent shall confirm to the parties that it has received the items set forth in Articles 4.1 and 4.2;

- 4.5.3 Seller shall confirm to Purchaser and Escrow Agent in writing via email that the conditions precedent to Seller's obligations as set forth in Article 4.3 have been satisfied or waived;
- 4.5.4 Purchaser shall confirm to Seller and Escrow Agent in writing via email that the conditions precedent to Purchaser's obligations as set forth in Article 4.4 have been satisfied or waived;
- 4.5.5 Upon receipt of the confirmations in Articles 4.5.3. and 4.5.4, the Escrow Agent, without any further instruction from the parties, shall: (a) date and file any lien release documents necessary to discharge any Liens against the Aircraft, (b) date and submit for filing with the FAA Registry the FAA Bill of Sale and Purchaser Registration Documents, (c) date and release to Purchaser a copy of the Warranty Bill of Sale and Assignment of Warranties, (d) complete, date and release to Seller a copy of the Delivery Receipt (with the time of delivery thereunder being the same as the time that the Escrow Agent submits the FAA Bill of Sale for filing with the FAA), (e) make all necessary discharges and registrations on the International Registry, and (f) retain the Escrow Fees for its services.
- 4.5.6 Immediately upon Escrow Agent's submission for filing the FAA Bill of Sale in accordance with Article 4.5.5.2, Purchaser shall wire the Purchase Price, less the Holdback, to Seller, and Seller shall transfer possession over, and Purchaser shall accept delivery of, the Aircraft at the Delivery Location.
- 4.5.7 During the performance of the above Closing actions by Escrow Agent, Purchaser shall provide to Seller a fuel receipt (or similar third-party verification) issued at the Delivery Location with respect to the Aircraft, a copy of which the parties shall attach to the Delivery Receipt.

ARTICLE V. REPRESENTATIONS AND WARRANTIES

5.1 Seller's Representations and Warranties. Seller hereby represents and warrants that, as of the date hereof, and as of the Closing:

- 5.1.1 Seller is duly formed foreign corporation, validly existing, and in good standing, having the capacity to sue and be sued in its own name, having full power, legal right and authority to carry on its business as currently conducted, and to execute, deliver and perform the provisions of this Agreement;
- 5.1.2 The execution, delivery, and performance by Seller of this Agreement, and the sale of the Aircraft, has been duly authorized by all necessary action on behalf of Seller and do not conflict with or result in any breach of any of the terms or constitute a default under any document, instrument, or agreement to which Seller is a party;
- 5.1.3 The person executing this Agreement on behalf of Seller has full power and authority to do so;
- 5.1.4 Neither it nor any of its employees (or any assignee as defined in Article 8.7 hereof) are listed by the United States Department of Treasury on the Specifically Designated Nationals and Blocked Persons List or by the United States Department of Commerce on the Denied Persons List. There exists no United States prohibition on the transactions contemplated by this Agreement related to the identity, citizenship, location or business of Seller or to the purpose for which the Aircraft was previously used;

5.1.5 Seller has not entered into any other agreements under which it has agreed to sell or lease or otherwise encumber the Aircraft or any part thereof, other than this Agreement or any Liens that are to be discharged at Closing.

5.1.6 This Agreement constitutes the legal, valid and binding obligations of Seller and is enforceable against Seller in accordance with its terms subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting the enforceability of contractual obligations and creditors' rights generally and by the application of equitable principles by courts of competent jurisdiction, sitting at law or in equity; and

5.1.7 Seller is the lawful beneficial owner of the Aircraft as of the date of execution of this Agreement, and at the time of the Closing, will cause the registered owner of the Aircraft, Owner Trustee, to convey good and marketable title to the Aircraft, free and clear of all Liens to Purchaser, and Seller will warrant and defend such title forever against all claims and demands whatsoever.

5.1.8 Seller has paid any and all taxes, fees, duties, penalties, charges, invoices, and statements arising from any purchase, sale, delivery, transfer, possessions, use, storage, operation, consumption, or registration of the Aircraft prior to the Closing ("Amounts Owed"), provided that, if Amounts Owed are not yet due, imposed, levied, or assessed against Seller or the Aircraft, Seller will pay such Amounts Owed when due, imposed, levied, or assessed and will defend and hold Purchaser harmless from such Amounts Owed.

5.1.9 Seller has not entered into any agreement for commissions, brokerage fees or similar fees to be paid upon transfer of the Aircraft that would become the obligation of Purchaser or a lien on the Aircraft nor does Seller have any agreement or arrangement to pay any consideration whatsoever, directly or indirectly, to any employee, agent or independent contractor of Purchaser.

2 Purchaser's Representations and Warranties. Purchaser hereby represents and warrants that, as of the date hereof, and as of the Closing:

5.2.1 Purchaser is a duly formed limited liability company, validly existing, and in good standing, having the capacity to sue and be sued in its own name, having full power, legal right and authority to carry on its business as currently conducted, and to execute, deliver and perform the provisions of this Agreement;

5.2.2 The execution, delivery, and performance by Purchaser of this Agreement, and the acquisition of the Aircraft, has been duly authorized by all necessary action on behalf of Purchaser and do not conflict with or result in any breach of any of the terms or constitute a default under any document, instrument, or agreement to which Purchaser is a party;

5.2.3 The person executing this Agreement on behalf of Purchaser has full power and authority to do so;

5.2.4 This Agreement constitutes the legal, valid and binding obligations of Purchaser and is enforceable against Purchaser in accordance with its terms subject to applicable bankruptcy,

insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting the enforceability of contractual obligations and creditors' rights generally and by the application of equitable principles by courts of competent jurisdiction, sitting at law or in equity;

5.2.5 Purchaser has not entered into any agreement for commissions, brokerage fees or similar fees to be paid upon transfer of the Aircraft that would become the obligation of Seller or a lien on the Aircraft nor does Purchaser have any agreement or arrangement to pay any consideration whatsoever, directly or indirectly, to any employee, agent or independent contractor of Seller;

5.2.6 Neither Purchaser nor any of its employees (or any assignee as defined in Article 8.7 hereof) is listed by the United States Department of Treasury on the Specifically Designated Nationals and Blocked Persons List or by the United States Department of Commerce on the Denied Persons List. There exists no United States prohibition on the transactions contemplated by this Agreement related to the identity, citizenship, location or business of Purchaser (or its assignee) or to the purpose for which Purchaser (or its assignee) will use the Aircraft; and

5.2.7 No portion of the Purchase Price is derived from Anti-Money Laundering Laws, meaning those laws, regulations and sanctions, state and federal, criminal and civil, that (a) limit the use of and/or seek the forfeiture of proceeds from illegal transactions; (b) limit commercial transactions with designated countries or individuals believed to be terrorists, narcotics dealers or otherwise engaged in activities contrary to the interests of the United States; (c) require identification and documentation of the parties with whom a financial institution conducts business; or (d) are designed to disrupt the flow of funds to terrorist organizations. Such laws, regulations and sanctions shall be deemed to include the Patriot Act, the Bank Secrecy Act, the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957.

ARTICLE VI. DISCLAIMER

DISCLAIMER AND LIMITATION OF LIABILITY. EXCEPT FOR SELLER'S WARRANTIES MADE IN SECTION 5.1 HEREIN AND THE WARRANTY OF TITLE TO THE AIRCRAFT AS SET FORTH HEREIN AND IN THE WARRANTY BILL OF SALE, THE AIRCRAFT AND EACH PART THEREOF IS BEING SOLD AND DELIVERED TO PURCHASER IN "AS IS, WHERE IS, WITH ALL FAULTS" CONDITION ON THE CLOSING DATE, WITHOUT ANY REPRESENTATION, WARRANTY OR GUARANTY OF ANY KIND BEING MADE OR GIVEN BY SELLER, ITS SHAREHOLDERS, MEMBERS, DIRECTORS, OFFICERS, MANAGERS, AGENTS, EMPLOYEES OR ATTORNEYS, EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE AND SELLER DISCLAIMS ALL EXPRESS OR IMPLIED WARRANTIES WHETHER ARISING IN LAW, IN EQUITY, IN CONTRACT OR IN TORT, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY, AIRWORTHINESS, DESIGN, CONDITION, OR FITNESS FOR A PARTICULAR USE. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EXCEPT FOR SELLER'S

WARRANTY OF TITLE TO THE AIRCRAFT AS SET FORTH HEREIN AND IN THE WARRANTY BILL OF SALE, SELLER SHALL NOT BE LIABLE OR RESPONSIBLE TO PURCHASER FOR ANY DEFECTS, EITHER PATENT OR LATENT IN THE AIRCRAFT OR FOR ANY DIRECT OR INDIRECT DAMAGE TO PERSONS OR PROPERTIES RESULTING THEREFROM OR FOR PURCHASER'S LOSS OF USE OF OR A DIMINUTION IN VALUE OF THE AIRCRAFT OR FOR ANY INTERRUPTION IN PURCHASER'S BUSINESS CAUSED BY PURCHASER'S INABILITY TO USE THE AIRCRAFT FOR ANY REASON WHATSOEVER.

EXCEPT IN CASES OF FRAUD OR WILFUL MISCONDUCT, UNDER NO CIRCUMSTANCES SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR LOST PROFITS, LOSS OF BUSINESS, LOSS OF USE OR ANY OTHER INCIDENTAL, INDIRECT, CONSEQUENTIAL OR SPECIAL DAMAGES ARISING OUT OF OR RELATED TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY DELAY IN CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED HEREBY, AND EACH PARTY HEREBY WAIVES ANY RIGHT IT MAY HAVE TO SUCH DAMAGES.

ARTICLE VII. TAXES

7.1 Seller's Taxes. Seller has paid and/or shall bear, and shall defend, indemnify and hold Purchaser harmless from and against, any and all sales, use, value added, excise and other similar taxes (including excise-equivalent customs duty), and any and all taxes, fees, duties, interest, penalties, charges, invoices, claims, assessments and statements imposed or imposable by any federal, state, county, local, foreign or other governmental authority, entity or party arising from any purchase, sale, lease, delivery, transfer, possession, use, storage, operation, maintenance, consumption, or registration of the Aircraft prior to the Closing. In the event Purchaser receives written notice of any audit, claim, assessment or proposed assessment of any tax for which Seller may be responsible under this Article 7.1, Purchaser shall notify Seller within ten (10) Business Days thereof, and Seller and Purchaser shall reasonably cooperate to manage and/or defend any such audit, claim, assessment or proposed assessment.

7.2 Purchaser's Taxes. Purchaser shall bear, and shall defend, indemnify and hold Seller harmless from and against any and all sales, use, value added, excise and other similar taxes (including excise-equivalent customs duty), and any taxes, fees, duties, interest, penalties, charges, invoices, claims and statements relating thereto, which may be imposed by any federal, state, county, local, foreign or other governmental authority as a result of the sale, delivery or transfer of the Aircraft to Purchaser, or the ownership, possession, use or storage of the Aircraft after the Closing, except to the extent (i) imposed on or measured by Seller's income or (ii) related to a period (or portion thereof) ending on or prior to the Closing. In the event Seller receives written notice of any audit, claim, assessment or proposed assessment of any tax for which Purchaser may be responsible under this Article 7.2, Seller shall notify Purchaser within ten (10) Business Days thereof, and Seller and Purchaser shall reasonably cooperate to manage and/or defend any such audit, claim, assessment or proposed assessment.

7.3 Mitigation. Seller and Purchaser shall cooperate to mitigate any Taxes that may be imposed upon either party as a result of the sale and delivery of the Aircraft pursuant to this Agreement, including (if necessary) changing the Delivery Location and provision of applicable exemption certificates, affidavits, or other similar paperwork.

ARTICLE VIII. MISCELLANEOUS

3.1 Manufacturer Warranties. Seller shall cause all rights under any manufacturer warranties to be assigned and transferred to Purchaser, or its designee, at Purchaser's expense, effective at the time of the Closing. Seller shall execute and/or provide whatever documents or agreements may be necessary or convenient to vest all rights under such manufacturer warranties in Purchaser, or its designee, maintain their continuity, and to permit Purchaser, or its designee, to assert or process claims thereunder. Seller shall reasonably assist Purchaser in maintaining continuity of and transferring any warranties and shall execute whatever documents or agreements may be required to vest all rights under such warranties in Purchaser and to permit Purchaser to assert or process claims thereunder. The foregoing is subject to the terms and conditions of each warranty. The obligations of this Section shall survive Closing.

3.2 Risk of Loss, Damage or Destruction of Aircraft.

8.2.1 Risk of Loss. Except for Discrepancies discovered during the Post-Closing Inspection, title to, and risk of loss, injury, destruction or damage to the Aircraft, shall pass from Seller to Purchaser at the time that, (i) the Purchase Price is released to Seller, and (ii) the FAA Bill of Sale and Warranty Bill of Sale are released to Purchaser, and (iii) Seller delivers possession of the Aircraft to Purchaser.

8.2.2 Destruction or Damage. Notwithstanding any contrary provision of this Agreement, if at any time prior to the Closing the Aircraft is destroyed or damaged in such a manner that constitutes a Total Loss, Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (i) be returned to Purchaser, or (ii) continue to be held by Seller in accordance with the Aircraft Operator Agreement, as amended from time-to-time, originally entered into on March 22, 2022 between Blade Urban Air Mobility, Inc., M&N Equipment, LLC d/b/a M&N Aviation, Aviation Bridge, LLC, and Atlas Jet, Inc. or follow on agreement as applicable ("Operator Agreement"), and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts, this Agreement shall terminate and be of no further force or effect. In the event of any damage to the Aircraft following the Effective Date (other than Total Loss occurring prior to Closing), Seller shall promptly notify Purchaser in writing of such damage. Purchaser will have the right, but not the obligation, to have its technical representatives inspect the Aircraft within ten (10) days of Seller's notification to Purchaser ("Damage Inspection"). Purchaser shall, within five (5) Business Days of receipt of Seller's notice or upon completion of its Damage Inspection, whichever occurs later, notify Seller in writing (such notice, the "Damage Election") whether it desires (i) that the Aircraft be repaired by Seller in anticipation of the Closing, or (ii) to terminate this Agreement. In the event that Purchaser elects to terminate this Agreement as a result of damage in accordance with this Article 8.2.2, Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (a) be returned to Purchaser, or (b) continue to be held by Seller in accordance with Operator Agreement, and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts, this Agreement shall

terminate and be of no further force or effect and the parties shall have no further obligations or liabilities with respect to this Agreement.

3.3 Termination and Default.

8.3.1 Purchaser's Right to Terminate. This Agreement may be terminated by Purchaser at any time prior to Closing. If Purchaser elects to terminate this Agreement Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (i) be returned to Purchaser, or (ii) continue to be held by Seller in accordance with Operator Agreement, and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts.

8.3.2 Purchaser's Default. Seller shall have the right to terminate this Agreement in the event of a breach by Purchaser of any material provision of this Agreement (provided that Seller is in compliance with its material obligations under this Agreement) which breach is not cured within one (1) year of the delivery to Purchaser of written notice thereof from Seller or which breach by its nature cannot be cured prior to Closing. Upon Seller's termination of this Agreement under this Article 8.3.2, Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (i) be returned to Purchaser, or (ii) continue to be held by Seller in accordance with Operator Agreement, and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts. The foregoing shall be the sole remedy available to Seller for breach of contract by Purchaser under this Agreement, and Seller waives any other remedies that may be available to Seller at law or in equity for breach of contract.

3.4 Amendments. The provisions of this Agreement may not be waived, altered, modified, amended, supplemented or terminated in any manner whatsoever except by written instrument signed by both parties hereto.

3.5 Severability. Any provision of this Agreement that may be determined by competent authority to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

3.6 Assignment. Purchaser may freely assign this Agreement. Seller may not assign this Agreement.

3.7 Successor and Assigns. This Agreement shall inure to the benefit of and be binding upon each of the parties hereto and their respective successors and permitted assigns.

3.8 Interpretation. The division of this Agreement into Articles, and the insertion of headings, are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The words "hereof," "herein," "hereunder," and words of similar import shall refer to this Agreement as a whole and not to any particular provision thereof. When used herein, the words "include" and "including" shall be construed as "include, without limitation" and "including, without limitation." Except as expressly identified, all dollar amounts are in United States Dollars.

3.9 Counterparts. This Agreement may be fully executed in two or more counterparts by each of the parties hereto, such counterparts together constituting but one and the same instrument. Such counterparts may be exchanged via email or other electronic transmission. Electronic signatures through DocuSign are acceptable and will act to create enforceable obligations to the same extent as an original signature.

3.10 Notices. All communications, declarations, demands, consents, directions, approvals, instructions, requests and notices required or permitted by this Agreement shall be in writing and shall be deemed to have been duly given or made when delivered personally or transmitted electronically by email, or in the case of documented overnight delivery service or registered or certified mail, return receipt requested, delivery charge or postage prepaid, on the date shown on the receipt therefor, in each case at the address set forth below:

If to Seller: [***]

If to Purchaser: [***]

If to Escrow Agent: [***]

3.11 Attorney Fees. In the event it becomes necessary to enforce the terms of this Agreement by litigation or otherwise, the prevailing party shall be entitled to recover its reasonable attorney fees and court costs from the party in breach, including any such fees or costs arising from subsequent appeals and efforts to execute on any judgment.

3.12 Non-Waiver. Any failure at any time of either party to enforce any provision of this Agreement shall not constitute a waiver of such provision or prejudice the right of such party to enforce such provision at any subsequent time.

3.13 Entire Agreement. The parties agree that the terms and conditions of this Agreement, together with all Schedules and Exhibits, constitute the entire agreement between the parties with respect to the subject matter hereof. This Agreement supersedes all prior agreements between the parties, express or implied including, but not limited to, any offer to purchase or letter of intent.

3.14 Transaction Costs and Expenses. Except as otherwise set forth herein, each party to this Agreement shall bear its own transaction costs and expenses, including, without limitation, any brokers' commissions and/or attorneys' fees. Seller and Purchaser will equally split the Escrow Fees. Each party hereto agrees to indemnify and hold the other harmless from and against any claims made by any broker, consultant or other party claiming an interest in the Aircraft or the Purchase Price arising from an actual or alleged relationship or agreement with the indemnifying party.

3.15 Survival. In addition to terms that expressly state survival herein, the representations, warranties, and indemnification obligations of Purchaser and Seller shall survive the Closing in perpetuity. Further, any provisions related to Post-Closing Delivery Condition, Inspection, Holdback, or Discrepancies shall survive until such time that the Holdback is returned to Seller.

3.16 Time is of the Essence. Time shall be of the essence for all events contemplated hereunder.

3.17 Further Assurances. Each of the parties hereto covenants and agrees to execute such other and further documents relating to the matters set forth herein and to take or cause to be taken such other and further actions, as may be reasonably necessary or appropriate to carry out the purposes and intent of this Agreement, and to consummate the transactions contemplated hereby.

3.18 Governing Law/Jurisdiction and Venue. This Agreement shall be governed by the laws of the State of New York without consideration to its choice of law provisions other than Section 5-1401 and Section 5-1402 of the New York General Obligations Law. The parties submit to the exclusive jurisdiction, including personal jurisdiction, of the state or federal courts located in New York, NY, and the parties agree not to raise, and waive, any objections or defenses based upon venue and forum non conveniens. The parties agree that the United Nations Convention on Contracts for the International Sale of Goods is specifically excluded from application to this Agreement, or the transactions contemplated by this Agreement. The parties expressly waive their right to trial by jury.

3.19 Cape Town Convention

- 8.19.1 Prior to the Closing, Purchaser shall become a “transacting user entity,” and Owner Trustee shall become a “transacting user entity” with the International Registry. Each of Purchaser and Seller shall bear its own expense in doing so and such expenses shall not be considered Escrow Fees.
- 8.19.2 Seller on behalf of Owner Trustee and Purchaser shall provide to the other, as a condition to Closing, evidence that it has been approved by the International Registry as a “transacting user entity” and has duly registered with, is authorized to make filings with and has received all approvals from the International Registry and has appointed an “administrator” (as such term is defined and used in the International Registry Procedures and International Registry Regulations).
- 8.19.3 Each of Owner Trustee and Purchaser shall , as a condition to Closing, authorize Escrow Agent to act as, and shall designate Escrow Agent or another mutually agreed party as, its “professional user entity” (as such term is defined and used in the International Registry Procedures and International Registry Regulations) to effect, amend, discharge and consent to registrations with respect to the Airframe and the Engines on its behalf. Neither Seller or Owner Turstee nor Purchaser shall revoke such authorization until after the earlier to occur of (i) the discharge of any International Interests and registration of a Contract of Sale of the Airframe and Engines with the International Registry following release of the Warranty Bill of Sale conveying the Aircraft from Seller to Purchaser or (ii) termination of this Agreement in accordance with its terms. Purchaser shall have no right to and hereby agrees that it will not register, consent to or allow any third party (including, without limitation, any prospective lender or assignee) to register any Contract of Sale, Prospective Sale, International Interest or Prospective International Interest with respect to the Airframe or Engines until title to the Aircraft has been conveyed to Purchaser at the Closing, and if there has been any such registration, take all necessary actions to discharge or cause to discharge such registration immediately at its sole cost and expense.
- 8.19.4 Purchaser and Seller shall cooperate to cause Escrow Agent, as a professional user entity, to register a Contract of Sale of the Airframe and the Engines with the International Registry immediately after release of the Warranty Bill of Sale. Seller and Purchaser each hereby expressly consents to the registration of the Contract of Sale with respect to the Airframe and the Engines.

8.19.5 Immediately prior to Closing, the Escrow Agent shall obtain a Priority Search Certificate (as such term is defined and used in the International Registry Procedures and the International Registry Regulations) from the International Registry with respect to the Airframe and the Engines) confirming that no prior International Interest exists that will not be otherwise discharged at Closing with respect to the Airframe and the Engines. Any Priority Search Certificate obtained by the Escrow Agent from the International Registry with respect to the Airframe and the Engines shall identify the Purchaser and the Seller as having the benefit of the search.

8.19.6 If, in the event of termination of this Agreement for any reason whatsoever, any International Interest, Prospective International Interest, Contract of Sale, Prospective Contract of Sale or other interest has been filed or registered against the Airframe and/or Engines as a result of the acts or omissions of Purchaser, or by Purchaser or any person claiming by, through or under Purchaser or consented to by Purchaser, Purchaser hereby irrevocably authorizes and directs the Escrow Agent to cause the discharge of any such filing or registration not later than one (1) Business Day after the Escrow Agent becomes aware of any such filing or registration. Seller shall have all of the rights available to it under law or in equity, including the right of specific performance, to enforce Purchaser's performance of its obligations under this Article 8.20.6 Notwithstanding anything in this Agreement to the contrary, Purchaser agrees to be responsible for and upon demand to indemnify Seller and to hold Seller harmless from and against any and all claims, demands, liabilities, damages, losses and judgments, including legal fees and all expenses, arising out of any breach by Purchaser of any of its obligations under Article 8.20.6. This indemnity obligation and all of Purchaser's other obligations under this Article 8.20.6 shall survive the termination of this Agreement for any reason.

8.19.7 Purchaser shall have no right to and hereby agrees that it will not register, consent to or allow any third party claiming by, through or under Purchaser to register or consent to any Contract of Sale, Prospective Sale, International Interest or Prospective International Interest with respect to the Airframe or Engines until title to the Aircraft has been conveyed to Purchaser at the Closing. Seller nor Owner Trustee shall have an obligation to register or consent to any registration of any Contract of Sale, Prospective Sale, International Interest or Prospective International Interest with respect to the Airframe and/or Engines until title to the Aircraft has been conveyed to Purchaser at the Closing.

3.20 **Agreement Negotiated.** The parties to this Agreement are sophisticated and have been represented or had the opportunity to be represented in connection with the negotiation and performance of this Agreement. The parties agree that no presumptions relating to the interpretation of contracts against the drafter of any particular clause should or may be applied in this case and, therefore, waive their effects.

3.21 **Confidentiality.** The terms and conditions of this Agreement, and all writings, discussions, and negotiations in connection with the transaction contemplated by this Agreement (including, without limitation, the fact that discussions and negotiations have been conducted by the parties), shall remain strictly confidential and shall not be disclosed by either party, without the prior written consent of the

other party, except that each party shall be entitled to disclose the terms and conditions of this Agreement (i) as may be required by law or legal process; (ii) to such party's attorneys, accountants, consultants, lenders, and other advisors performing services for such party with respect to or affected by the transaction contemplated by this Agreement including Escrow Agent and their personnel; (iii) to each party's employees with a need to know; (iv) as may be required to permit such party to pursue all available remedies for breach of this Agreement by the other party; and (v) to any entity that may provide financing to Purchaser in connection with the acquisition of the Aircraft.

3.22 **Control.** Notwithstanding any provision to the contrary herein, any conflict between this Agreement and any provision within any document between the Parties, including but not limited to, management agreements, purchase agreements, operator agreements, or the BSAs, the provision that provides the most favorable outcome to Blade, in Blade's sole discretion, will control the subject matter.

[Signature Page follows immediately]

IN WITNESS WHEREOF, the undersigned parties have caused this Aircraft Purchase Agreement to be executed, delivered and effective as of the date first above written.

Atlas Jet, Inc.

N84UP LLC

By: Blade Urban Air Mobility, Inc.,
its managing member

By: /s/ Michael Danenberg

By: /s/ Melissa Tomkiel

Name: Michael Danenberg

Name: Melissa Tomkiel

Title: CEO

Title: President

ACKNOWLEDGED BY OWNER TRUSTEE:

TVPX Aircraft Solutions Inc., not in its individual capacity but solely as owner trustee
under the Trust Agreement

By: /s/ Michael Hoggan

Name: Michael Hoggan

Title: Senior Vice President

[*] = Certain information contained in this document has been omitted because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.**

AIRCRAFT PURCHASE AGREEMENT

This AIRCRAFT PURCHASE AGREEMENT (this "Agreement") is made and entered into as of March 11, 2024 (the "Effective Date"), by and between N125XP LLC, a Delaware limited liability company ("Seller"), and M&N Equipment, LLC dba M&N Aviation, a Wyoming limited liability company ("Purchaser").

WITNESSETH:

A. **WHEREAS**, Seller desires to sell the Aircraft to Purchaser, and Purchaser desires to purchase the Aircraft from Seller, upon the terms and subject to the conditions set forth herein.

B. **WHEREAS**, capitalized terms used herein and not otherwise defined shall have the meanings set forth in Article I.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants, obligations and agreements herein contained, the parties, intending to be legally bound hereby, agree as follows:

ARTICLE I. DEFINITIONS

The following terms shall have the following meanings for all purposes of this Agreement:

"Aircraft" means (i) that certain Raytheon Aircraft Company model Hawker 800XP aircraft bearing manufacturer's serial number [***] and U.S. Registration Number N125XP (the "Airframe") equipped with two (2) Honeywell model TFE731-5BR aircraft engines bearing manufacturer's serial numbers [***] and [***] (the "Engines") and one (1) Honeywell model GTCP36-150(W) auxiliary power unit bearing manufacturer's serial number [***] (the "APU"), (ii) all appurtenances, appliances, parts, instruments, components, accessions, furnishings and other equipment incorporated in or attached to any of the foregoing, (iii) all components, electronics, loose equipment, and accessories normally used or stored aboard the Aircraft or in Seller's possession and control or as otherwise identified on Exhibit A (e.g., china, glassware, flatware, flyaway kits, medical kits, and life rafts) (collectively, the "Equipment"), and (iv) all Aircraft Documents.

"Aircraft Documents" means all (i) documents and records required to be maintained by the FAA with respect to the Aircraft for Part 91 and 135 operations (including electronic versions), Airframe, Engine, and APU logbooks and maintenance records, flight operations manuals and checklists (most current revision), weight and balance manuals, FAA Form 8130-3s (or foreign equivalents), yellow tags, and other parts traceability records, fireblock certificates, task cards, overhaul records, wiring diagrams, completion manuals, supplemental type certificates, and engineering diagrams relating to the Aircraft, and (ii) all other documents and records in Seller's possession and control that relate to the Aircraft.

"Airworthiness" or **"Airworthy"** or **"Airworthy Condition"** means that Purchaser's Representative has determined that (i) the Aircraft is in a condition required to hold the current Airworthiness Certificate; (ii) the Aircraft conforms to the type certification issued by the FAA with respect to the type of aircraft which includes the Aircraft, including any Supplemental Type Certificates; (iii) the Aircraft is in a condition for safe operation; and (iv) the Aircraft is returned to service in accordance with applicable regulations, including those set forth in Parts 91 and 135.

“Business Day” means any day of the year (other than a Saturday or a Sunday) in which banks are authorized to operate or are not required to close in the State of New York and, only when being used with respect to the Closing Date, a day in which the FAA Registry is open for filing documents.

“Cape Town Convention” means, collectively, the Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment which were adopted on November 16, 2001 at a diplomatic conference held in Cape Town, South Africa.

“Closing” means the consummation of the purchase and sale transaction contemplated by this Agreement, as described in Article 4.5.

“Closing Date” means the date Closing is completed.

“Delivery Location” means a mutually agreed upon location within the continental United States that does not give rise to adverse tax consequences to the parties.

“Delivery Receipt” means an Aircraft Delivery Receipt in the form of Exhibit B, attached hereto.

“Deposit” means the purchase money deposit in the sum of \$1,861,577.00, which has been deposited with Seller.

“Discrepancy” means (i) items/conditions discovered during the Inspection that do not comply with the Post-Closing Delivery Condition, and (ii) any deferred or extended repairs, maintenance, or inspections, including but not limited to items on the Minimum Equipment List, that exist as of the Closing Date.

“Escrow Agent” means Insured Aircraft Title Service, LLC, 21 E. Main Street, Suite 100, Oklahoma City, Oklahoma 73104.

“Escrow Fees” means the fees and expenses of the Escrow Agent relating to the transactions contemplated hereby which shall be split equally between Purchaser and Seller (but shall not include any fees charged by Escrow Agent to either of the parties with respect to applying as a transacting user entity on the International Registry).

“FAA” means the United States of America Federal Aviation Administration and all successor agencies.

“FAA Airworthiness Certificate” means a United States Standard Airworthiness Certificate (FAA Form 8100-2).

“FAA Bill of Sale” means an FAA Aeronautical Center Form 8050-2 Aircraft Bill of Sale in a form recordable by the FAA.

“FAA Registry” means the FAA Civil Aircraft Registry, Aircraft Registration Branch, Mike Monroney Aeronautical Center, 6500 South MacArthur Boulevard, Oklahoma City, Oklahoma 73169.

“International Interest” has the meaning given to it in the Cape Town Convention.

“International Registry” means the international registry located in Dublin, Ireland, established pursuant to the Cape Town Convention.

“International Registry Procedures” means the official English language text of the Procedures of the International Registry issued by the supervisory authority thereof pursuant to the Cape Town Convention.

“International Registry Regulations” means the official English language text of the Regulations of the International Registry issued by the supervisory authority thereof pursuant to the Cape Town Convention.

“Lien” means any lien, mortgage, security interest, title defect, lease, and/or other notation, claim, charge, International Interest, encumbrance, and/or right of others.

“Material Corrosion” means corrosion (or history of corrosion) of the Aircraft or any part or component thereof beyond manufacturer’s tolerances, limitations, or specifications (i) the repair of which constitutes Material Damage, or (ii) which cannot be repaired, rectified and terminated on a non-recurring basis such that the Aircraft can be Returned to Service without a requirement of repetitive or recurring inspections which deviate from the Aircraft manufacturer’s normal maintenance procedures or require modifications to the normal component life limitations, overhaul and/or inspection intervals for the Aircraft.

“Material Damage” means any damage (or history of damage) to the Aircraft or any part thereof that (a) requires or required the issuance of an FAA Form 337 or any foreign equivalent or that requires or required an alteration or repair which would constitute a “major repair” as such term is defined in 14 C.F.R., Part 43, Appendix A and recorded in a manner prescribed by 14 C.F.R., Part 43, Appendix B, or foreign equivalent, (b) requires or required any deviation from the original approved manufacturer’s aircraft build specification or standard production configuration, (c) requires repetitive or recurring or non-standard inspections which deviate from the Aircraft manufacturer’s normal maintenance procedures or required modifications to the normal component life limitations, overhaul and/or inspection intervals for the Aircraft, and/or (iv) bird strikes, lightning strikes, or hail damage.

“Purchase Price” means the amount of \$2,753,628.00.

“Purchaser Registration Documents” means an FAA Form AC 8050-1 Aircraft Registration Application, and any other documents necessary to register the Aircraft in Purchaser’s name with the FAA Registry.

“Purchaser Representative” means a mutually agreed upon representative.

“Total Loss” means, with respect to the Aircraft (including for the purposes of this definition, the Airframe and Engines), the total loss or the loss of the use thereof due to theft, disappearance, destruction or the requisition or taking of use of the Aircraft or any substantial part thereof by any governmental entity; and/or any damage to the Aircraft or any part thereof to any extent which, in the opinion of the insurers with which the Aircraft is insured, renders repair impractical or uneconomic; and/or any other event which is treated by the insurers with which the Aircraft is insured, or by Seller or any governmental entity having jurisdiction thereof, as a total loss of the Aircraft.

“Warranty Bill of Sale” means a Warranty Bill of Sale for the Aircraft in the form of Exhibit C, attached hereto.

ARTICLE II. AGREEMENT TO BUY AND SELL

2.1 **Agreement.** For and in consideration of the Purchase Price, on the Closing Date, Seller shall sell and deliver the Aircraft to Purchaser, and Purchaser shall purchase and accept delivery of the Aircraft from Seller, on and subject to the terms and conditions set forth herein.

2.2 **Deposit.** Seller is in possession of the Deposit.

ARTICLE III. DELIVERY CONDITION AND INSPECTION

3.1 **Closing Date Delivery Condition.** At Closing, the Aircraft will be delivered to Purchaser at the Delivery Location in “as-is, where-is” physical condition.

3.2 **Post-Closing Delivery Condition.** “Post-Closing Delivery Condition” means:

- 3.2.1 With all Equipment and Aircraft Documents, which shall be in original, current, up to date (latest revision of each as applicable), complete (including hard copy, digital, or similar formats as applicable), accurate, and consecutive condition and in English;
- 3.2.2 With a valid Standard US Airworthiness Certificate with no exceptions or limitations other than those common to aircraft of similar make, model, and production year;
- 3.2.3 In airworthy condition and suitable for operations under Part 91 and 135 of the Federal Aviation Regulations;
- 3.2.4 With all systems, avionics, equipment, parts, and components of the Aircraft in normal working order and each operating in a manner that is consistent with the standard manufacturers' specifications;
- 3.2.5 In compliance with all FAA Airworthiness Directives (“AD”) and mandatory service bulletins that are due prior to the Closing, without deferment or extensions, and, if any terminating action is due, such action shall have been completed;
- 3.2.6 With all maintenance and inspections (hourly, calendar, and cycles) in accordance with its current FAR Part 135 FAA approved maintenance program, current through the Closing with no deferments or extensions;
- 3.2.7 With no engineering dispositions or technical variances, or non-standard or recurring inspections or intervals outside of the manufacturer's recommended maintenance program or maintenance manual;
- 3.2.8 Enrolled and current on a computerized maintenance tracking program;
- 3.2.9 With any remaining factory and vendor warranties transferable to Purchaser or available for follow on contracts in accordance with their respective terms;
- 3.2.10 With no parts, systems or components installed in the Aircraft on a temporary, loan, or exchange basis;
- 3.2.11 With no Material Damage or Material Corrosion identified during the Inspection; and
- 3.2.12 With no missing placards and with Seller's company name and logos removed or deleted from the interior and exterior of the Aircraft (including Airshow).

3.3 **Post-Closing Inspection.** At a mutually agreed upon time and location, within ninety (90) days from Closing, Purchaser, at Purchaser's expense, shall have the right to conduct an evaluation in accordance with the Inspection Workslope attached hereto as Exhibit E (the “Inspection”). The

timeline for the Post-Closing Inspection will be extended if Seller's actions or omissions restrict Purchaser's ability to perform the Inspection.

3.4 Discrepancy Correction. Following completion of the Inspection (evidenced by Seller's receipt of a written report of Discrepancies) Seller, at Seller's expense, will cause the correction of Discrepancies.

3.5 Holdback. At Closing, as security for Seller's obligation to correct the Discrepancies, Purchaser will retain fifteen percent (15%) of the Purchase Price ("Holdback"). At Purchaser's discretion, Purchaser may waive Seller's obligation to correct a Discrepancy and the cost of such correction will be credited back to Purchaser from the Holdback.

ARTICLE IV. CLOSING PROCEDURES

1.1 Purchaser's Pre-Closing Obligations. On or prior to the Closing Date, Purchaser shall (i) position or cause to be positioned with Escrow Agent: (1) a signed and undated Delivery Receipt and Assignment of Warranties, attached hereto as Exhibit D, (2) the Purchaser Registration Documents, (3) any necessary documents to release the Aircraft from the Security Agreement in favor of Purchaser ("BSA"), (4) Purchaser's half of Escrow Fees, and (iii) register as a Transacting User Entity and designate the Escrow Agent as its Professional User Entity on the International Registry.

1.2 Seller's Pre-Closing Obligations. On or prior to the Closing Date: Seller shall: (i) position the Aircraft to the Delivery Location; (ii) register as a Transacting User Entity and designate the Escrow Agent as its Professional User Entity on the International Registry, and (iii) pre-position or cause to be pre-positioned with the Escrow Agent: (1) an undated, but otherwise fully executed Warranty Bill of Sale conveying title from Seller to Purchaser; (2) an undated, but otherwise executed Assignment of Warranties; (3) an undated, but otherwise fully executed FAA Bill of Sale conveying title from Seller to Purchaser; (4) any necessary Lien release documents, (5) Seller's half of Escrow Fees, and (6) any other documents necessary to transfer title from Seller to Purchaser or accomplish the intent of this Agreement.

THE PRE-POSITIONING OF ANY DOCUMENT OR THE BALANCE OF THE PURCHASE PRICE WITH THE ESCROW AGENT IS FOR THE CONVENIENCE OF THE PARTIES ONLY SO THAT THEY MAY BE RELEASED AT THE ORAL OR WRITTEN DIRECTION OF THE DEPOSITING PARTIES FOLLOWING SATISFACTION OF ANY CONDITIONS CONTAINED HEREIN AND SHALL NOT BE CONSTRUED AS OR IMPLY ACCEPTANCE OF THE AIRCRAFT OR CONVEYANCE OF TITLE THERETO, WHICH MAY ONLY OCCUR AS SPECIFICALLY PROVIDED IN THIS AGREEMENT.

1.3 Conditions Precedent to Seller's Obligations. Seller's obligation to sell and deliver the Aircraft to Purchaser on the Closing Date shall be subject to the following conditions precedent:

4.3.1 Purchaser shall not be in breach or default of any of Purchaser's obligations arising under this Agreement;

4.3.2 All of Purchaser's representations set forth in Article 5.2 shall be true and accurate as of the time of Closing;

4.3.3 Purchaser shall have paid all costs agreed to be paid by Purchaser in this Agreement;

4.3.4 Purchaser shall have complied with its obligations in Article 4.1 above; and

4.3.5 Purchaser shall have performed and complied with all of the terms, conditions and covenants required by this Agreement to be performed or complied with by it prior to or at the Closing.

4.4 Conditions Precedent to Purchaser's Obligations. Purchaser's obligation to purchase and accept delivery of the Aircraft from Seller on the Closing Date shall be subject to the following conditions precedent:

4.4.1 Seller shall not be in breach or default of any of Seller's obligations arising under this Agreement;

4.4.2 All of Seller's representations set forth in Article 5.1 shall be true and accurate as of the time of Closing;

4.4.3 Seller shall have delivered or caused to be delivered the items identified in Article 4.2 required to be delivered by it; and

4.4.4 Seller shall have performed and complied with all of the terms, conditions and covenants required by this Agreement to be performed or complied with by it prior to or at the Closing.

4.5 Closing. Closing shall begin on a mutually agreed upon date and time. The parties shall perform the following closing deliverables in the order presented, the consummation of which shall constitute the "Closing":

4.5.1 Escrow Agent shall confirm in writing to Purchaser that all proper up to date searches for Liens have been completed by the Escrow Agent on the Aircraft (including the Engines) with the International Registry and the FAA Registry, all showing that there are no Liens (other than Liens which the Escrow Agent or Seller shall be able to discharge at Closing in accordance with this Agreement).

4.5.2 Escrow Agent shall confirm to the parties that it has received the items set forth in Articles 4.1 and 4.2;

4.5.3 Seller shall confirm to Purchaser and Escrow Agent in writing via email that the conditions precedent to Seller's obligations as set forth in Article 4.3 have been satisfied or waived;

4.5.4 Purchaser shall confirm to Seller and Escrow Agent in writing via email that the conditions precedent to Purchaser's obligations as set forth in Article 4.4 have been satisfied or waived;

4.5.5 Upon receipt of the confirmations in Articles 4.5.3. and 4.5.4, the Escrow Agent, without any further instruction from the parties, shall: (a) date and file any lien release documents necessary to discharge any Liens against the Aircraft, (b) date and submit for filing with the FAA Registry the FAA Bill of Sale and Purchaser Registration Documents, (c) date and release to Purchaser a copy of the Warranty Bill of Sale and Assignment of Warranties, (d) complete, date and release to Seller a copy of the Delivery Receipt (with the time of delivery thereunder being the same as the time that the Escrow Agent submits the FAA Bill of Sale for filing with the FAA), (e) make all necessary discharges and registrations on the International Registry, and (f) retain the Escrow Fees for its services.

- 4.5.6 Immediately upon Escrow Agent's submission for filing the FAA Bill of Sale in accordance with Article 4.5.5.2, Purchaser shall wire the Purchase Price, less the Holdback, to Seller, and Seller shall transfer possession over, and Purchaser shall accept delivery of, the Aircraft at the Delivery Location.
- 4.5.7 During the performance of the above Closing actions by Escrow Agent, Purchaser shall provide to Seller a fuel receipt (or similar third-party verification) issued at the Delivery Location with respect to the Aircraft, a copy of which the parties shall attach to the Delivery Receipt.

ARTICLE V. REPRESENTATIONS AND WARRANTIES

5.1 Seller's Representations and Warranties. Seller hereby represents and warrants that, as of the date hereof, and as of the Closing:

- 5.1.1 Seller is duly formed limited liability company, validly existing, and in good standing, having the capacity to sue and be sued in its own name, having full power, legal right and authority to carry on its business as currently conducted, and to execute, deliver and perform the provisions of this Agreement;
- 5.1.2 The execution, delivery, and performance by Seller of this Agreement, and the sale of the Aircraft, has been duly authorized by all necessary action on behalf of Seller and do not conflict with or result in any breach of any of the terms or constitute a default under any document, instrument, or agreement to which Seller is a party;
- 5.1.3 The person executing this Agreement on behalf of Seller has full power and authority to do so;
- 5.1.4 Neither it nor any of its employees (or any assignee as defined in Article 8.7 hereof) are listed by the United States Department of Treasury on the Specifically Designated Nationals and Blocked Persons List or by the United States Department of Commerce on the Denied Persons List. There exists no United States prohibition on the transactions contemplated by this Agreement related to the identity, citizenship, location or business of Seller or to the purpose for which the Aircraft was previously used;
- 5.1.5 Seller has not entered into any other agreements under which it has agreed to sell or lease or otherwise encumber the Aircraft or any part thereof, other than this Agreement or any Liens that are to be discharged at Closing.
- 5.1.6 This Agreement constitutes the legal, valid and binding obligations of Seller and is enforceable against Seller in accordance with its terms subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting the enforceability of contractual obligations and creditors' rights generally and by the application of equitable principles by courts of competent jurisdiction, sitting at law or in equity; and
- 5.1.7 Seller is the lawful beneficial owner of the Aircraft as of the date of execution of this Agreement, and at the time of the Closing, will convey good and marketable title to the Aircraft, free and clear of all Liens to Purchaser, and Seller will warrant and defend such title forever against all claims and demands whatsoever.

5.1.8 Seller has paid any and all taxes, fees, duties, penalties, charges, invoices, and statements arising from any purchase, sale, delivery, transfer, possessions, use, storage, operation, consumption, or registration of the Aircraft prior to the Closing ("Amounts Owed"), provided that, if Amounts Owed are not yet due, imposed, levied, or assessed against Seller or the Aircraft, Seller will pay such Amounts Owed when due, imposed, levied, or assessed and will defend and hold Purchaser harmless from such Amounts Owed.

5.1.9 Seller has not entered into any agreement for commissions, brokerage fees or similar fees to be paid upon transfer of the Aircraft that would become the obligation of Purchaser or a lien on the Aircraft nor does Seller have any agreement or arrangement to pay any consideration whatsoever, directly or indirectly, to any employee, agent or independent contractor of Purchaser.

5.2 Purchaser's Representations and Warranties. Purchaser hereby represents and warrants that, as of the date hereof, and as of the Closing:

5.2.1 Purchaser is a duly formed limited liability company, validly existing, and in good standing, having the capacity to sue and be sued in its own name, having full power, legal right and authority to carry on its business as currently conducted, and to execute, deliver and perform the provisions of this Agreement;

5.2.2 The execution, delivery, and performance by Purchaser of this Agreement, and the acquisition of the Aircraft, has been duly authorized by all necessary action on behalf of Purchaser and do not conflict with or result in any breach of any of the terms or constitute a default under any document, instrument, or agreement to which Purchaser is a party;

5.2.3 The person executing this Agreement on behalf of Purchaser has full power and authority to do so;

5.2.4 This Agreement constitutes the legal, valid and binding obligations of Purchaser and is enforceable against Purchaser in accordance with its terms subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting the enforceability of contractual obligations and creditors' rights generally and by the application of equitable principles by courts of competent jurisdiction, sitting at law or in equity;

5.2.5 Purchaser has not entered into any agreement for commissions, brokerage fees or similar fees to be paid upon transfer of the Aircraft that would become the obligation of Seller or a lien on the Aircraft nor does Purchaser have any agreement or arrangement to pay any consideration whatsoever, directly or indirectly, to any employee, agent or independent contractor of Seller;

5.2.6 Neither Purchaser nor any of its employees (or any assignee as defined in Article 8.7 hereof) is listed by the United States Department of Treasury on the Specifically Designated Nationals and Blocked Persons List or by the United States Department of Commerce on the Denied Persons List. There exists no United States prohibition on the transactions contemplated by this Agreement related to the identity, citizenship, location or business of Purchaser (or its assignee) or to the purpose for which Purchaser (or its assignee) will use the Aircraft; and

5.2.7 No portion of the Purchase Price is derived from Anti-Money Laundering Laws, meaning those laws, regulations and sanctions, state and federal, criminal and civil, that (a) limit the use of and/or seek the forfeiture of proceeds from illegal transactions; (b) limit commercial transactions with designated countries or individuals believed to be terrorists, narcotics dealers or otherwise engaged in activities contrary to the interests of the United States; (c) require identification and documentation of the parties with whom a financial institution conducts business; or (d) are designed to disrupt the flow of funds to terrorist organizations. Such laws, regulations and sanctions shall be deemed to include the Patriot Act, the Bank Secrecy Act, the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957.

ARTICLE VI. DISCLAIMER

- 3.1 DISCLAIMER AND LIMITATION OF LIABILITY. EXCEPT FOR SELLER'S WARRANTIES MADE IN SECTION 5.1 HEREIN AND THE WARRANTY OF TITLE TO THE AIRCRAFT AS SET FORTH HEREIN AND IN THE WARRANTY BILL OF SALE, THE AIRCRAFT AND EACH PART THEREOF IS BEING SOLD AND DELIVERED TO PURCHASER IN "AS IS, WHERE IS, WITH ALL FAULTS" CONDITION ON THE CLOSING DATE, WITHOUT ANY REPRESENTATION, WARRANTY OR GUARANTY OF ANY KIND BEING MADE OR GIVEN BY SELLER, ITS SHAREHOLDERS, MEMBERS, DIRECTORS, OFFICERS, MANAGERS, AGENTS, EMPLOYEES OR ATTORNEYS, EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE AND SELLER DISCLAIMS ALL EXPRESS OR IMPLIED WARRANTIES WHETHER ARISING IN LAW, IN EQUITY, IN CONTRACT OR IN TORT, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY, AIRWORTHINESS, DESIGN, CONDITION, OR FITNESS FOR A PARTICULAR USE. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EXCEPT FOR SELLER'S WARRANTY OF TITLE TO THE AIRCRAFT AS SET FORTH HEREIN AND IN THE WARRANTY BILL OF SALE, SELLER SHALL NOT BE LIABLE OR RESPONSIBLE TO PURCHASER FOR ANY DEFECTS, EITHER PATENT OR LATENT IN THE AIRCRAFT OR FOR ANY DIRECT OR INDIRECT DAMAGE TO PERSONS OR PROPERTIES RESULTING THEREFROM OR FOR PURCHASER'S LOSS OF USE OF OR A DIMINUTION IN VALUE OF THE AIRCRAFT OR FOR ANY INTERRUPTION IN PURCHASER'S BUSINESS CAUSED BY PURCHASER'S INABILITY TO USE THE AIRCRAFT FOR ANY REASON WHATSOEVER.
- 3.2 EXCEPT IN CASES OF FRAUD OR WILFUL MISCONDUCT, UNDER NO CIRCUMSTANCES SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR LOST PROFITS, LOSS OF BUSINESS, LOSS OF USE OR ANY OTHER INCIDENTAL, INDIRECT, CONSEQUENTIAL OR SPECIAL DAMAGES ARISING OUT OF OR RELATED TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY DELAY IN CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED HEREBY, AND EACH PARTY HEREBY WAIVES ANY RIGHT IT MAY HAVE TO SUCH DAMAGES.

ARTICLE VII. TAXES

- 7.1 Seller's Taxes.** Seller has paid and/or shall bear, and shall defend, indemnify and hold Purchaser harmless from and against, any and all sales, use, value added, excise and other similar taxes (including excise-equivalent customs duty), and any and all taxes, fees, duties, interest, penalties, charges, invoices, claims, assessments and statements imposed or imposable by any federal, state, county, local, foreign or other governmental authority, entity or party arising from any purchase, sale, lease, delivery, transfer, possession, use, storage, operation, maintenance, consumption, or registration of the Aircraft prior to the Closing. In the event Purchaser receives written notice of any audit, claim, assessment or proposed assessment of any tax for which Seller may be responsible under this Article 7.1, Purchaser shall notify Seller within ten (10) Business Days thereof, and Seller and Purchaser shall reasonably cooperate to manage and/or defend any such audit, claim, assessment or proposed assessment.
- 7.2 Purchaser's Taxes.** Purchaser shall bear, and shall defend, indemnify and hold Seller harmless from and against any and all sales, use, value added, excise and other similar taxes (including excise-equivalent customs duty), and any taxes, fees, duties, interest, penalties, charges, invoices, claims and statements relating thereto, which may be imposed by any federal, state, county, local, foreign or other governmental authority as a result of the sale, delivery or transfer of the Aircraft to Purchaser, or the ownership, possession, use or storage of the Aircraft after the Closing, except to the extent (i) imposed on or measured by Seller's income or (ii) related to a period (or portion thereof) ending on or prior to the Closing. In the event Seller receives written notice of any audit, claim, assessment or proposed assessment of any tax for which Purchaser may be responsible under this Article 7.2, Seller shall notify Purchaser within ten (10) Business Days thereof, and Seller and Purchaser shall reasonably cooperate to manage and/or defend any such audit, claim, assessment or proposed assessment.
- 7.3 Mitigation.** Seller and Purchaser shall cooperate to mitigate any Taxes that may be imposed upon either party as a result of the sale and delivery of the Aircraft pursuant to this Agreement, including (if necessary) changing the Delivery Location and provision of applicable exemption certificates, affidavits, or other similar paperwork.

ARTICLE VIII. MISCELLANEOUS

- 3.1 Manufacturer Warranties.** Seller shall cause all rights under any manufacturer warranties to be assigned and transferred to Purchaser, or its designee, at Purchaser's expense, effective at the time of the Closing. Seller shall execute and/or provide whatever documents or agreements may be necessary or convenient to vest all rights under such manufacturer warranties in Purchaser, or its designee, maintain their continuity, and to permit Purchaser, or its designee, to assert or process claims thereunder. Seller shall reasonably assist Purchaser in maintaining continuity of and transferring any warranties and shall execute whatever documents or agreements may be required to vest all rights under such warranties in Purchaser and to permit Purchaser to assert or process claims thereunder. The foregoing is subject to the terms and conditions of each warranty. The obligations of this Section shall survive Closing.
- 3.2 Risk of Loss, Damage or Destruction of Aircraft.**

8.2.1 Risk of Loss. Except for Discrepancies discovered during the Post-Closing Inspection, title to, and risk of loss, injury, destruction or damage to the Aircraft, shall pass from Seller to Purchaser at the time that, (i) the Purchase Price is released to Seller, and (ii) the FAA Bill of Sale and Warranty Bill of Sale are released to Purchaser, and (iii) Seller delivers possession of the Aircraft to Purchaser.

8.2.2 Destruction or Damage. Notwithstanding any contrary provision of this Agreement, if at any time prior to the Closing the Aircraft is destroyed or damaged in such a manner that constitutes a Total Loss, Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (i) be returned to Purchaser, or (ii) continue to be held by Seller in accordance with the Aircraft Operator Agreement, as amended from time-to-time, originally entered into on March 22, 2022 between Blade Urban Air Mobility, Inc., M&N Equipment, LLC d/b/a M&N Aviation, Aviation Bridge, LLC, and Atlas Jet, Inc. or follow on agreement as applicable ("Operator Agreement"), and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts, this Agreement shall terminate and be of no further force or effect. In the event of any damage to the Aircraft following the Effective Date (other than Total Loss occurring prior to Closing), Seller shall promptly notify Purchaser in writing of such damage. Purchaser will have the right, but not the obligation, to have its technical representatives inspect the Aircraft within ten (10) days of Seller's notification to Purchaser ("Damage Inspection"). Purchaser shall, within five (5) Business Days of receipt of Seller's notice or upon completion of its Damage Inspection, whichever occurs later, notify Seller in writing (such notice, the "Damage Election") whether it desires (i) that the Aircraft be repaired by Seller in anticipation of the Closing, or (ii) to terminate this Agreement. In the event that Purchaser elects to terminate this Agreement as a result of damage in accordance with this Article 8.2.2, Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (a) be returned to Purchaser, or (b) continue to be held by Seller in accordance with Operator Agreement, and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts, this Agreement shall terminate and be of no further force or effect and the parties shall have no further obligations or liabilities with respect to this Agreement.

3.3 Termination and Default.

8.3.1 Purchaser's Right to Terminate. This Agreement may be terminated by Purchaser at any time prior to Closing. If Purchaser elects to terminate this Agreement Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (i) be returned to Purchaser, or (ii) continue to be held by Seller in accordance with Operator Agreement, and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts.

8.3.2 Purchaser's Default. Seller shall have the right to terminate this Agreement in the event of a breach by Purchaser of any material provision of this Agreement (provided that Seller is in compliance with its material obligations under this Agreement) which breach is not cured within one (1) year of the delivery to Purchaser of written notice thereof from Seller or which breach by its nature cannot be cured prior to Closing. Upon Seller's termination of this Agreement under this Article 8.3.2, Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (i) be returned to Purchaser, or (ii) continue to be held by

Seller in accordance with Operator Agreement, and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts. The foregoing shall be the sole remedy available to Seller for breach of contract by Purchaser under this Agreement, and Seller waives any other remedies that may be available to Seller at law or in equity for breach of contract.

- 3.4 **Amendments.** The provisions of this Agreement may not be waived, altered, modified, amended, supplemented or terminated in any manner whatsoever except by written instrument signed by both parties hereto.
- 3.5 **Severability.** Any provision of this Agreement that may be determined by competent authority to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.
- 3.6 **Assignment.** Purchaser may freely assign this Agreement. Seller may not assign this Agreement.
- 3.7 **Successor and Assigns.** This Agreement shall inure to the benefit of and be binding upon each of the parties hereto and their respective successors and permitted assigns.
- 3.8 **Interpretation.** The division of this Agreement into Articles, and the insertion of headings, are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The words "hereof," "herein," "hereunder," and words of similar import shall refer to this Agreement as a whole and not to any particular provision thereof. When used herein, the words "include" and "including" shall be construed as "include, without limitation" and "including, without limitation." Except as expressly identified, all dollar amounts are in United States Dollars.
- 3.9 **Counterparts.** This Agreement may be fully executed in two or more counterparts by each of the parties hereto, such counterparts together constituting but one and the same instrument. Such counterparts may be exchanged via email or other electronic transmission. Electronic signatures through DocuSign are acceptable and will act to create enforceable obligations to the same extent as an original signature.
- 3.10 **Notices.** All communications, declarations, demands, consents, directions, approvals, instructions, requests and notices required or permitted by this Agreement shall be in writing and shall be deemed to have been duly given or made when delivered personally or transmitted electronically by email, or in the case of documented overnight delivery service or registered or certified mail, return receipt requested, delivery charge or postage prepaid, on the date shown on the receipt therefor, in each case at the address set forth below:

If to Seller: [***]
If to Purchaser: [***]
If to Escrow Agent: [***]

- 3.11 **Attorney Fees.** In the event it becomes necessary to enforce the terms of this Agreement by litigation or otherwise, the prevailing party shall be entitled to recover its reasonable attorney fees and court costs from the party in breach, including any such fees or costs arising from subsequent appeals and efforts to execute on any judgment.
- 3.12 **Non-Waiver.** Any failure at any time of either party to enforce any provision of this Agreement shall not constitute a waiver of such provision or prejudice the right of such party to enforce such provision at any subsequent time.
- 3.13 **Entire Agreement.** The parties agree that the terms and conditions of this Agreement, together with all Schedules and Exhibits, constitute the entire agreement between the parties with respect to the subject matter hereof. This Agreement supersedes all prior agreements between the parties, express or implied including, but not limited to, any offer to purchase or letter of intent.
- 3.14 **Transaction Costs and Expenses.** Except as otherwise set forth herein, each party to this Agreement shall bear its own transaction costs and expenses, including, without limitation, any brokers' commissions and/or attorneys' fees. Seller and Purchaser will equally split the Escrow Fees. Each party hereto agrees to indemnify and hold the other harmless from and against any claims made by any broker, consultant or other party claiming an interest in the Aircraft or the Purchase Price arising from an actual or alleged relationship or agreement with the indemnifying party.
- 3.15 **Survival.** In addition to terms that expressly state survival herein, the representations, warranties, and indemnification obligations of Purchaser and Seller shall survive the Closing in perpetuity. Further, any provisions related to Post-Closing Delivery Condition, Inspection, Holdback, or Discrepancies shall survive until such time that the Holdback is returned to Seller.
- 3.16 **Time is of the Essence.** Time shall be of the essence for all events contemplated hereunder.
- 3.17 **Further Assurances.** Each of the parties hereto covenants and agrees to execute such other and further documents relating to the matters set forth herein and to take or cause to be taken such other and further actions, as may be reasonably necessary or appropriate to carry out the purposes and intent of this Agreement, and to consummate the transactions contemplated hereby.
- 3.18 **Governing Law/Jurisdiction and Venue.** This Agreement shall be governed by the laws of the State of New York without consideration to its choice of law provisions other than Section 5-1401 and Section 5-1402 of the New York General Obligations Law. The parties submit to the exclusive jurisdiction, including personal jurisdiction, of the state or federal courts located in New York, NY, and the parties agree not to raise, and waive, any objections or defenses based upon venue and forum non conveniens. The parties agree that the United Nations Convention on Contracts for the International Sale of Goods is specifically excluded from application to this Agreement, or the transactions contemplated by this Agreement. The parties expressly waive their right to trial by jury.
- 3.19 **Cape Town Convention**
- 8.19.1 Prior to the Closing, Purchaser shall become a "transacting user entity," and Seller shall become a "transacting user entity" with the International Registry. Each of Purchaser and

Seller shall bear its own expense in doing so and such expenses shall not be considered Escrow Fees.

- 8.19.2 Each party shall provide to the other, as a condition to Closing, evidence that it has been approved by the International Registry as a "transacting user entity" and has duly registered with, is authorized to make filings with and has received all approvals from the International Registry and has appointed an "administrator" (as such term is defined and used in the International Registry Procedures and International Registry Regulations).
- 8.19.3 Each party shall, as a condition to Closing, authorize Escrow Agent to act as, and shall designate Escrow Agent or another mutually agreed party as, its "professional user entity" (as such term is defined and used in the International Registry Procedures and International Registry Regulations) to effect, amend, discharge and consent to registrations with respect to the Airframe and the Engines on its behalf. Neither Seller nor Purchaser shall revoke such authorization until after the earlier to occur of (i) the discharge of any International Interests and registration of a Contract of Sale of the Airframe and Engines with the International Registry following release of the Warranty Bill of Sale conveying the Aircraft from Seller to Purchaser or (ii) termination of this Agreement in accordance with its terms. Purchaser shall have no right to and hereby agrees that it will not register, consent to or allow any third party (including, without limitation, any prospective lender or assignee) to register any Contract of Sale, Prospective Sale, International Interest or Prospective International Interest with respect to the Airframe or Engines until title to the Aircraft has been conveyed to Purchaser at the Closing, and if there has been any such registration, take all necessary actions to discharge or cause to discharge such registration immediately at its sole cost and expense.
- 8.19.4 Purchaser and Seller shall cooperate to cause Escrow Agent, as a professional user entity, to register a Contract of Sale of the Airframe and the Engines with the International Registry immediately after release of the Warranty Bill of Sale. Seller and Purchaser each hereby expressly consents to the registration of the Contract of Sale with respect to the Airframe and the Engines.
- 8.19.5 Immediately prior to Closing, the Escrow Agent shall obtain a Priority Search Certificate (as such term is defined and used in the International Registry Procedures and the International Registry Regulations) from the International Registry with respect to the Airframe and the Engines) confirming that no prior International Interest exists that will not be otherwise discharged at Closing with respect to the Airframe and the Engines. Any Priority Search Certificate obtained by the Escrow Agent from the International Registry with respect to the Airframe and the Engines shall identify the Purchaser and the Seller as having the benefit of the search.
- 8.19.6 If, in the event of termination of this Agreement for any reason whatsoever, any International Interest, Prospective International Interest, Contract of Sale, Prospective Contract of Sale or other interest has been filed or registered against the Airframe and/or Engines as a result of the acts or omissions of Purchaser, or by Purchaser or any person claiming by, through or under Purchaser or consented to by Purchaser, Purchaser hereby irrevocably authorizes and directs the Escrow Agent to cause the discharge of any such filing or registration not later

than one (1) Business Day after the Escrow Agent becomes aware of any such filing or registration. Seller shall have all of the rights available to it under law or in equity, including the right of specific performance, to enforce Purchaser's performance of its obligations under this Article 8.20.6 Notwithstanding anything in this Agreement to the contrary, Purchaser agrees to be responsible for and upon demand to indemnify Seller and to hold Seller harmless from and against any and all claims, demands, liabilities, damages, losses and judgments, including legal fees and all expenses, arising out of any breach by Purchaser of any of its obligations under Article 8.20.6. This indemnity obligation and all of Purchaser's other obligations under this Article 8.20.6 shall survive the termination of this Agreement for any reason.

8.19.7 Purchaser shall have no right to and hereby agrees that it will not register, consent to or allow any third party claiming by, through or under Purchaser to register or consent to any Contract of Sale, Prospective Sale, International Interest or Prospective International Interest with respect to the Airframe or Engines until title to the Aircraft has been conveyed to Purchaser at the Closing. Seller shall have no obligation to register or consent to any registration of any Contract of Sale, Prospective Sale, International Interest or Prospective International Interest with respect to the Airframe and/or Engines until title to the Aircraft has been conveyed to Purchaser at the Closing

3.20 **Agreement Negotiated.** The parties to this Agreement are sophisticated and have been represented or had the opportunity to be represented in connection with the negotiation and performance of this Agreement. The parties agree that no presumptions relating to the interpretation of contracts against the drafter of any particular clause should or may be applied in this case and, therefore, waive their effects.

3.21 **Confidentiality.** The terms and conditions of this Agreement, and all writings, discussions, and negotiations in connection with the transaction contemplated by this Agreement (including, without limitation, the fact that discussions and negotiations have been conducted by the parties), shall remain strictly confidential and shall not be disclosed by either party, without the prior written consent of the other party, except that each party shall be entitled to disclose the terms and conditions of this Agreement (i) as may be required by law or legal process; (ii) to such party's attorneys, accountants, consultants, lenders, and other advisors performing services for such party with respect to or affected by the transaction contemplated by this Agreement including Escrow Agent and their personnel; (iii) to each party's employees with a need to know; (iv) as may be required to permit such party to pursue all available remedies for breach of this Agreement by the other party; and (v) to any entity that may provide financing to Purchaser in connection with the acquisition of the Aircraft.

3.22 **Control.** Notwithstanding any provision to the contrary herein, any conflict between this Agreement and any provision within any document between the Parties, including but not limited to, management agreements, purchase agreements, operator agreements, or the BSAs, the provision that provides the most favorable outcome to Blade, in Blade's sole discretion, will control the subject matter.

[Signature Page follows immediately]

IN WITNESS WHEREOF, the undersigned parties have caused this Aircraft Purchase Agreement to be executed, delivered and effective as of the date first above written.

SELLER:

PURCHASER:

M&N Equipment, LLC
dba M&N Aviation

N125XP LLC

By: Blade Urban Air Mobility, Inc.,
its managing member

By: /s/ Todd Schieck

Name: Todd Schieck

Title: Managing Director

By: /s/ Melissa Tomkiel

Name: Melissa Tomkiel

Title: President

*****] = Certain information contained in this document has been omitted because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.**

AIRCRAFT PURCHASE AGREEMENT

This AIRCRAFT PURCHASE AGREEMENT (this "Agreement") is made and entered into as of March 11, 2024 (the "Effective Date"), by and between N154RR LLC, a Delaware limited liability company ("Seller"), and Aviation Bridge, LLC, a Delaware limited liability company ("Purchaser").

WITNESSETH:

A. **WHEREAS**, Seller desires to sell the Aircraft to Purchaser, and Purchaser desires to purchase the Aircraft from Seller, upon the terms and subject to the conditions set forth herein.

B. **WHEREAS**, capitalized terms used herein and not otherwise defined shall have the meanings set forth in Article I.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants, obligations and agreements herein contained, the parties, intending to be legally bound hereby, agree as follows:

ARTICLE I. DEFINITIONS

The following terms shall have the following meanings for all purposes of this Agreement:

"Aircraft" means (i) that certain Raytheon Aircraft Company model Hawker 800XP aircraft bearing manufacturer's serial number [***] and U.S. Registration Number N154RR (the "Airframe") equipped with two (2) Honeywell model TFE731-5BR aircraft engines bearing manufacturer's serial numbers [***] and [***] (the "Engines") and one (1) Honeywell model GTCP36-150(W) auxiliary power unit bearing manufacturer's serial number [***] (the "APU"), (ii) all appurtenances, appliances, parts, instruments, components, accessions, furnishings and other equipment incorporated in or attached to any of the foregoing, (iii) all components, electronics, loose equipment, and accessories normally used or stored aboard the Aircraft or in Seller's possession and control or as otherwise identified on Exhibit A (e.g., china, glassware, flatware, flyaway kits, medical kits, and life rafts) (collectively, the "Equipment"), and (iv) all Aircraft Documents.

"Aircraft Documents" means all (i) documents and records required to be maintained by the FAA with respect to the Aircraft for Part 91 and 135 operations (including electronic versions), Airframe, Engine, and APU logbooks and maintenance records, flight operations manuals and checklists (most current revision), weight and balance manuals, FAA Form 8130-3s (or foreign equivalents), yellow tags, and other parts traceability records, fireblock certificates, task cards, overhaul records, wiring diagrams, completion manuals, supplemental type certificates, and engineering diagrams relating to the Aircraft, and (ii) all other documents and records in Seller's possession and control that relate to the Aircraft.

"Airworthiness" or **"Airworthy"** or **"Airworthy Condition"** means that Purchaser's Representative has determined that (i) the Aircraft is in a condition required to hold the current Airworthiness Certificate; (ii) the Aircraft conforms to the type certification issued by the FAA with respect to the type of aircraft which includes the Aircraft, including any Supplemental Type Certificates; (iii) the Aircraft is in a condition for safe operation; and (iv) the Aircraft is returned to service in accordance with applicable regulations, including those set forth in Parts 91 and 135.

“Business Day” means any day of the year (other than a Saturday or a Sunday) in which banks are authorized to operate or are not required to close in the State of New York and, only when being used with respect to the Closing Date, a day in which the FAA Registry is open for filing documents.

“Cape Town Convention” means, collectively, the Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment which were adopted on November 16, 2001 at a diplomatic conference held in Cape Town, South Africa.

“Closing” means the consummation of the purchase and sale transaction contemplated by this Agreement, as described in Article 4.5.

“Closing Date” means the date Closing is completed.

“Delivery Location” means a mutually agreed upon location within the continental United States that does not give rise to adverse tax consequences to the parties.

“Delivery Receipt” means an Aircraft Delivery Receipt in the form of Exhibit B, attached hereto.

“Deposit” means the purchase money deposit in the sum of \$921,017.00, which has been deposited with Seller.

“Discrepancy” means (i) items/conditions discovered during the Inspection that do not comply with the Post-Closing Delivery Condition, and (ii) any deferred or extended repairs, maintenance, or inspections, including but not limited to items on the Minimum Equipment List, that exist as of the Closing Date.

“Escrow Agent” means Insured Aircraft Title Service, LLC, 21 E. Main Street, Suite 100, Oklahoma City, Oklahoma 73104.

“Escrow Fees” means the fees and expenses of the Escrow Agent relating to the transactions contemplated hereby which shall be split equally between Purchaser and Seller (but shall not include any fees charged by Escrow Agent to either of the parties with respect to applying as a transacting user entity on the International Registry).

“FAA” means the United States of America Federal Aviation Administration and all successor agencies.

“FAA Airworthiness Certificate” means a United States Standard Airworthiness Certificate (FAA Form 8100-2).

“FAA Bill of Sale” means an FAA Aeronautical Center Form 8050-2 Aircraft Bill of Sale in a form recordable by the FAA.

“FAA Registry” means the FAA Civil Aircraft Registry, Aircraft Registration Branch, Mike Monroney Aeronautical Center, 6500 South MacArthur Boulevard, Oklahoma City, Oklahoma 73169.

“International Interest” has the meaning given to it in the Cape Town Convention.

“International Registry” means the international registry located in Dublin, Ireland, established pursuant to the Cape Town Convention.

“International Registry Procedures” means the official English language text of the Procedures of the International Registry issued by the supervisory authority thereof pursuant to the Cape Town Convention.

“International Registry Regulations” means the official English language text of the Regulations of the International Registry issued by the supervisory authority thereof pursuant to the Cape Town Convention.

“Lien” means any lien, mortgage, security interest, title defect, lease, and/or other notation, claim, charge, International Interest, encumbrance, and/or right of others.

“Material Corrosion” means corrosion (or history of corrosion) of the Aircraft or any part or component thereof beyond manufacturer's tolerances, limitations, or specifications (i) the repair of which constitutes Material Damage, or (ii) which cannot be repaired, rectified and terminated on a non-recurring basis such that the Aircraft can be Returned to Service without a requirement of repetitive or recurring inspections which deviate from the Aircraft manufacturer's normal maintenance procedures or require modifications to the normal component life limitations, overhaul and/or inspection intervals for the Aircraft.

“Material Damage” means any damage (or history of damage) to the Aircraft or any part thereof that (a) requires or required the issuance of an FAA Form 337 or any foreign equivalent or that requires or required an alteration or repair which would constitute a “major repair” as such term is defined in 14 C.F.R., Part 43, Appendix A and recorded in a manner prescribed by 14 C.F.R., Part 43, Appendix B, or foreign equivalent, (b) requires or required any deviation from the original approved manufacturer's aircraft build specification or standard production configuration, (c) requires repetitive or recurring or non-standard inspections which deviate from the Aircraft manufacturer's normal maintenance procedures or required modifications to the normal component life limitations, overhaul and/or inspection intervals for the Aircraft, and/or (iv) bird strikes, lightning strikes, or hail damage.

“Purchase Price” means the amount of \$2,700,416.00.

“Purchaser Registration Documents” means an FAA Form AC 8050-1 Aircraft Registration Application, and any other documents necessary to register the Aircraft in Purchaser's name with the FAA Registry.

“Purchaser Representative” means a mutually agreed upon representative.

“Total Loss” means, with respect to the Aircraft (including for the purposes of this definition, the Airframe and Engines), the total loss or the loss of the use thereof due to theft, disappearance, destruction or the requisition or taking of use of the Aircraft or any substantial part thereof by any governmental entity; and/or any damage to the Aircraft or any part thereof to any extent which, in the opinion of the insurers with which the Aircraft is insured, renders repair impractical or uneconomic; and/or any other event which is treated by the insurers with which the Aircraft is insured, or by Seller or any governmental entity having jurisdiction thereof, as a total loss of the Aircraft.

“Warranty Bill of Sale” means a Warranty Bill of Sale for the Aircraft in the form of Exhibit C, attached hereto.

ARTICLE II. AGREEMENT TO BUY AND SELL

2.1 Agreement. For and in consideration of the Purchase Price, on the Closing Date, Seller shall sell and deliver the Aircraft to Purchaser, and Purchaser shall purchase and accept delivery of the Aircraft from Seller, on and subject to the terms and conditions set forth herein.

2.2 Deposit. Seller is in possession of the Deposit.

ARTICLE III. DELIVERY CONDITION AND INSPECTION

3.1 Closing Date Delivery Condition. At Closing, the Aircraft will be delivered to Purchaser at the Delivery Location in "as-is, where-is" physical condition.

3.2 Post-Closing Delivery Condition. "Post-Closing Delivery Condition" means:

- 3.2.1 With all Equipment and Aircraft Documents, which shall be in original, current, up to date (latest revision of each as applicable), complete (including hard copy, digital, or similar formats as applicable), accurate, and consecutive condition and in English;
- 3.2.2 With a valid Standard US Airworthiness Certificate with no exceptions or limitations other than those common to aircraft of similar make, model, and production year;
- 3.2.3 In airworthy condition and suitable for operations under Part 91 and 135 of the Federal Aviation Regulations;
- 3.2.4 With all systems, avionics, equipment, parts, and components of the Aircraft in normal working order and each operating in a manner that is consistent with the standard manufacturers' specifications;
- 3.2.5 In compliance with all FAA Airworthiness Directives ("AD") and mandatory service bulletins that are due prior to the Closing, without deferment or extensions, and, if any terminating action is due, such action shall have been completed;
- 3.2.6 With all maintenance and inspections (hourly, calendar, and cycles) in accordance with its current FAR Part 135 FAA approved maintenance program, current through the Closing with no deferments or extensions;
- 3.2.7 With no engineering dispositions or technical variances, or non-standard or recurring inspections or intervals outside of the manufacturer's recommended maintenance program or maintenance manual;
- 3.2.8 Enrolled and current on a computerized maintenance tracking program;
- 3.2.9 With any remaining factory and vendor warranties transferable to Purchaser or available for follow on contracts in accordance with their respective terms;
- 3.2.10 With no parts, systems or components installed in the Aircraft on a temporary, loan, or exchange basis;
- 3.2.11 With no Material Damage or Material Corrosion identified during the Inspection; and
- 3.2.12 With no missing placards and with Seller's company name and logos removed or deleted from the interior and exterior of the Aircraft (including Airshow).

3.3 Post-Closing Inspection. At a mutually agreed upon time and location, within ninety (90) days from Closing, Purchaser, at Purchaser's expense, shall have the right to conduct an evaluation in accordance with the Inspection Workscope attached hereto as Exhibit E (the "Inspection"). The

timeline for the Post-Closing Inspection will be extended if Seller's actions or omissions restrict Purchaser's ability to perform the Inspection.

3.4 Discrepancy Correction. Following completion of the Inspection (evidenced by Seller's receipt of a written report of Discrepancies) Seller, at Seller's expense, will cause the correction of Discrepancies.

3.5 Holdback. At Closing, as security for Seller's obligation to correct the Discrepancies, Purchaser will retain fifteen percent (15%) of the Purchase Price ("Holdback"). At Purchaser's discretion, Purchaser may waive Seller's obligation to correct a Discrepancy and the cost of such correction will be credited back to Purchaser from the Holdback.

ARTICLE IV. CLOSING PROCEDURES

4.1 Purchaser's Pre-Closing Obligations. On or prior to the Closing Date, Purchaser shall (i) position or cause to be positioned with Escrow Agent: (1) a signed and undated Delivery Receipt and Assignment of Warranties, attached hereto as Exhibit D, (2) the Purchaser Registration Documents, (3) any necessary documents to release the Aircraft from the Security Agreement in favor of Purchaser ("BSA"), (4) Purchaser's half of Escrow Fees, and (iii) register as a Transacting User Entity and designate the Escrow Agent as its Professional User Entity on the International Registry.

4.2 Seller's Pre-Closing Obligations. On or prior to the Closing Date: Seller shall: (i) position the Aircraft to the Delivery Location; (ii) register as a Transacting User Entity and designate the Escrow Agent as its Professional User Entity on the International Registry, and (iii) pre-position or cause to be pre-positioned with the Escrow Agent: (1) an undated, but otherwise fully executed Warranty Bill of Sale conveying title from Seller to Purchaser; (2) an undated, but otherwise executed Assignment of Warranties; (3) an undated, but otherwise fully executed FAA Bill of Sale conveying title from Seller to Purchaser; (4) any necessary Lien release documents, (5) Seller's half of Escrow Fees, and (6) any other documents necessary to transfer title from Seller to Purchaser or accomplish the intent of this Agreement.

THE PRE-POSITIONING OF ANY DOCUMENT OR THE BALANCE OF THE PURCHASE PRICE WITH THE ESCROW AGENT IS FOR THE CONVENIENCE OF THE PARTIES ONLY SO THAT THEY MAY BE RELEASED AT THE ORAL OR WRITTEN DIRECTION OF THE DEPOSITING PARTIES FOLLOWING SATISFACTION OF ANY CONDITIONS CONTAINED HEREIN AND SHALL NOT BE CONSTRUED AS OR IMPLY ACCEPTANCE OF THE AIRCRAFT OR CONVEYANCE OF TITLE THERETO, WHICH MAY ONLY OCCUR AS SPECIFICALLY PROVIDED IN THIS AGREEMENT.

4.3 Conditions Precedent to Seller's Obligations. Seller's obligation to sell and deliver the Aircraft to Purchaser on the Closing Date shall be subject to the following conditions precedent:

4.3.1 Purchaser shall not be in breach or default of any of Purchaser's obligations arising under this Agreement;

4.3.2 All of Purchaser's representations set forth in Article 5.2 shall be true and accurate as of the time of Closing;

- 4.3.3 Purchaser shall have paid all costs agreed to be paid by Purchaser in this Agreement;
- 4.3.4 Purchaser shall have complied with its obligations in Article 4.1 above; and
- 4.3.5 Purchaser shall have performed and complied with all of the terms, conditions and covenants required by this Agreement to be performed or complied with by it prior to or at the Closing.
- 4.4 **Conditions Precedent to Purchaser's Obligations.** Purchaser's obligation to purchase and accept delivery of the Aircraft from Seller on the Closing Date shall be subject to the following conditions precedent:
- 4.4.1 Seller shall not be in breach or default of any of Seller's obligations arising under this Agreement;
- 4.4.2 All of Seller's representations set forth in Article 5.1 shall be true and accurate as of the time of Closing;
- 4.4.3 Seller shall have delivered or caused to be delivered the items identified in Article 4.2 required to be delivered by it; and
- 4.4.4 Seller shall have performed and complied with all of the terms, conditions and covenants required by this Agreement to be performed or complied with by it prior to or at the Closing.
- 4.5 **Closing.** Closing shall begin on a mutually agreed upon date and time. The parties shall perform the following closing deliverables in the order presented, the consummation of which shall constitute the "Closing":
- 4.5.1 Escrow Agent shall confirm in writing to Purchaser that all proper up to date searches for Liens have been completed by the Escrow Agent on the Aircraft (including the Engines) with the International Registry and the FAA Registry, all showing that there are no Liens (other than Liens which the Escrow Agent or Seller shall be able to discharge at Closing in accordance with this Agreement).
- 4.5.2 Escrow Agent shall confirm to the parties that it has received the items set forth in Articles 4.1 and 4.2;
- 4.5.3 Seller shall confirm to Purchaser and Escrow Agent in writing via email that the conditions precedent to Seller's obligations as set forth in Article 4.3 have been satisfied or waived;
- 4.5.4 Purchaser shall confirm to Seller and Escrow Agent in writing via email that the conditions precedent to Purchaser's obligations as set forth in Article 4.4 have been satisfied or waived;
- 4.5.5 Upon receipt of the confirmations in Articles 4.5.3. and 4.5.4, the Escrow Agent, without any further instruction from the parties, shall: (a) date and file any lien release documents necessary to discharge any Liens against the Aircraft, (b) date and submit for filing with the FAA Registry the FAA Bill of Sale and Purchaser Registration Documents, (c) date and release to Purchaser a copy of the Warranty Bill of Sale and Assignment of Warranties, (d) complete, date and release to Seller a copy of the Delivery Receipt (with the time of delivery thereunder being the same as the time that the Escrow Agent submits the FAA Bill of Sale for filing with the FAA), (e) make all necessary discharges and registrations on the International Registry, and (f) retain the Escrow Fees for its services.

- 4.5.6 Immediately upon Escrow Agent's submission for filing the FAA Bill of Sale in accordance with Article 4.5.5.2, Purchaser shall wire the Purchase Price, less the Holdback, to Seller, and Seller shall transfer possession over, and Purchaser shall accept delivery of, the Aircraft at the Delivery Location.
- 4.5.7 During the performance of the above Closing actions by Escrow Agent, Purchaser shall provide to Seller a fuel receipt (or similar third-party verification) issued at the Delivery Location with respect to the Aircraft, a copy of which the parties shall attach to the Delivery Receipt.

ARTICLE V. REPRESENTATIONS AND WARRANTIES

5.1 Seller's Representations and Warranties. Seller hereby represents and warrants that, as of the date hereof, and as of the Closing:

- 5.1.1 Seller is duly formed limited liability company, validly existing, and in good standing, having the capacity to sue and be sued in its own name, having full power, legal right and authority to carry on its business as currently conducted, and to execute, deliver and perform the provisions of this Agreement;
- 5.1.2 The execution, delivery, and performance by Seller of this Agreement, and the sale of the Aircraft, has been duly authorized by all necessary action on behalf of Seller and do not conflict with or result in any breach of any of the terms or constitute a default under any document, instrument, or agreement to which Seller is a party;
- 5.1.3 The person executing this Agreement on behalf of Seller has full power and authority to do so;
- 5.1.4 Neither it nor any of its employees (or any assignee as defined in Article 8.7 hereof) are listed by the United States Department of Treasury on the Specifically Designated Nationals and Blocked Persons List or by the United States Department of Commerce on the Denied Persons List. There exists no United States prohibition on the transactions contemplated by this Agreement related to the identity, citizenship, location or business of Seller or to the purpose for which the Aircraft was previously used;
- 5.1.5 Seller has not entered into any other agreements under which it has agreed to sell or lease or otherwise encumber the Aircraft or any part thereof, other than this Agreement or any Liens that are to be discharged at Closing.
- 5.1.6 This Agreement constitutes the legal, valid and binding obligations of Seller and is enforceable against Seller in accordance with its terms subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting the enforceability of contractual obligations and creditors' rights generally and by the application of equitable principles by courts of competent jurisdiction, sitting at law or in equity; and
- 5.1.7 Seller is the lawful beneficial owner of the Aircraft as of the date of execution of this Agreement, and at the time of the Closing, will convey good and marketable title to the

Aircraft, free and clear of all Liens to Purchaser, and Seller will warrant and defend such title forever against all claims and demands whatsoever.

5.1.8 Seller has paid any and all taxes, fees, duties, penalties, charges, invoices, and statements arising from any purchase, sale, delivery, transfer, possessions, use, storage, operation, consumption, or registration of the Aircraft prior to the Closing ("Amounts Owed"), provided that, if Amounts Owed are not yet due, imposed, levied, or assessed against Seller or the Aircraft, Seller will pay such Amounts Owed when due, imposed, levied, or assessed and will defend and hold Purchaser harmless from such Amounts Owed.

5.1.9 Seller has not entered into any agreement for commissions, brokerage fees or similar fees to be paid upon transfer of the Aircraft that would become the obligation of Purchaser or a lien on the Aircraft nor does Seller have any agreement or arrangement to pay any consideration whatsoever, directly or indirectly, to any employee, agent or independent contractor of Purchaser.

5.2 Purchaser's Representations and Warranties. Purchaser hereby represents and warrants that, as of the date hereof, and as of the Closing:

5.2.1 Purchaser is a duly formed limited liability company, validly existing, and in good standing, having the capacity to sue and be sued in its own name, having full power, legal right and authority to carry on its business as currently conducted, and to execute, deliver and perform the provisions of this Agreement;

5.2.2 The execution, delivery, and performance by Purchaser of this Agreement, and the acquisition of the Aircraft, has been duly authorized by all necessary action on behalf of Purchaser and do not conflict with or result in any breach of any of the terms or constitute a default under any document, instrument, or agreement to which Purchaser is a party;

5.2.3 The person executing this Agreement on behalf of Purchaser has full power and authority to do so;

5.2.4 This Agreement constitutes the legal, valid and binding obligations of Purchaser and is enforceable against Purchaser in accordance with its terms subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting the enforceability of contractual obligations and creditors' rights generally and by the application of equitable principles by courts of competent jurisdiction, sitting at law or in equity;

5.2.5 Purchaser has not entered into any agreement for commissions, brokerage fees or similar fees to be paid upon transfer of the Aircraft that would become the obligation of Seller or a lien on the Aircraft nor does Purchaser have any agreement or arrangement to pay any consideration whatsoever, directly or indirectly, to any employee, agent or independent contractor of Seller;

5.2.6 Neither Purchaser nor any of its employees (or any assignee as defined in Article 8.7 hereof) is listed by the United States Department of Treasury on the Specifically Designated Nationals and Blocked Persons List or by the United States Department of Commerce on the Denied Persons List. There exists no United States prohibition on the transactions contemplated by

this Agreement related to the identity, citizenship, location or business of Purchaser (or its assignee) or to the purpose for which Purchaser (or its assignee) will use the Aircraft; and

5.2.7 No portion of the Purchase Price is derived from Anti-Money Laundering Laws, meaning those laws, regulations and sanctions, state and federal, criminal and civil, that (a) limit the use of and/or seek the forfeiture of proceeds from illegal transactions; (b) limit commercial transactions with designated countries or individuals believed to be terrorists, narcotics dealers or otherwise engaged in activities contrary to the interests of the United States; (c) require identification and documentation of the parties with whom a financial institution conducts business; or (d) are designed to disrupt the flow of funds to terrorist organizations. Such laws, regulations and sanctions shall be deemed to include the Patriot Act, the Bank Secrecy Act, the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957.

ARTICLE VI. DISCLAIMER

6.1 DISCLAIMER AND LIMITATION OF LIABILITY. EXCEPT FOR SELLER'S WARRANTIES MADE IN SECTION 5.1 HEREIN AND THE WARRANTY OF TITLE TO THE AIRCRAFT AS SET FORTH HEREIN AND IN THE WARRANTY BILL OF SALE, THE AIRCRAFT AND EACH PART THEREOF IS BEING SOLD AND DELIVERED TO PURCHASER IN "AS IS, WHERE IS, WITH ALL FAULTS" CONDITION ON THE CLOSING DATE, WITHOUT ANY REPRESENTATION, WARRANTY OR GUARANTY OF ANY KIND BEING MADE OR GIVEN BY SELLER, ITS SHAREHOLDERS, MEMBERS, DIRECTORS, OFFICERS, MANAGERS, AGENTS, EMPLOYEES OR ATTORNEYS, EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE AND SELLER DISCLAIMS ALL EXPRESS OR IMPLIED WARRANTIES WHETHER ARISING IN LAW, IN EQUITY, IN CONTRACT OR IN TORT, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY, AIRWORTHINESS, DESIGN, CONDITION, OR FITNESS FOR A PARTICULAR USE. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EXCEPT FOR SELLER'S WARRANTY OF TITLE TO THE AIRCRAFT AS SET FORTH HEREIN AND IN THE WARRANTY BILL OF SALE, SELLER SHALL NOT BE LIABLE OR RESPONSIBLE TO PURCHASER FOR ANY DEFECTS, EITHER PATENT OR LATENT IN THE AIRCRAFT OR FOR ANY DIRECT OR INDIRECT DAMAGE TO PERSONS OR PROPERTIES RESULTING THEREFROM OR FOR PURCHASER'S LOSS OF USE OF OR A DIMINUTION IN VALUE OF THE AIRCRAFT OR FOR ANY INTERRUPTION IN PURCHASER'S BUSINESS CAUSED BY PURCHASER'S INABILITY TO USE THE AIRCRAFT FOR ANY REASON WHATSOEVER.

6.2 EXCEPT IN CASES OF FRAUD OR WILFUL MISCONDUCT, UNDER NO CIRCUMSTANCES SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR LOST PROFITS, LOSS OF BUSINESS, LOSS OF USE OR ANY OTHER INCIDENTAL, INDIRECT, CONSEQUENTIAL OR SPECIAL DAMAGES ARISING OUT OF OR RELATED TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY DELAY IN

CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED HEREBY, AND EACH PARTY HEREBY WAIVES ANY RIGHT IT MAY HAVE TO SUCH DAMAGES.

ARTICLE VII. TAXES

- 7.1 **Seller's Taxes.** Seller has paid and/or shall bear, and shall defend, indemnify and hold Purchaser harmless from and against, any and all sales, use, value added, excise and other similar taxes (including excise-equivalent customs duty), and any and all taxes, fees, duties, interest, penalties, charges, invoices, claims, assessments and statements imposed or imposable by any federal, state, county, local, foreign or other governmental authority, entity or party arising from any purchase, sale, lease, delivery, transfer, possession, use, storage, operation, maintenance, consumption, or registration of the Aircraft prior to the Closing. In the event Purchaser receives written notice of any audit, claim, assessment or proposed assessment of any tax for which Seller may be responsible under this Article 7.1, Purchaser shall notify Seller within ten (10) Business Days thereof, and Seller and Purchaser shall reasonably cooperate to manage and/or defend any such audit, claim, assessment or proposed assessment.
- 7.2 **Purchaser's Taxes.** Purchaser shall bear, and shall defend, indemnify and hold Seller harmless from and against any and all sales, use, value added, excise and other similar taxes (including excise-equivalent customs duty), and any taxes, fees, duties, interest, penalties, charges, invoices, claims and statements relating thereto, which may be imposed by any federal, state, county, local, foreign or other governmental authority as a result of the sale, delivery or transfer of the Aircraft to Purchaser, or the ownership, possession, use or storage of the Aircraft after the Closing, except to the extent (i) imposed on or measured by Seller's income or (ii) related to a period (or portion thereof) ending on or prior to the Closing. In the event Seller receives written notice of any audit, claim, assessment or proposed assessment of any tax for which Purchaser may be responsible under this Article 7.2, Seller shall notify Purchaser within ten (10) Business Days thereof, and Seller and Purchaser shall reasonably cooperate to manage and/or defend any such audit, claim, assessment or proposed assessment.
- 7.3 **Mitigation.** Seller and Purchaser shall cooperate to mitigate any Taxes that may be imposed upon either party as a result of the sale and delivery of the Aircraft pursuant to this Agreement, including (if necessary) changing the Delivery Location and provision of applicable exemption certificates, affidavits, or other similar paperwork.

ARTICLE VIII. MISCELLANEOUS

- 8.1 **Manufacturer Warranties.** Seller shall cause all rights under any manufacturer warranties to be assigned and transferred to Purchaser, or its designee, at Purchaser's expense, effective at the time of the Closing. Seller shall execute and/or provide whatever documents or agreements may be necessary or convenient to vest all rights under such manufacturer warranties in Purchaser, or its designee, maintain their continuity, and to permit Purchaser, or its designee, to assert or process claims thereunder. Seller shall reasonably assist Purchaser in maintaining continuity of and transferring any warranties and shall execute whatever documents or agreements may be required to vest all rights

under such warranties in Purchaser and to permit Purchaser to assert or process claims thereunder. The foregoing is subject to the terms and conditions of each warranty. The obligations of this Section shall survive Closing.

8.2 Risk of Loss, Damage or Destruction of Aircraft.

8.2.1 Risk of Loss. Except for Discrepancies discovered during the Post-Closing Inspection, title to, and risk of loss, injury, destruction or damage to the Aircraft, shall pass from Seller to Purchaser at the time that, (i) the Purchase Price is released to Seller, and (ii) the FAA Bill of Sale and Warranty Bill of Sale are released to Purchaser, and (iii) Seller delivers possession of the Aircraft to Purchaser.

8.2.2 Destruction or Damage. Notwithstanding any contrary provision of this Agreement, if at any time prior to the Closing the Aircraft is destroyed or damaged in such a manner that constitutes a Total Loss, Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (i) be returned to Purchaser, or (ii) continue to be held by Seller in accordance with the Aircraft Operator Agreement, as amended from time-to-time, originally entered into on March 22, 2022 between Blade Urban Air Mobility, Inc., M&N Equipment, LLC d/b/a M&N Aviation, Aviation Bridge, LLC, and Atlas Jet, Inc. or follow on agreement as applicable ("Operator Agreement"), and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts, this Agreement shall terminate and be of no further force or effect. In the event of any damage to the Aircraft following the Effective Date (other than Total Loss occurring prior to Closing), Seller shall promptly notify Purchaser in writing of such damage. Purchaser will have the right, but not the obligation, to have its technical representatives inspect the Aircraft within ten (10) days of Seller's notification to Purchaser ("Damage Inspection"). Purchaser shall, within five (5) Business Days of receipt of Seller's notice or upon completion of its Damage Inspection, whichever occurs later, notify Seller in writing (such notice, the "Damage Election") whether it desires (i) that the Aircraft be repaired by Seller in anticipation of the Closing, or (ii) to terminate this Agreement. In the event that Purchaser elects to terminate this Agreement as a result of damage in accordance with this Article 8.2.2, Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (a) be returned to Purchaser, or (b) continue to be held by Seller in accordance with Operator Agreement, and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts, this Agreement shall terminate and be of no further force or effect and the parties shall have no further obligations or liabilities with respect to this Agreement.

8.3 Termination and Default.

8.3.1 Purchaser's Right to Terminate. This Agreement may be terminated by Purchaser at any time prior to Closing. If Purchaser elects to terminate this Agreement Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (i) be returned to Purchaser, or (ii) continue to be held by Seller in accordance with Operator Agreement, and

Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts.

8.3.2 Purchaser's Default. Seller shall have the right to terminate this Agreement in the event of a breach by Purchaser of any material provision of this Agreement (provided that Seller is in compliance with its material obligations under this Agreement) which breach is not cured within one (1) year of the delivery to Purchaser of written notice thereof from Seller or which breach by its nature cannot be cured prior to Closing. Upon Seller's termination of this Agreement under this Article 8.3.2, Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (i) be returned to Purchaser, or (ii) continue to be held by Seller in accordance with Operator Agreement, and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts. The foregoing shall be the sole remedy available to Seller for breach of contract by Purchaser under this Agreement, and Seller waives any other remedies that may be available to Seller at law or in equity for breach of contract.

8.4 Amendments. The provisions of this Agreement may not be waived, altered, modified, amended, supplemented or terminated in any manner whatsoever except by written instrument signed by both parties hereto.

8.5 Severability. Any provision of this Agreement that may be determined by competent authority to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

8.6 Assignment. Purchaser may freely assign this Agreement. Seller may not assign this Agreement.

8.7 Successor and Assigns. This Agreement shall inure to the benefit of and be binding upon each of the parties hereto and their respective successors and permitted assigns.

8.8 Interpretation. The division of this Agreement into Articles, and the insertion of headings, are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The words "hereof," "herein," "hereunder," and words of similar import shall refer to this Agreement as a whole and not to any particular provision thereof. When used herein, the words "include" and "including" shall be construed as "include, without limitation" and "including, without limitation." Except as expressly identified, all dollar amounts are in United States Dollars.

8.9 Counterparts. This Agreement may be fully executed in two or more counterparts by each of the parties hereto, such counterparts together constituting but one and the same instrument. Such counterparts may be exchanged via email or other electronic transmission. Electronic signatures through DocuSign are acceptable and will act to create enforceable obligations to the same extent as an original signature.

8.10 **Notices.** All communications, declarations, demands, consents, directions, approvals, instructions, requests and notices required or permitted by this Agreement shall be in writing and shall be deemed to have been duly given or made when delivered personally or transmitted electronically by email, or in the case of documented overnight delivery service or registered or certified mail, return receipt requested, delivery charge or postage prepaid, on the date shown on the receipt therefor, in each case at the address set forth below:

If to Seller: [***]

If to Purchaser: [***]

If to Escrow Agent: [***]

8.11 **Attorney Fees.** In the event it becomes necessary to enforce the terms of this Agreement by litigation or otherwise, the prevailing party shall be entitled to recover its reasonable attorney fees and court costs from the party in breach, including any such fees or costs arising from subsequent appeals and efforts to execute on any judgment.

8.12 **Non-Waiver.** Any failure at any time of either party to enforce any provision of this Agreement shall not constitute a waiver of such provision or prejudice the right of such party to enforce such provision at any subsequent time.

8.13 **Entire Agreement.** The parties agree that the terms and conditions of this Agreement, together with all Schedules and Exhibits, constitute the entire agreement between the parties with respect to the subject matter hereof. This Agreement supersedes all prior agreements between the parties, express or implied including, but not limited to, any offer to purchase or letter of intent.

8.14 **Transaction Costs and Expenses.** Except as otherwise set forth herein, each party to this Agreement shall bear its own transaction costs and expenses, including, without limitation, any brokers' commissions and/or attorneys' fees. Seller and Purchaser will equally split the Escrow Fees. Each party hereto agrees to indemnify and hold the other harmless from and against any claims made by any broker, consultant or other party claiming an interest in the Aircraft or the Purchase Price arising from an actual or alleged relationship or agreement with the indemnifying party.

8.15 **Survival.** In addition to terms that expressly state survival herein, the representations, warranties, and indemnification obligations of Purchaser and Seller shall survive the Closing in perpetuity. Further, any provisions related to Post-Closing Delivery Condition, Inspection, Holdback, or Discrepancies shall survive until such time that the Holdback is returned to Seller.

8.16 **Time is of the Essence.** Time shall be of the essence for all events contemplated hereunder.

8.17 **Further Assurances.** Each of the parties hereto covenants and agrees to execute such other and further documents relating to the matters set forth herein and to take or cause to be taken such other and further actions, as may be reasonably necessary or appropriate to carry out the purposes and intent of this Agreement, and to consummate the transactions contemplated hereby.

8.18 Governing Law/Jurisdiction and Venue. This Agreement shall be governed by the laws of the State of New York without consideration to its choice of law provisions other than Section 5-1401 and Section 5-1402 of the New York General Obligations Law. The parties submit to the exclusive jurisdiction, including personal jurisdiction, of the state or federal courts located in New York, NY, and the parties agree not to raise, and waive, any objections or defenses based upon venue and forum non conveniens. The parties agree that the United Nations Convention on Contracts for the International Sale of Goods is specifically excluded from application to this Agreement, or the transactions contemplated by this Agreement. The parties expressly waive their right to trial by jury.

8.19 Cape Town Convention

8.19.1 Prior to the Closing, Purchaser shall become a “transacting user entity,” and Seller shall become a “transacting user entity” with the International Registry. Each of Purchaser and Seller shall bear its own expense in doing so and such expenses shall not be considered Escrow Fees.

8.19.2 Each party shall provide to the other, as a condition to Closing, evidence that it has been approved by the International Registry as a “transacting user entity” and has duly registered with, is authorized to make filings with and has received all approvals from the International Registry and has appointed an “administrator” (as such term is defined and used in the International Registry Procedures and International Registry Regulations).

8.19.3 Each party shall, as a condition to Closing, authorize Escrow Agent to act as, and shall designate Escrow Agent or another mutually agreed party as, its “professional user entity” (as such term is defined and used in the International Registry Procedures and International Registry Regulations) to effect, amend, discharge and consent to registrations with respect to the Airframe and the Engines on its behalf. Neither Seller nor Purchaser shall revoke such authorization until after the earlier to occur of (i) the discharge of any International Interests and registration of a Contract of Sale of the Airframe and Engines with the International Registry following release of the Warranty Bill of Sale conveying the Aircraft from Seller to Purchaser or (ii) termination of this Agreement in accordance with its terms. Purchaser shall have no right to and hereby agrees that it will not register, consent to or allow any third party (including, without limitation, any prospective lender or assignee) to register any Contract of Sale, Prospective Sale, International Interest or Prospective International Interest with respect to the Airframe or Engines until title to the Aircraft has been conveyed to Purchaser at the Closing, and if there has been any such registration, take all necessary actions to discharge or cause to discharge such registration immediately at its sole cost and expense.

8.19.4 Purchaser and Seller shall cooperate to cause Escrow Agent, as a professional user entity, to register a Contract of Sale of the Airframe and the Engines with the International Registry immediately after release of the Warranty Bill of Sale. Seller and Purchaser each hereby expressly consents to the registration of the Contract of Sale with respect to the Airframe and the Engines.

8.19.5 Immediately prior to Closing, the Escrow Agent shall obtain a Priority Search Certificate (as such term is defined and used in the International Registry Procedures and the International

Registry Regulations) from the International Registry with respect to the Airframe and the Engines) confirming that no prior International Interest exists that will not be otherwise discharged at Closing with respect to the Airframe and the Engines. Any Priority Search Certificate obtained by the Escrow Agent from the International Registry with respect to the Airframe and the Engines shall identify the Purchaser and the Seller as having the benefit of the search.

8.19.6 If, in the event of termination of this Agreement for any reason whatsoever, any International Interest, Prospective International Interest, Contract of Sale, Prospective Contract of Sale or other interest has been filed or registered against the Airframe and/or Engines as a result of the acts or omissions of Purchaser, or by Purchaser or any person claiming by, through or under Purchaser or consented to by Purchaser, Purchaser hereby irrevocably authorizes and directs the Escrow Agent to cause the discharge of any such filing or registration not later than one (1) Business Day after the Escrow Agent becomes aware of any such filing or registration. Seller shall have all of the rights available to it under law or in equity, including the right of specific performance, to enforce Purchaser's performance of its obligations under this Article 8.20.6 Notwithstanding anything in this Agreement to the contrary, Purchaser agrees to be responsible for and upon demand to indemnify Seller and to hold Seller harmless from and against any and all claims, demands, liabilities, damages, losses and judgments, including legal fees and all expenses, arising out of any breach by Purchaser of any of its obligations under Article 8.20.6. This indemnity obligation and all of Purchaser's other obligations under this Article 8.20.6 shall survive the termination of this Agreement for any reason.

8.19.7 Purchaser shall have no right to and hereby agrees that it will not register, consent to or allow any third party claiming by, through or under Purchaser to register or consent to any Contract of Sale, Prospective Sale, International Interest or Prospective International Interest with respect to the Airframe or Engines until title to the Aircraft has been conveyed to Purchaser at the Closing. Seller shall have no obligation to register or consent to any registration of any Contract of Sale, Prospective Sale, International Interest or Prospective International Interest with respect to the Airframe and/or Engines until title to the Aircraft has been conveyed to Purchaser at the Closing

8.20 **Agreement Negotiated.** The parties to this Agreement are sophisticated and have been represented or had the opportunity to be represented in connection with the negotiation and performance of this Agreement. The parties agree that no presumptions relating to the interpretation of contracts against the drafter of any particular clause should or may be applied in this case and, therefore, waive their effects.

8.21 **Confidentiality.** The terms and conditions of this Agreement, and all writings, discussions, and negotiations in connection with the transaction contemplated by this Agreement (including, without limitation, the fact that discussions and negotiations have been conducted by the parties), shall remain strictly confidential and shall not be disclosed by either party, without the prior written consent of the other party, except that each party shall be entitled to disclose the terms and conditions of this Agreement (i) as may be required by law or legal process; (ii) to such party's attorneys, accountants,

consultants, lenders, and other advisors performing services for such party with respect to or affected by the transaction contemplated by this Agreement including Escrow Agent and their personnel; (iii) to each party's employees with a need to know; (iv) as may be required to permit such party to pursue all available remedies for breach of this Agreement by the other party; and (v) to any entity that may provide financing to Purchaser in connection with the acquisition of the Aircraft.

8.22 **Control.** Notwithstanding any provision to the contrary herein, any conflict between this Agreement and any provision within any document between the Parties, including but not limited to, management agreements, purchase agreements, operator agreements, or the BSAs, the provision that provides the most favorable outcome to Blade, in Blade's sole discretion, will control the subject matter.

[Signature Page follows immediately]

IN WITNESS WHEREOF, the undersigned parties have caused this Aircraft Purchase Agreement to be executed, delivered and effective as of the date first above written.

SELLER:

PURCHASER:

Aviation Bridge, LLC

N154RR LLC

By: Blade Urban Air Mobility, Inc.,
its managing member

By: /s/ Zvi Dannenberg

By: /s/ Melissa Tomkiel

Name: Zvi Dannenberg

Name: Melissa Tomkiel

Title: Director

Title: President

*****] = Certain information contained in this document has been omitted because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.**

AIRCRAFT PURCHASE AGREEMENT

This AIRCRAFT PURCHASE AGREEMENT (this "Agreement") is made and entered into as of March 11, 2024 (the "Effective Date"), by and between N240V LLC, a Delaware limited liability company ("Seller"), and M&N Equipment, LLC dba M&N Aviation, a Wyoming limited liability company ("Purchaser").

WITNESSETH:

A. **WHEREAS**, Seller desires to sell the Aircraft to Purchaser, and Purchaser desires to purchase the Aircraft from Seller, upon the terms and subject to the conditions set forth herein.

B. **WHEREAS**, capitalized terms used herein and not otherwise defined shall have the meanings set forth in Article I.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants, obligations and agreements herein contained, the parties, intending to be legally bound hereby, agree as follows:

ARTICLE I. DEFINITIONS

The following terms shall have the following meanings for all purposes of this Agreement:

"Aircraft" means (i) that certain Raytheon Aircraft Company model Hawker 800XP aircraft bearing manufacturer's serial number [***] and U.S. Registration Number N240V (the "Airframe") equipped with two (2) Honeywell model TFE731-5BR aircraft engines bearing manufacturer's serial numbers [***] and [***] (the "Engines") and one (1) Honeywell model GTCP36-150(W) auxiliary power unit bearing manufacturer's serial number [***] (the "APU"), (ii) all appurtenances, appliances, parts, instruments, components, accessions, furnishings and other equipment incorporated in or attached to any of the foregoing, (iii) all components, electronics, loose equipment, and accessories normally used or stored aboard the Aircraft or in Seller's possession and control or as otherwise identified on Exhibit A (e.g., china, glassware, flatware, flyaway kits, medical kits, and life rafts) (collectively, the "Equipment"), and (iv) all Aircraft Documents.

"Aircraft Documents" means all (i) documents and records required to be maintained by the FAA with respect to the Aircraft for Part 91 and 135 operations (including electronic versions), Airframe, Engine, and APU logbooks and maintenance records, flight operations manuals and checklists (most current revision), weight and balance manuals, FAA Form 8130-3s (or foreign equivalents), yellow tags, and other parts traceability records, fireblock certificates, task cards, overhaul records, wiring diagrams, completion manuals, supplemental type certificates, and engineering diagrams relating to the Aircraft, and (ii) all other documents and records in Seller's possession and control that relate to the Aircraft.

"Airworthiness" or **"Airworthy"** or **"Airworthy Condition"** means that Purchaser's Representative has determined that (i) the Aircraft is in a condition required to hold the current Airworthiness Certificate; (ii) the Aircraft conforms to the type certification issued by the FAA with respect to the type of aircraft which includes the Aircraft, including any Supplemental Type Certificates; (iii) the Aircraft is in a condition for safe operation; and (iv) the Aircraft is returned to service in accordance with applicable regulations, including those set forth in Parts 91 and 135.

“Business Day” means any day of the year (other than a Saturday or a Sunday) in which banks are authorized to operate or are not required to close in the State of New York and, only when being used with respect to the Closing Date, a day in which the FAA Registry is open for filing documents.

“Cape Town Convention” means, collectively, the Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment which were adopted on November 16, 2001 at a diplomatic conference held in Cape Town, South Africa.

“Closing” means the consummation of the purchase and sale transaction contemplated by this Agreement, as described in Article 4.5.

“Closing Date” means the date Closing is completed.

“Delivery Location” means a mutually agreed upon location within the continental United States that does not give rise to adverse tax consequences to the parties.

“Delivery Receipt” means an Aircraft Delivery Receipt in the form of Exhibit B, attached hereto.

“Deposit” means the purchase money deposit in the sum of \$0.00, which has been deposited with Seller.

“Discrepancy” means (i) items/conditions discovered during the Inspection that do not comply with the Post-Closing Delivery Condition, and (ii) any deferred or extended repairs, maintenance, or inspections, including but not limited to items on the Minimum Equipment List, that exist as of the Closing Date.

“Escrow Agent” means Insured Aircraft Title Service, LLC, 21 E. Main Street, Suite 100, Oklahoma City, Oklahoma 73104.

“Escrow Fees” means the fees and expenses of the Escrow Agent relating to the transactions contemplated hereby which shall be split equally between Purchaser and Seller (but shall not include any fees charged by Escrow Agent to either of the parties with respect to applying as a transacting user entity on the International Registry).

“FAA” means the United States of America Federal Aviation Administration and all successor agencies.

“FAA Airworthiness Certificate” means a United States Standard Airworthiness Certificate (FAA Form 8100-2).

“FAA Bill of Sale” means an FAA Aeronautical Center Form 8050-2 Aircraft Bill of Sale in a form recordable by the FAA.

“FAA Registry” means the FAA Civil Aircraft Registry, Aircraft Registration Branch, Mike Monroney Aeronautical Center, 6500 South MacArthur Boulevard, Oklahoma City, Oklahoma 73169.

“International Interest” has the meaning given to it in the Cape Town Convention.

“International Registry” means the international registry located in Dublin, Ireland, established pursuant to the Cape Town Convention.

“International Registry Procedures” means the official English language text of the Procedures of the International Registry issued by the supervisory authority thereof pursuant to the Cape Town Convention.

“International Registry Regulations” means the official English language text of the Regulations of the International Registry issued by the supervisory authority thereof pursuant to the Cape Town Convention.

“Lien” means any lien, mortgage, security interest, title defect, lease, and/or other notation, claim, charge, International Interest, encumbrance, and/or right of others.

“Maintenance Service Programs” means the service programs, subscriptions, or services in which the Aircraft is currently enrolled.

“Material Corrosion” means corrosion (or history of corrosion) of the Aircraft or any part or component thereof beyond manufacturer’s tolerances, limitations, or specifications (i) the repair of which constitutes Material Damage, or (ii) which cannot be repaired, rectified and terminated on a non-recurring basis such that the Aircraft can be Returned to Service without a requirement of repetitive or recurring inspections which deviate from the Aircraft manufacturer’s normal maintenance procedures or require modifications to the normal component life limitations, overhaul and/or inspection intervals for the Aircraft.

“Material Damage” means any damage (or history of damage) to the Aircraft or any part thereof that (a) requires or required the issuance of an FAA Form 337 or any foreign equivalent or that requires or required an alteration or repair which would constitute a “major repair” as such term is defined in 14 C.F.R., Part 43, Appendix A and recorded in a manner prescribed by 14 C.F.R., Part 43, Appendix B, or foreign equivalent, (b) requires or required any deviation from the original approved manufacturer’s aircraft build specification or standard production configuration, (c) requires repetitive or recurring or non-standard inspections which deviate from the Aircraft manufacturer’s normal maintenance procedures or required modifications to the normal component life limitations, overhaul and/or inspection intervals for the Aircraft, and/or (iv) bird strikes, lightning strikes, or hail damage.

“Purchase Price” means the amount of \$3,381,155.00.

“Purchaser Registration Documents” means an FAA Form AC 8050-1 Aircraft Registration Application, and any other documents necessary to register the Aircraft in Purchaser’s name with the FAA Registry.

“Purchaser Representative” means a mutually agreed upon representative.

“Total Loss” means, with respect to the Aircraft (including for the purposes of this definition, the Airframe and Engines), the total loss or the loss of the use thereof due to theft, disappearance, destruction or the requisition or taking of use of the Aircraft or any substantial part thereof by any governmental entity; and/or any damage to the Aircraft or any part thereof to any extent which, in the opinion of the insurers with which the Aircraft is insured, renders repair impractical or uneconomic; and/or any other event which is treated by the insurers with which the Aircraft is insured, or by Seller or any governmental entity having jurisdiction thereof, as a total loss of the Aircraft.

“Warranty Bill of Sale” means a Warranty Bill of Sale for the Aircraft in the form of Exhibit C, attached hereto.

ARTICLE II. AGREEMENT TO BUY AND SELL

- 2.1 **Agreement.** For and in consideration of the Purchase Price, on the Closing Date, Seller shall sell and deliver the Aircraft to Purchaser, and Purchaser shall purchase and accept delivery of the Aircraft from Seller, on and subject to the terms and conditions set forth herein.
- 2.2 **Deposit.** Seller is in possession of the Deposit.

ARTICLE III. DELIVERY CONDITION AND INSPECTION

3.1 **Closing Date Delivery Condition.** At Closing, the Aircraft will be delivered to Purchaser at the Delivery Location in “as-is, where-is” physical condition.

3.2 **Post-Closing Delivery Condition.** “Post-Closing Delivery Condition” means:

- 3.2.1 With all Equipment and Aircraft Documents, which shall be in original, current, up to date (latest revision of each as applicable), complete (including hard copy, digital, or similar formats as applicable), accurate, and consecutive condition and in English;
- 3.2.2 With a valid Standard US Airworthiness Certificate with no exceptions or limitations other than those common to aircraft of similar make, model, and production year;
- 3.2.3 In airworthy condition and suitable for operations under Part 91 and 135 of the Federal Aviation Regulations;
- 3.2.4 With all systems, avionics, equipment, parts, and components of the Aircraft in normal working order and each operating in a manner that is consistent with the standard manufacturers’ specifications;
- 3.2.5 In compliance with all FAA Airworthiness Directives (“AD”) and mandatory service bulletins that are due prior to the Closing, without deferment or extensions, and, if any terminating action is due, such action shall have been completed;
- 3.2.6 With all maintenance and inspections (hourly, calendar, and cycles) in accordance with its current FAR Part 135 FAA approved maintenance program, current through the Closing with no deferments or extensions;
- 3.2.7 With no engineering dispositions or technical variances, or non-standard or recurring inspections or intervals outside of the manufacturer’s recommended maintenance program or maintenance manual;
- 3.2.8 Enrolled and current on a computerized maintenance tracking program;
- 3.2.9 With any remaining factory and vendor warranties transferable to Purchaser or available for follow on contracts in accordance with their respective terms;
- 3.2.10 With no parts, systems or components installed in the Aircraft on a temporary, loan, or exchange basis;
- 3.2.11 With no Material Damage or Material Corrosion identified during the Inspection;
- 3.2.12 With no missing placards and with Seller’s company name and logos removed or deleted from the interior and exterior of the Aircraft (including Airshow); and
- 3.2.13 Fully enrolled on all Maintenance Service Programs with no conditions, suspended coverages, or deferred hours or balances, paid up through Closing and transferrable to Purchaser or eligible for follow on contracts (at Purchaser’s option and in accordance with their respective terms).

3.3 **Post-Closing Inspection.** At a mutually agreed upon time and location, within ninety (90) days from Closing, Purchaser, at Purchaser’s expense, shall have the right to conduct an evaluation in accordance with the Inspection Workslope attached hereto as Exhibit E (the “Inspection”). The

timeline for the Post-Closing Inspection will be extended if Seller's actions or omissions restrict Purchaser's ability to perform the Inspection.

3.4 **Discrepancy Correction.** Following completion of the Inspection (evidenced by Seller's receipt of a **written** report of Discrepancies) Seller, at Seller's expense, will cause the correction of Discrepancies.

3.5 **Holdback.** At Closing, as security for Seller's obligation to correct the Discrepancies, Purchaser will retain fifteen percent (15%) of the Purchase Price ("Holdback"). At Purchaser's discretion, Purchaser may **waive** Seller's obligation to correct a Discrepancy and the cost of such correction will be credited back to Purchaser from the Holdback.

ARTICLE IV. CLOSING PROCEDURES

1.1 Purchaser's Pre-Closing Obligations. On or prior to the Closing Date, Purchaser shall (i) position or cause to be positioned with Escrow Agent: (1) a signed and undated Delivery Receipt and Assignment of Warranties, attached hereto as Exhibit D, (2) the Purchaser Registration Documents, (3) any necessary documents to release the Aircraft from the Security Agreement in favor of Purchaser ("BSA"), (4) Purchaser's half of Escrow Fees, and (iii) register as a Transacting User Entity and designate the Escrow Agent as its Professional User Entity on the International Registry.

1.2 Seller's Pre-Closing Obligations. On or prior to the Closing Date: Seller shall: (i) position the Aircraft to the Delivery Location; (ii) have procured for the benefit of Purchaser a statement of account from each Maintenance Service Program confirming that the applicable program is in compliance with the Post-Closing Delivery Condition; (iii) register as a Transacting User Entity and designate the Escrow Agent as its Professional User Entity on the International Registry, and (iv) pre-position or cause to be pre-positioned with the Escrow Agent: (1) an undated, but otherwise fully executed Warranty Bill of Sale conveying title from Seller to Purchaser; (2) an undated, but otherwise executed Assignment of Warranties; (3) an undated, but otherwise fully executed FAA Bill of Sale conveying title from Seller to Purchaser; (4) any necessary Lien release documents, (5) Seller's half of Escrow Fees, and (6) any other documents necessary to transfer title from Seller to Purchaser or accomplish the intent of this Agreement.

THE PRE-POSITIONING OF ANY DOCUMENT OR THE BALANCE OF THE PURCHASE PRICE WITH THE ESCROW AGENT IS FOR THE CONVENIENCE OF THE PARTIES ONLY SO THAT THEY MAY BE RELEASED AT THE ORAL OR WRITTEN DIRECTION OF THE DEPOSITING PARTIES FOLLOWING SATISFACTION OF ANY CONDITIONS CONTAINED HEREIN AND SHALL NOT BE CONSTRUED AS OR IMPLY ACCEPTANCE OF THE AIRCRAFT OR CONVEYANCE OF TITLE THERETO, WHICH MAY ONLY OCCUR AS SPECIFICALLY PROVIDED IN THIS AGREEMENT.

1.3 Conditions Precedent to Seller's Obligations. Seller's obligation to sell and deliver the Aircraft to Purchaser on the Closing Date shall be subject to the following conditions precedent:

- 1.1.1 Purchaser shall not be in breach or default of any of Purchaser's obligations arising under this Agreement;
- 1.1.2 All of Purchaser's representations set forth in Article 5.2 shall be true and accurate as of the time of Closing;
- 1.1.3 Purchaser shall have paid all costs agreed to be paid by Purchaser in this Agreement;
- 1.1.4 Purchaser shall have complied with its obligations in Article 4.1 above; and

- 1.1.5 Purchaser shall have performed and complied with all of the terms, conditions and covenants required by this Agreement to be performed or complied with by it prior to or at the Closing.

1.4 Conditions Precedent to Purchaser's Obligations. Purchaser's obligation to purchase and accept delivery of the Aircraft from Seller on the Closing Date shall be subject to the following conditions precedent:

- 4. Seller shall not be in breach or default of any of Seller's obligations arising under this Agreement;
- 1.1.1 All of Seller's representations set forth in Article 5.1 shall be true and accurate as of the time of Closing;
- 1.1.2 Seller shall have delivered or caused to be delivered the items identified in Article 4.2 required to be delivered by it; and
- 1.1.3 Seller shall have performed and complied with all of the terms, conditions and covenants required by this Agreement to be performed or complied with by it prior to or at the Closing.

1.5 Closing. Closing shall begin on a mutually agreed upon date and time. The parties shall perform the following closing deliverables in the order presented, the consummation of which shall constitute the "Closing":

- 4.5.1 Escrow Agent shall confirm in writing to Purchaser that all proper up to date searches for Liens have been completed by the Escrow Agent on the Aircraft (including the Engines) with the International Registry and the FAA Registry, all showing that there are no Liens (other than Liens which the Escrow Agent or Seller shall be able to discharge at Closing in accordance with this Agreement).
- 4.5.2 Escrow Agent shall confirm to the parties that it has received the items set forth in Articles 4.1 and 4.2;
- 4.5.3 Seller shall confirm to Purchaser and Escrow Agent in writing via email that the conditions precedent to Seller's obligations as set forth in Article 4.3 have been satisfied or waived;
- 4.5.4 Purchaser shall confirm to Seller and Escrow Agent in writing via email that the conditions precedent to Purchaser's obligations as set forth in Article 4.4 have been satisfied or waived;
- 4.5.5 Upon receipt of the confirmations in Articles 4.5.3. and 4.5.4, the Escrow Agent, without any further instruction from the parties, shall: (a) date and file any lien release documents necessary to discharge any Liens against the Aircraft, (b) date and submit for filing with the FAA Registry the FAA Bill of Sale and Purchaser Registration Documents, (c) date and release to Purchaser a copy of the Warranty Bill of Sale and Assignment of Warranties, (d) complete, date and release to Seller a copy of the Delivery Receipt (with the time of delivery thereunder being the same as the time that the Escrow Agent submits the FAA Bill of Sale for filing with the FAA), (e) make all necessary discharges and registrations on the International Registry, and (f) retain the Escrow Fees for its services.
- 4.5.6 Immediately upon Escrow Agent's submission for filing the FAA Bill of Sale in accordance with Article 4.5.5.2, Purchaser shall wire the Purchase Price, less the Holdback, to Seller, and Seller shall transfer possession over, and Purchaser shall accept delivery of, the Aircraft at the Delivery Location.
- 4.5.7 During the performance of the above Closing actions by Escrow Agent, Purchaser shall provide to Seller a fuel receipt (or similar third-party verification) issued at the Delivery

Location with respect to the Aircraft, a copy of which the parties shall attach to the Delivery Receipt.

ARTICLE V. REPRESENTATIONS AND WARRANTIES

- 5.1 **Seller's Representations and Warranties.** Seller hereby represents and warrants that, as of the date hereof, and as of the Closing:
- 5.1.1 Seller is duly formed limited liability company, validly existing, and in good standing, having the capacity to sue and be sued in its own name, having full power, legal right and authority to carry on its business as currently conducted, and to execute, deliver and perform the provisions of this Agreement;
 - 5.1.2 The execution, delivery, and performance by Seller of this Agreement, and the sale of the Aircraft, has been duly authorized by all necessary action on behalf of Seller and do not conflict with or result in any breach of any of the terms or constitute a default under any document, instrument, or agreement to which Seller is a party;
 - 5.1.3 The person executing this Agreement on behalf of Seller has full power and authority to do so;
 - 5.1.4 Neither it nor any of its employees (or any assignee as defined in Article 8.7 hereof) are listed by the United States Department of Treasury on the Specifically Designated Nationals and Blocked Persons List or by the United States Department of Commerce on the Denied Persons List. There exists no United States prohibition on the transactions contemplated by this Agreement related to the identity, citizenship, location or business of Seller or to the purpose for which the Aircraft was previously used;
 - 5.1.5 Seller has not entered into any other agreements under which it has agreed to sell or lease or otherwise encumber the Aircraft or any part thereof, other than this Agreement or any Liens that are to be discharged at Closing.
 - 5.1.6 This Agreement constitutes the legal, valid and binding obligations of Seller and is enforceable against Seller in accordance with its terms subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting the enforceability of contractual obligations and creditors' rights generally and by the application of equitable principles by courts of competent jurisdiction, sitting at law or in equity; and
 - 5.1.7 Seller is the lawful beneficial owner of the Aircraft as of the date of execution of this Agreement, and at the time of the Closing, will convey good and marketable title to the Aircraft, free and clear of all Liens to Purchaser, and Seller will warrant and defend such title forever against all claims and demands whatsoever.
 - 5.1.8 Seller has paid any and all taxes, fees, duties, penalties, charges, invoices, and statements arising from any purchase, sale, delivery, transfer, possessions, use, storage, operation, consumption, or registration of the Aircraft prior to the Closing ("Amounts Owed"), provided that, if Amounts Owed are not yet due, imposed, levied, or assessed against Seller or the Aircraft, Seller will pay such Amounts Owed when due, imposed, levied, or assessed and will defend and hold Purchaser harmless from such Amounts Owed.
 - 5.1.9 Seller has not entered into any agreement for commissions, brokerage fees or similar fees to be paid upon transfer of the Aircraft that would become the obligation of Purchaser or a lien on the Aircraft nor does Seller have any agreement or arrangement to pay any consideration

whatsoever, directly or indirectly, to any employee, agent or independent contractor of Purchaser.

5.2 Purchaser's Representations and Warranties. Purchaser hereby represents and warrants that, as of the date hereof, and as of the Closing:

- 5.2.1 Purchaser is a duly formed limited liability company, validly existing, and in good standing, having the capacity to sue and be sued in its own name, having full power, legal right and authority to carry on its business as currently conducted, and to execute, deliver and perform the provisions of this Agreement;
- 5.2.2 The execution, delivery, and performance by Purchaser of this Agreement, and the acquisition of the Aircraft, has been duly authorized by all necessary action on behalf of Purchaser and do not conflict with or result in any breach of any of the terms or constitute a default under any document, instrument, or agreement to which Purchaser is a party;
- 5.2.3 The person executing this Agreement on behalf of Purchaser has full power and authority to do so;
- 5.2.4 This Agreement constitutes the legal, valid and binding obligations of Purchaser and is enforceable against Purchaser in accordance with its terms subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting the enforceability of contractual obligations and creditors' rights generally and by the application of equitable principles by courts of competent jurisdiction, sitting at law or in equity;
- 5.2.5 Purchaser has not entered into any agreement for commissions, brokerage fees or similar fees to be paid upon transfer of the Aircraft that would become the obligation of Seller or a lien on the Aircraft nor does Purchaser have any agreement or arrangement to pay any consideration whatsoever, directly or indirectly, to any employee, agent or independent contractor of Seller;
- 5.2.6 Neither Purchaser nor any of its employees (or any assignee as defined in Article 8.7 hereof) is listed by the United States Department of Treasury on the Specifically Designated Nationals and Blocked Persons List or by the United States Department of Commerce on the Denied Persons List. There exists no United States prohibition on the transactions contemplated by this Agreement related to the identity, citizenship, location or business of Purchaser (or its assignee) or to the purpose for which Purchaser (or its assignee) will use the Aircraft; and
- 5.2.7 No portion of the Purchase Price is derived from Anti-Money Laundering Laws, meaning those laws, regulations and sanctions, state and federal, criminal and civil, that (a) limit the use of and/or seek the forfeiture of proceeds from illegal transactions; (b) limit commercial transactions with designated countries or individuals believed to be terrorists, narcotics dealers or otherwise engaged in activities contrary to the interests of the United States; (c) require identification and documentation of the parties with whom a financial institution conducts business; or (d) are designed to disrupt the flow of funds to terrorist organizations. Such laws, regulations and sanctions shall be deemed to include the Patriot Act, the Bank Secrecy Act, the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957.

ARTICLE VI. DISCLAIMER

- 3.1 **DISCLAIMER AND LIMITATION OF LIABILITY.** EXCEPT FOR SELLER'S WARRANTIES MADE IN SECTION 5.1 HEREIN AND THE WARRANTY OF TITLE TO THE AIRCRAFT AS SET FORTH HEREIN AND IN THE WARRANTY BILL OF SALE, THE AIRCRAFT AND EACH PART THEREOF IS BEING SOLD AND DELIVERED TO PURCHASER IN "AS IS, WHERE IS, WITH ALL FAULTS" CONDITION ON THE CLOSING DATE, WITHOUT ANY REPRESENTATION, WARRANTY OR GUARANTY OF ANY KIND BEING MADE OR GIVEN BY SELLER, ITS SHAREHOLDERS, MEMBERS, DIRECTORS, OFFICERS, MANAGERS, AGENTS, EMPLOYEES OR ATTORNEYS, EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE AND SELLER DISCLAIMS ALL EXPRESS OR IMPLIED WARRANTIES WHETHER ARISING IN LAW, IN EQUITY, IN CONTRACT OR IN TORT, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY, AIRWORTHINESS, DESIGN, CONDITION, OR FITNESS FOR A PARTICULAR USE. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EXCEPT FOR SELLER'S WARRANTY OF TITLE TO THE AIRCRAFT AS SET FORTH HEREIN AND IN THE WARRANTY BILL OF SALE, SELLER SHALL NOT BE LIABLE OR RESPONSIBLE TO PURCHASER FOR ANY DEFECTS, EITHER PATENT OR LATENT IN THE AIRCRAFT OR FOR ANY DIRECT OR INDIRECT DAMAGE TO PERSONS OR PROPERTIES RESULTING THEREFROM OR FOR PURCHASER'S LOSS OF USE OF OR A DIMINUTION IN VALUE OF THE AIRCRAFT OR FOR ANY INTERRUPTION IN PURCHASER'S BUSINESS CAUSED BY PURCHASER'S INABILITY TO USE THE AIRCRAFT FOR ANY REASON WHATSOEVER.
- 3.2 EXCEPT IN CASES OF FRAUD OR WILFUL MISCONDUCT, UNDER NO CIRCUMSTANCES SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR LOST PROFITS, LOSS OF BUSINESS, LOSS OF USE OR ANY OTHER INCIDENTAL, INDIRECT, CONSEQUENTIAL OR SPECIAL DAMAGES ARISING OUT OF OR RELATED TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY DELAY IN CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED HEREBY, AND EACH PARTY HEREBY WAIVES ANY RIGHT IT MAY HAVE TO SUCH DAMAGES.

ARTICLE VII. TAXES

- 7.1 **Seller's Taxes.** Seller has paid and/or shall bear, and shall defend, indemnify and hold Purchaser harmless from and against, any and all sales, use, value added, excise and other similar taxes (including excise-equivalent customs duty), and any and all taxes, fees, duties, interest, penalties, charges, invoices, claims, assessments and statements imposed or imposable by any federal, state, county, local, foreign or other governmental authority, entity or party arising from any purchase, sale, lease, delivery, transfer, possession, use, storage, operation, maintenance, consumption, or registration of the Aircraft prior to the Closing. In the event Purchaser receives written notice of any audit, claim, assessment or proposed assessment of any tax for which Seller may be responsible under this Article 7.1, Purchaser shall notify Seller within ten (10) Business Days thereof, and Seller and Purchaser shall reasonably cooperate to manage and/or defend any such audit, claim, assessment or proposed assessment.
- 7.2 **Purchaser's Taxes.** Purchaser shall bear, and shall defend, indemnify and hold Seller harmless from and against any and all sales, use, value added, excise and other similar taxes (including excise-equivalent customs duty), and any taxes, fees, duties, interest, penalties, charges, invoices, claims and statements relating thereto, which may be imposed by any federal, state, county, local, foreign or other governmental authority as a result of the sale, delivery or transfer of the Aircraft to Purchaser,

or the ownership, possession, use or storage of the Aircraft after the Closing, except to the extent (i) imposed on or measured by Seller's income or (ii) related to a period (or portion thereof) ending on or prior to the Closing. In the event Seller receives written notice of any audit, claim, assessment or proposed assessment of any tax for which Purchaser may be responsible under this Article 7.2, Seller shall notify Purchaser within ten (10) Business Days thereof, and Seller and Purchaser shall reasonably cooperate to manage and/or defend any such audit, claim, assessment or proposed assessment.

- 7.3 **Mitigation.** Seller and Purchaser shall cooperate to mitigate any Taxes that may be imposed upon either party as a result of the sale and delivery of the Aircraft pursuant to this Agreement, including (if necessary) changing the Delivery Location and provision of applicable exemption certificates, affidavits, or other similar paperwork.

ARTICLE VIII. MISCELLANEOUS

- 3.1 **Manufacturer Warranties and Maintenance Service Programs.** Seller shall cause all rights under any manufacturer warranties and Maintenance Service Programs to be assigned and transferred to Purchaser, or its designee, at Purchaser's expense, effective at the time of the Closing. Seller shall execute and/or provide whatever documents or agreements may be necessary or convenient to vest all rights under such manufacturer warranties and Maintenance Service Programs in Purchaser, or its designee, maintain their continuity, and to permit Purchaser, or its designee, to assert or process claims thereunder. Seller shall reasonably assist Purchaser in maintaining continuity of and transferring any warranties and Maintenance Service Plans and shall execute whatever documents or agreements may be required to vest all rights under such warranties and Maintenance Service Plans in Purchaser and to permit Purchaser to assert or process claims thereunder. The foregoing is subject to the terms and conditions of each warranty and maintenance service plan. Notwithstanding the foregoing or any provision to the contrary herein, Purchaser has no obligation to continue participation in any Maintenance Service Program and any cancellation costs will be at Seller's expense. The obligations of this Section shall survive Closing.

3.2 **Risk of Loss, Damage or Destruction of Aircraft.**

- 8.2.1 **Risk of Loss.** Except for Discrepancies discovered during the Post-Closing Inspection, title to, and risk of loss, injury, destruction or damage to the Aircraft, shall pass from Seller to Purchaser at the time that, (i) the Purchase Price is released to Seller, and (ii) the FAA Bill of Sale and Warranty Bill of Sale are released to Purchaser, and (iii) Seller delivers possession of the Aircraft to Purchaser.

- 8.2.2 **Destruction or Damage.** Notwithstanding any contrary provision of this Agreement, if at any time prior to the Closing the Aircraft is destroyed or damaged in such a manner that constitutes a Total Loss, Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (i) be returned to Purchaser, or (ii) continue to be held by Seller in accordance with the Aircraft Operator Agreement, as amended from time-to-time, originally entered into on March 22, 2022 between Blade Urban Air Mobility, Inc., M&N Equipment, LLC d/b/a M&N Aviation, Aviation Bridge, LLC, and Atlas Jet, Inc. or follow on agreement as applicable ("Operator Agreement"), and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts, this Agreement shall terminate and be of no further force or effect. In the event of any damage to the Aircraft following the Effective Date (other than Total Loss occurring prior to Closing), Seller shall promptly notify

Purchaser in writing of such damage. Purchaser will have the right, but not the obligation, to have its technical representatives inspect the Aircraft within ten (10) days of Seller's notification to Purchaser ("Damage Inspection"). Purchaser shall, within five (5) Business Days of receipt of Seller's notice or upon completion of its Damage Inspection, whichever occurs later, notify Seller in writing (such notice, the "Damage Election") whether it desires (i) that the Aircraft be repaired by Seller in anticipation of the Closing, or (ii) to terminate this Agreement. In the event that Purchaser elects to terminate this Agreement as a result of damage in accordance with this Article 8.2.2, Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (a) be returned to Purchaser, or (b) continue to be held by Seller in accordance with Operator Agreement, and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts, this Agreement shall terminate and be of no further force or effect and the parties shall have no further obligations or liabilities with respect to this Agreement.

3.3 Termination and Default.

8.3.1 Purchaser's Right to Terminate. This Agreement may be terminated by Purchaser at any time prior to Closing. If Purchaser elects to terminate this Agreement Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (i) be returned to Purchaser, or (ii) continue to be held by Seller in accordance with Operator Agreement, and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts.

8.3.2 Purchaser's Default. Seller shall have the right to terminate this Agreement in the event of a breach by Purchaser of any material provision of this Agreement (provided that Seller is in compliance with its material obligations under this Agreement) which breach is not cured within one (1) year of the delivery to Purchaser of written notice thereof from Seller or which breach by its nature cannot be cured prior to Closing. Upon Seller's termination of this Agreement under this Article 8.3.2, Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (i) be returned to Purchaser, or (ii) continue to be held by Seller in accordance with Operator Agreement, and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts. The foregoing shall be the sole remedy available to Seller for breach of contract by Purchaser under this Agreement, and Seller waives any other remedies that may be available to Seller at law or in equity for breach of contract.

3.4 Amendments. The provisions of this Agreement may not be waived, altered, modified, amended, supplemented or terminated in any manner whatsoever except by written instrument signed by both parties hereto.

3.5 Severability. Any provision of this Agreement that may be determined by competent authority to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

3.6 Assignment. Purchaser may freely assign this Agreement. Seller may not assign this Agreement.

- 3.7 **Successor and Assigns.** This Agreement shall inure to the benefit of and be binding upon each of the parties hereto and their respective successors and permitted assigns.
- 3.8 **Interpretation.** The division of this Agreement into Articles, and the insertion of headings, are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The words "hereof," "herein," "hereunder," and words of similar import shall refer to this Agreement as a whole and not to any particular provision thereof. When used herein, the words "include" and "including" shall be construed as "include, without limitation" and "including, without limitation." Except as expressly identified, all dollar amounts are in United States Dollars.
- 3.9 **Counterparts.** This Agreement may be fully executed in two or more counterparts by each of the parties hereto, such counterparts together constituting but one and the same instrument. Such counterparts may be exchanged via email or other electronic transmission. Electronic signatures through DocuSign are acceptable and will act to create enforceable obligations to the same extent as an original signature.
- 3.10 **Notices.** All communications, declarations, demands, consents, directions, approvals, instructions, requests and notices required or permitted by this Agreement shall be in writing and shall be deemed to have been duly given or made when delivered personally or transmitted electronically by email, or in the case of documented overnight delivery service or registered or certified mail, return receipt requested, delivery charge or postage prepaid, on the date shown on the receipt therefor, in each case at the address set forth below:
- If to Seller: [***]
- If to Purchaser: [***]
- If to Escrow Agent: [***]
- 3.11 **Attorney Fees.** In the event it becomes necessary to enforce the terms of this Agreement by litigation or otherwise, the prevailing party shall be entitled to recover its reasonable attorney fees and court costs from the party in breach, including any such fees or costs arising from subsequent appeals and efforts to execute on any judgment.
- 3.12 **Non-Waiver.** Any failure at any time of either party to enforce any provision of this Agreement shall not constitute a waiver of such provision or prejudice the right of such party to enforce such provision at any subsequent time.
- 3.13 **Entire Agreement.** The parties agree that the terms and conditions of this Agreement, together with all Schedules and Exhibits, constitute the entire agreement between the parties with respect to the subject matter hereof. This Agreement supersedes all prior agreements between the parties, express or implied including, but not limited to, any offer to purchase or letter of intent.
- 3.14 **Transaction Costs and Expenses.** Except as otherwise set forth herein, each party to this Agreement shall bear its own transaction costs and expenses, including, without limitation, any brokers' commissions and/or attorneys' fees. Seller and Purchaser will equally split the Escrow Fees. Each party hereto agrees to indemnify and hold the other harmless from and against any claims made by any broker, consultant or other party claiming an interest in the Aircraft or the Purchase Price arising from an actual or alleged relationship or agreement with the indemnifying party.

- 3.15 **Survival.** In addition to terms that expressly state survival herein, the representations, warranties, and indemnification obligations of Purchaser and Seller shall survive the Closing in perpetuity. Further, any provisions related to Post-Closing Delivery Condition, Inspection, Holdback, or Discrepancies shall survive until such time that the Holdback is returned to Seller.
- 3.16 **Time is of the Essence.** Time shall be of the essence for all events contemplated hereunder.
- 3.17 **Further Assurances.** Each of the parties hereto covenants and agrees to execute such other and further documents relating to the matters set forth herein and to take or cause to be taken such other and further actions, as may be reasonably necessary or appropriate to carry out the purposes and intent of this Agreement, and to consummate the transactions contemplated hereby.
- 3.18 **Governing Law/Jurisdiction and Venue.** This Agreement shall be governed by the laws of the State of New York without consideration to its choice of law provisions other than Section 5-1401 and Section 5-1402 of the New York General Obligations Law. The parties submit to the exclusive jurisdiction, including personal jurisdiction, of the state or federal courts located in New York, NY, and the parties agree not to raise, and waive, any objections or defenses based upon venue and forum non conveniens. The parties agree that the United Nations Convention on Contracts for the International Sale of Goods is specifically excluded from application to this Agreement, or the transactions contemplated by this Agreement. The parties expressly waive their right to trial by jury.
- 3.19 **Cape Town Convention**
- 8.19.1 Prior to the Closing, Purchaser shall become a “transacting user entity,” and Seller shall become a “transacting user entity” with the International Registry. Each of Purchaser and Seller shall bear its own expense in doing so and such expenses shall not be considered Escrow Fees.
- 8.19.2 Each party shall provide to the other, as a condition to Closing, evidence that it has been approved by the International Registry as a “transacting user entity” and has duly registered with, is authorized to make filings with and has received all approvals from the International Registry and has appointed an “administrator” (as such term is defined and used in the International Registry Procedures and International Registry Regulations).
- 8.19.3 Each party shall, as a condition to Closing, authorize Escrow Agent to act as, and shall designate Escrow Agent or another mutually agreed party as, its “professional user entity” (as such term is defined and used in the International Registry Procedures and International Registry Regulations) to effect, amend, discharge and consent to registrations with respect to the Airframe and the Engines on its behalf. Neither Seller nor Purchaser shall revoke such authorization until after the earlier to occur of (i) the discharge of any International Interests and registration of a Contract of Sale of the Airframe and Engines with the International Registry following release of the Warranty Bill of Sale conveying the Aircraft from Seller to Purchaser or (ii) termination of this Agreement in accordance with its terms. Purchaser shall have no right to and hereby agrees that it will not register, consent to or allow any third party (including, without limitation, any prospective lender or assignee) to register any Contract of Sale, Prospective Sale, International Interest or Prospective International Interest with respect to the Airframe or Engines until title to the Aircraft has been conveyed to Purchaser at the Closing, and if there has been any such registration, take all necessary actions to discharge or cause to discharge such registration immediately at its sole cost and expense.
- 8.19.4 Purchaser and Seller shall cooperate to cause Escrow Agent, as a professional user entity, to register a Contract of Sale of the Airframe and the Engines with the International Registry

immediately after release of the Warranty Bill of Sale. Seller and Purchaser each hereby expressly consents to the registration of the Contract of Sale with respect to the Airframe and the Engines.

- 8.19.5 Immediately prior to Closing, the Escrow Agent shall obtain a Priority Search Certificate (as such term is defined and used in the International Registry Procedures and the International Registry Regulations) from the International Registry with respect to the Airframe and the Engines) confirming that no prior International Interest exists that will not be otherwise discharged at Closing with respect to the Airframe and the Engines. Any Priority Search Certificate obtained by the Escrow Agent from the International Registry with respect to the Airframe and the Engines shall identify the Purchaser and the Seller as having the benefit of the search.
- 8.19.6 If, in the event of termination of this Agreement for any reason whatsoever, any International Interest, Prospective International Interest, Contract of Sale, Prospective Contract of Sale or other interest has been filed or registered against the Airframe and/or Engines as a result of the acts or omissions of Purchaser, or by Purchaser or any person claiming by, through or under Purchaser or consented to by Purchaser, Purchaser hereby irrevocably authorizes and directs the Escrow Agent to cause the discharge of any such filing or registration not later than one (1) Business Day after the Escrow Agent becomes aware of any such filing or registration. Seller shall have all of the rights available to it under law or in equity, including the right of specific performance, to enforce Purchaser's performance of its obligations under this Article 8.20.6 Notwithstanding anything in this Agreement to the contrary, Purchaser agrees to be responsible for and upon demand to indemnify Seller and to hold Seller harmless from and against any and all claims, demands, liabilities, damages, losses and judgments, including legal fees and all expenses, arising out of any breach by Purchaser of any of its obligations under Article 8.20.6. This indemnity obligation and all of Purchaser's other obligations under this Article 8.20.6 shall survive the termination of this Agreement for any reason.
- 8.19.7 Purchaser shall have no right to and hereby agrees that it will not register, consent to or allow any third party claiming by, through or under Purchaser to register or consent to any Contract of Sale, Prospective Sale, International Interest or Prospective International Interest with respect to the Airframe or Engines until title to the Aircraft has been conveyed to Purchaser at the Closing. Seller shall have no obligation to register or consent to any registration of any Contract of Sale, Prospective Sale, International Interest or Prospective International Interest with respect to the Airframe and/or Engines until title to the Aircraft has been conveyed to Purchaser at the Closing
- 3.20 **Agreement Negotiated.** The parties to this Agreement are sophisticated and have been represented or had the opportunity to be represented in connection with the negotiation and performance of this Agreement. The parties agree that no presumptions relating to the interpretation of contracts against the drafter of any particular clause should or may be applied in this case and, therefore, waive their effects.
- 3.21 **Confidentiality.** The terms and conditions of this Agreement, and all writings, discussions, and negotiations in connection with the transaction contemplated by this Agreement (including, without limitation, the fact that discussions and negotiations have been conducted by the parties), shall remain strictly confidential and shall not be disclosed by either party, without the prior written consent of the other party, except that each party shall be entitled to disclose the terms and conditions of this Agreement (i) as may be required by law or legal process; (ii) to such party's attorneys, accountants,

consultants, lenders, and other advisors performing services for such party with respect to or affected by the transaction contemplated by this Agreement including Escrow Agent and their personnel; (iii) to each party's employees with a need to know; (iv) as may be required to permit such party to pursue all available remedies for breach of this Agreement by the other party; and (v) to any entity that may provide financing to Purchaser in connection with the acquisition of the Aircraft.

- 3.22 **Control.** Notwithstanding any provision to the contrary herein, any conflict between this Agreement and any provision within any document between the Parties, including but not limited to, management agreements, purchase agreements, operator agreements, or the BSAs, the provision that provides the most favorable outcome to Blade, in Blade's sole discretion, will control the subject matter.

[Signature Page follows immediately]

IN WITNESS WHEREOF, the undersigned parties have caused this Aircraft Purchase Agreement to be executed, delivered and effective as of the date first above written.

SELLER:

PURCHASER:

**M&N Equipment, LLC
dba M&N Aviation**

N240V LLC

By: Blade Urban Air Mobility, Inc.,
its managing member

By: /s/ Todd Schieck
Name: Todd Schieck
Title: Managing Director

By: /s/ Melissa Tomkiel
Name: Melissa Tomkiel
Title: President

*****] = Certain information contained in this document has been omitted because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.**

AIRCRAFT PURCHASE AGREEMENT

This AIRCRAFT PURCHASE AGREEMENT (this "Agreement") is made and entered into as of March 11, 2024 (the "Effective Date"), by and between Atlas Jet, Inc., a foreign corporation ("Seller"), and N682D LLC, a Delaware limited liability company ("Purchaser").

WITNESSETH:

A. **WHEREAS**, Seller desires to sell the Aircraft to Purchaser, and Purchaser desires to purchase the Aircraft from Seller, upon the terms and subject to the conditions set forth herein.

B. **WHEREAS**, capitalized terms used herein and not otherwise defined shall have the meanings set forth in Article I.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants, obligations and agreements herein contained, the parties, intending to be legally bound hereby, agree as follows:

ARTICLE I. DEFINITIONS

The following terms shall have the following meanings for all purposes of this Agreement:

"Aircraft" means (i) that certain British Aerospace model BAE 125 Series 800A aircraft bearing manufacturer's serial number [***] and U.S. Registration Number N682D (the "Airframe") equipped with two (2) Garrett model TFE731 aircraft engines bearing manufacturer's serial numbers [***] and [***] (the "Engines") and one (1) Textron Inc. model T-622T-40C8D1 auxiliary power unit bearing manufacturer's serial number [***] (the "APU"), (ii) all appurtenances, appliances, parts, instruments, components, accessions, furnishings and other equipment incorporated in or attached to any of the foregoing, (iii) all components, electronics, loose equipment, and accessories normally used or stored aboard the Aircraft or in Seller's possession and control or as otherwise identified on Exhibit A (e.g., china, glassware, flatware, flyaway kits, medical kits, and life rafts) (collectively, the "Equipment"), and (iv) all Aircraft Documents.

"Aircraft Documents" means all (i) documents and records required to be maintained by the FAA with respect to the Aircraft for Part 91 and 135 operations (including electronic versions), Airframe, Engine, and APU logbooks and maintenance records, flight operations manuals and checklists (most current revision), weight and balance manuals, FAA Form 8130-3s (or foreign equivalents), yellow tags, and other parts traceability records, fireblock certificates, task cards, overhaul records, wiring diagrams, completion manuals, supplemental type certificates, and engineering diagrams relating to the Aircraft, and (ii) all other documents and records in Seller's possession and control that relate to the Aircraft.

"Airworthiness" or **"Airworthy"** or **"Airworthy Condition"** means that Purchaser's Representative has determined that (i) the Aircraft is in a condition required to hold the current Airworthiness Certificate; (ii) the Aircraft conforms to the type certification issued by the FAA with respect to the type of aircraft which includes the Aircraft, including any Supplemental Type Certificates; (iii) the Aircraft is in a condition for safe operation; and (iv) the Aircraft is returned to service in accordance with applicable regulations, including those set forth in Parts 91 and 135.

“Business Day” means any day of the year (other than a Saturday or a Sunday) in which banks are authorized to operate or are not required to close in the State of New York and, only when being used with respect to the Closing Date, a day in which the FAA Registry is open for filing documents.

“Cape Town Convention” means, collectively, the Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment which were adopted on November 16, 2001 at a diplomatic conference held in Cape Town, South Africa.

“Closing” means the consummation of the purchase and sale transaction contemplated by this Agreement, as described in Article 4.5.

“Closing Date” means the date Closing is completed.

“Delivery Location” means a mutually agreed upon location within the continental United States that does not give rise to adverse tax consequences to the parties.

“Delivery Receipt” means an Aircraft Delivery Receipt in the form of Exhibit B, attached hereto.

“Deposit” means the purchase money deposit in the sum of US \$921,017.00, which has been deposited with Seller.

“Discrepancy” means (i) items/conditions discovered during the Inspection that do not comply with the Post-Closing Delivery Condition, and (ii) any deferred or extended repairs, maintenance, or inspections, including but not limited to items on the Minimum Equipment List, that exist as of the Closing Date.

“Escrow Agent” means Insured Aircraft Title Service, LLC, 21 E. Main Street, Suite 100, Oklahoma City, Oklahoma 73104.

“Escrow Fees” means the fees and expenses of the Escrow Agent relating to the transactions contemplated hereby which shall be split equally between Purchaser and Seller (but shall not include any fees charged by Escrow Agent to either of the parties with respect to applying as a transacting user entity on the International Registry).

“FAA” means the United States of America Federal Aviation Administration and all successor agencies.

“FAA Airworthiness Certificate” means a United States Standard Airworthiness Certificate (FAA Form 8100-2).

“FAA Bill of Sale” means an FAA Aeronautical Center Form 8050-2 Aircraft Bill of Sale in a form recordable by the FAA.

“FAA Registry” means the FAA Civil Aircraft Registry, Aircraft Registration Branch, Mike Monroney Aeronautical Center, 6500 South MacArthur Boulevard, Oklahoma City, Oklahoma 73169.

“International Interest” has the meaning given to it in the Cape Town Convention.

“International Registry” means the international registry located in Dublin, Ireland, established pursuant to the Cape Town Convention.

“International Registry Procedures” means the official English language text of the Procedures of the International Registry issued by the supervisory authority thereof pursuant to the Cape Town Convention.

“International Registry Regulations” means the official English language text of the Regulations of the International Registry issued by the supervisory authority thereof pursuant to the Cape Town Convention.

“Lien” means any lien, mortgage, security interest, title defect, lease, and/or other notation, claim, charge, International Interest, encumbrance, and/or right of others.

“Material Corrosion” means corrosion (or history of corrosion) of the Aircraft or any part or component thereof beyond manufacturer's tolerances, limitations, or specifications (i) the repair of which constitutes Material Damage, or (ii) which cannot be repaired, rectified and terminated on a non-recurring basis such that the Aircraft can be Returned to Service without a requirement of repetitive or recurring inspections which deviate from the Aircraft manufacturer's normal maintenance procedures or require modifications to the normal component life limitations, overhaul and/or inspection intervals for the Aircraft.

“Material Damage” means any damage (or history of damage) to the Aircraft or any part thereof that (a) requires or required the issuance of an FAA Form 337 or any foreign equivalent or that requires or required an alteration or repair which would constitute a “major repair” as such term is defined in 14 C.F.R., Part 43, Appendix A and recorded in a manner prescribed by 14 C.F.R., Part 43, Appendix B, or foreign equivalent, (b) requires or required any deviation from the original approved manufacturer's aircraft build specification or standard production configuration, (c) requires repetitive or recurring or non-standard inspections which deviate from the Aircraft manufacturer's normal maintenance procedures or required modifications to the normal component life limitations, overhaul and/or inspection intervals for the Aircraft, and/or (iv) bird strikes, lightning strikes, or hail damage.

“Owner Trustee” means TVPX acting solely as owner trustee under the Trust Agreement.

“Purchase Price” means the amount of \$1,807,355.00.

“Purchaser Registration Documents” means an FAA Form AC 8050-1 Aircraft Registration Application, and any other documents necessary to register the Aircraft in Purchaser's name with the FAA Registry.

“Purchaser Representative” means a mutually agreed upon representative.

“Total Loss” means, with respect to the Aircraft (including for the purposes of this definition, the Airframe and Engines), the total loss or the loss of the use thereof due to theft, disappearance, destruction or the requisition or taking of use of the Aircraft or any substantial part thereof by any governmental entity; and/or any damage to the Aircraft or any part thereof to any extent which, in the opinion of the insurers with which the Aircraft is insured, renders repair impractical or uneconomic; and/or any other event which is treated by the insurers with which the Aircraft is insured, or by Seller or any governmental entity having jurisdiction thereof, as a total loss of the Aircraft.

“Trust Agreement” means the Trust Agreement dated May 18, 2018 between Seller, as trustor and beneficiary, and TVPX, as owner trustee, with respect to the Aircraft.

“TVPX” means TVPX Aircraft Solutions Inc., a Utah corporation.

“Warranty Bill of Sale” means a Warranty Bill of Sale for the Aircraft in the form of Exhibit C, attached hereto.

ARTICLE II. AGREEMENT TO BUY AND SELL

- 2.1 **Agreement.** For and in consideration of the Purchase Price, on the Closing Date, Seller shall sell and deliver the Aircraft to Purchaser, and Purchaser shall purchase and accept delivery of the Aircraft from Seller, on and subject to the terms and conditions set forth herein.
- 2.2 **Deposit.** Seller is in possession of the Deposit.
- 2.3 **Owner Trust.** Seller represents and warrants that (i) legal title to the Aircraft is currently held by Owner Trustee under the Trust Agreement and (ii) Seller will cause Owner Trustee to carry out all obligations and actions necessary to satisfy the intentions of this Agreement and that any obligation of Seller herein, shall also be an obligation of Owner Trustee and vice versa, to the extent applicable, and (iii) any failure of Owner Trustee to perform in the manner necessary to satisfy the intentions and obligations of Seller herein, will serve as a Seller default.

ARTICLE III. DELIVERY CONDITION AND INSPECTION

- 3.1 **Closing Date Delivery Condition.** At Closing, the Aircraft will be delivered to Purchaser at the Delivery Location in "as-is, where-is" physical condition.
- 3.2 **Post-Closing Delivery Condition.** "Post-Closing Delivery Condition" means:
- 3.2.1 With all Equipment and Aircraft Documents, which shall be in original, current, up to date (latest revision of each as applicable), complete (including hard copy, digital, or similar formats as applicable), accurate, and consecutive condition and in English;
 - 3.2.2 With a valid Standard US Airworthiness Certificate with no exceptions or limitations other than those common to aircraft of similar make, model, and production year;
 - 3.2.3 In airworthy condition and suitable for operations under Part 91 and 135 of the Federal Aviation Regulations;
 - 3.2.4 With all systems, avionics, equipment, parts, and components of the Aircraft in normal working order and each operating in a manner that is consistent with the standard manufacturers' specifications;
 - 3.2.5 In compliance with all FAA Airworthiness Directives ("AD") and mandatory service bulletins that are due prior to the Closing, without deferment or extensions, and, if any terminating action is due, such action shall have been completed;
 - 3.2.6 With all maintenance and inspections (hourly, calendar, and cycles) in accordance with its current FAR Part 135 FAA approved maintenance program, current through the Closing with no deferments or extensions;
 - 3.2.7 With no engineering dispositions or technical variances, or non-standard or recurring inspections or intervals outside of the manufacturer's recommended maintenance program or maintenance manual;
 - 3.2.8 Enrolled and current on a computerized maintenance tracking program;
 - 3.2.9 With any remaining factory and vendor warranties transferable to Purchaser or available for follow on contracts in accordance with their respective terms;
 - 3.2.10 With no parts, systems or components installed in the Aircraft on a temporary, loan, or exchange basis;

3.2.11 With no Material Damage or Material Corrosion identified during the Inspection; and

3.2.12 With no missing placards and with Seller's company name and logos removed or deleted from the interior and exterior of the Aircraft (including Airshow).

3.3 **Post-Closing Inspection.** At a mutually agreed upon time and location, within ninety (90) days from Closing, Purchaser, at Purchaser's expense, shall have the right to conduct an evaluation in accordance with the Inspection Workscope attached hereto as Exhibit E (the "Inspection"). The timeline for the Post-Closing Inspection will be extended if Seller's actions or omissions restrict Purchaser's ability to perform the Inspection.

3.4 **Discrepancy Correction.** Following completion of the Inspection (evidenced by Seller's receipt of a written report of Discrepancies) Seller, at Seller's expense, will cause the correction of Discrepancies.

3.5 **Holdback.** At Closing, as security for Seller's obligation to correct the Discrepancies, Purchaser will retain fifteen percent (15%) of the Purchase Price ("Holdback"). At Purchaser's discretion, Purchaser may waive Seller's obligation to correct a Discrepancy and the cost of such correction will be credited back to Purchaser from the Holdback.

ARTICLE IV. CLOSING PROCEDURES

4.1 **Purchaser's Pre-Closing Obligations.** On or prior to the Closing Date, Purchaser shall (i) position or cause to be positioned with Escrow Agent: (1) a signed and undated Delivery Receipt and Assignment of Warranties, attached hereto as Exhibit D, (2) the Purchaser Registration Documents, (3) any necessary documents to release the Aircraft from the Security Agreement in favor of Purchaser ("BSA"), (4) Purchaser's half of Escrow Fees, and (iii) register as a Transacting User Entity and designate the Escrow Agent as its Professional User Entity on the International Registry.

4.2 **Seller's Pre-Closing Obligations.** On or prior to the Closing Date: Seller shall: (i) position the Aircraft to the Delivery Location; (ii) cause Owner Trustee to register as a Transacting User Entity and designate the Escrow Agent as its Professional User Entity on the International Registry, and (iii) pre-position or cause to be pre-positioned with the Escrow Agent: (1) an undated, but otherwise fully executed Warranty Bill of Sale conveying title from Owner Trustee and Seller to Purchaser; (2) an undated, but otherwise executed Assignment of Warranties; (3) an undated, but otherwise fully executed FAA Bill of Sale conveying title from Owner Trustee to Purchaser; (4) any necessary Lien release documents, (5) Seller's half of Escrow Fees, and (6) any other documents necessary to transfer title from Owner Trustee to Purchaser or accomplish the intent of this Agreement.

THE PRE-POSITIONING OF ANY DOCUMENT WITH THE ESCROW AGENT IS FOR THE CONVENIENCE OF THE PARTIES ONLY SO THAT THEY MAY BE RELEASED AT THE ORAL OR WRITTEN DIRECTION OF THE DEPOSITING PARTIES FOLLOWING SATISFACTION OF ANY CONDITIONS CONTAINED HEREIN AND SHALL NOT BE CONSTRUED AS OR IMPLY ACCEPTANCE OF THE AIRCRAFT OR CONVEYANCE OF TITLE THERETO, WHICH MAY ONLY OCCUR AS SPECIFICALLY PROVIDED IN THIS AGREEMENT.

4.3 **Conditions Precedent to Seller's Obligations.** Seller's obligation to sell and deliver the Aircraft to Purchaser on the Closing Date shall be subject to the following conditions precedent:

4.3.1 Purchaser shall not be in breach or default of any of Purchaser's obligations arising under this Agreement;

4.3.2 All of Purchaser's representations set forth in Article 5.2 shall be true and accurate as of the time of Closing;

4.3.3 Purchaser shall have paid all costs agreed to be paid by Purchaser in this Agreement;

4.3.4 Purchaser shall have complied with its obligations in Article 4.1 above; and

4.3.5 Purchaser shall have performed and complied with all of the terms, conditions and covenants required by this Agreement to be performed or complied with by it prior to or at the Closing.

4.4 Conditions Precedent to Purchaser's Obligations. Purchaser's obligation to purchase and accept delivery of the Aircraft from Seller on the Closing Date shall be subject to the following conditions precedent:

4.4.1 Seller shall not be in breach or default of any of Seller's obligations arising under this Agreement;

4.4.2 All of Seller's representations set forth in Article 5.1 shall be true and accurate as of the time of Closing;

4.4.3 Seller shall have delivered or caused to be delivered the items identified in Article 4.2 required to be delivered by it; and

4.4.4 Seller shall have performed and complied with all of the terms, conditions and covenants required by this Agreement to be performed or complied with by it prior to or at the Closing.

4.5 Closing. Closing shall begin on a mutually agreed upon date and time. The parties shall perform the following closing deliverables in the order presented, the consummation of which shall constitute the "Closing":

4.5.1 Escrow Agent shall confirm in writing to Purchaser that all proper up to date searches for Liens have been completed by the Escrow Agent on the Aircraft (including the Engines) with the International Registry and the FAA Registry, all showing that there are no Liens (other than Liens which the Escrow Agent or Seller shall be able to discharge at Closing in accordance with this Agreement).

4.5.2 Escrow Agent shall confirm to the parties that it has received the items set forth in Articles 4.1 and 4.2;

4.5.3 Seller shall confirm to Purchaser and Escrow Agent in writing via email that the conditions precedent to Seller's obligations as set forth in Article 4.3 have been satisfied or waived;

4.5.4 Purchaser shall confirm to Seller and Escrow Agent in writing via email that the conditions precedent to Purchaser's obligations as set forth in Article 4.4 have been satisfied or waived;

4.5.5 Upon receipt of the confirmations in Articles 4.5.3. and 4.5.4, the Escrow Agent, without any further instruction from the parties, shall: (a) date and file any lien release documents necessary to discharge any Liens against the Aircraft, (b) date and submit for filing with the FAA Registry the FAA Bill of Sale and Purchaser Registration Documents, (c) date and release to Purchaser a copy of the Warranty Bill of Sale and Assignment of Warranties, (d) complete, date and release to Seller a copy of the Delivery Receipt (with the time of delivery thereunder being the same as the time that the Escrow Agent submits the FAA Bill of Sale for filing with the FAA), (e) make all necessary discharges and registrations on the International Registry, and (f) retain the Escrow Fees for its services.

- 4.5.6 Immediately upon Escrow Agent's submission for filing the FAA Bill of Sale in accordance with Article 4.5.5.2, Purchaser shall wire the Purchase Price, less the Holdback, to Seller, and Seller shall transfer possession over, and Purchaser shall accept delivery of, the Aircraft at the Delivery Location.
- 4.5.7 During the performance of the above Closing actions by Escrow Agent, Purchaser shall provide to Seller a fuel receipt (or similar third-party verification) issued at the Delivery Location with respect to the Aircraft, a copy of which the parties shall attach to the Delivery Receipt.

ARTICLE V. REPRESENTATIONS AND WARRANTIES

5.1 Seller's Representations and Warranties. Seller hereby represents and warrants that, as of the date hereof, and as of the Closing:

- 5.1.1 Seller is duly formed foreign corporation, validly existing, and in good standing, having the capacity to sue and be sued in its own name, having full power, legal right and authority to carry on its business as currently conducted, and to execute, deliver and perform the provisions of this Agreement;
- 5.1.2 The execution, delivery, and performance by Seller of this Agreement, and the sale of the Aircraft, has been duly authorized by all necessary action on behalf of Seller and do not conflict with or result in any breach of any of the terms or constitute a default under any document, instrument, or agreement to which Seller is a party;
- 5.1.3 The person executing this Agreement on behalf of Seller has full power and authority to do so;
- 5.1.4 Neither it nor any of its employees (or any assignee as defined in Article 8.7 hereof) are listed by the United States Department of Treasury on the Specifically Designated Nationals and Blocked Persons List or by the United States Department of Commerce on the Denied Persons List. There exists no United States prohibition on the transactions contemplated by this Agreement related to the identity, citizenship, location or business of Seller or to the purpose for which the Aircraft was previously used;
- 5.1.5 Seller has not entered into any other agreements under which it has agreed to sell or lease or otherwise encumber the Aircraft or any part thereof, other than this Agreement or any Liens that are to be discharged at Closing.
- 5.1.6 This Agreement constitutes the legal, valid and binding obligations of Seller and is enforceable against Seller in accordance with its terms subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting the enforceability of contractual obligations and creditors' rights generally and by the application of equitable principles by courts of competent jurisdiction, sitting at law or in equity; and
- 5.1.7 Seller is the lawful beneficial owner of the Aircraft as of the date of execution of this Agreement, and at the time of the Closing, will cause the registered owner of the Aircraft, Owner Trustee, to convey good and marketable title to the Aircraft, free and clear of all Liens to Purchaser, and Seller will warrant and defend such title forever against all claims and demands whatsoever.
- 5.1.8 Seller has paid any and all taxes, fees, duties, penalties, charges, invoices, and statements arising from any purchase, sale, delivery, transfer, possessions, use, storage, operation, consumption, or registration of the Aircraft prior to the Closing ("Amounts Owed"), provided

that, if Amounts Owed are not yet due, imposed, levied, or assessed against Seller or the Aircraft, Seller will pay such Amounts Owed when due, imposed, levied, or assessed and will defend and hold Purchaser harmless from such Amounts Owed.

5.1.9 Seller has not entered into any agreement for commissions, brokerage fees or similar fees to be paid upon transfer of the Aircraft that would become the obligation of Purchaser or a lien on the Aircraft nor does Seller have any agreement or arrangement to pay any consideration whatsoever, directly or indirectly, to any employee, agent or independent contractor of Purchaser.

5.2 Purchaser's Representations and Warranties. Purchaser hereby represents and warrants that, as of the date hereof, and as of the Closing:

5.2.1 Purchaser is a duly formed limited liability company, validly existing, and in good standing, having the capacity to sue and be sued in its own name, having full power, legal right and authority to carry on its business as currently conducted, and to execute, deliver and perform the provisions of this Agreement;

5.2.2 The execution, delivery, and performance by Purchaser of this Agreement, and the acquisition of the Aircraft, has been duly authorized by all necessary action on behalf of Purchaser and do not conflict with or result in any breach of any of the terms or constitute a default under any document, instrument, or agreement to which Purchaser is a party;

5.2.3 The person executing this Agreement on behalf of Purchaser has full power and authority to do so;

5.2.4 This Agreement constitutes the legal, valid and binding obligations of Purchaser and is enforceable against Purchaser in accordance with its terms subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting the enforceability of contractual obligations and creditors' rights generally and by the application of equitable principles by courts of competent jurisdiction, sitting at law or in equity;

5.2.5 Purchaser has not entered into any agreement for commissions, brokerage fees or similar fees to be paid upon transfer of the Aircraft that would become the obligation of Seller or a lien on the Aircraft nor does Purchaser have any agreement or arrangement to pay any consideration whatsoever, directly or indirectly, to any employee, agent or independent contractor of Seller;

5.2.6 Neither Purchaser nor any of its employees (or any assignee as defined in Article 8.7 hereof) is listed by the United States Department of Treasury on the Specifically Designated Nationals and Blocked Persons List or by the United States Department of Commerce on the Denied Persons List. There exists no United States prohibition on the transactions contemplated by this Agreement related to the identity, citizenship, location or business of Purchaser (or its assignee) or to the purpose for which Purchaser (or its assignee) will use the Aircraft; and

5.2.7 No portion of the Purchase Price is derived from Anti-Money Laundering Laws, meaning those laws, regulations and sanctions, state and federal, criminal and civil, that (a) limit the use of and/or seek the forfeiture of proceeds from illegal transactions; (b) limit commercial transactions with designated countries or individuals believed to be terrorists, narcotics dealers or otherwise engaged in activities contrary to the interests of the United States; (c) require identification and documentation of the parties with whom a financial institution conducts business; or (d) are designed to disrupt the flow of funds to terrorist organizations. Such laws, regulations and sanctions shall be deemed to include the Patriot Act, the Bank

Secrecy Act, the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957.

ARTICLE VI. DISCLAIMER

- 3.1 **DISCLAIMER AND LIMITATION OF LIABILITY.** EXCEPT FOR SELLER'S WARRANTIES MADE IN SECTION 5.1 HEREIN AND THE WARRANTY OF TITLE TO THE AIRCRAFT AS SET FORTH HEREIN AND IN THE WARRANTY BILL OF SALE, THE AIRCRAFT AND EACH PART THEREOF IS BEING SOLD AND DELIVERED TO PURCHASER IN "AS IS, WHERE IS, WITH ALL FAULTS" CONDITION ON THE CLOSING DATE, WITHOUT ANY REPRESENTATION, WARRANTY OR GUARANTY OF ANY KIND BEING MADE OR GIVEN BY SELLER, ITS SHAREHOLDERS, MEMBERS, DIRECTORS, OFFICERS, MANAGERS, AGENTS, EMPLOYEES OR ATTORNEYS, EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE AND SELLER DISCLAIMS ALL EXPRESS OR IMPLIED WARRANTIES WHETHER ARISING IN LAW, IN EQUITY, IN CONTRACT OR IN TORT, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY, AIRWORTHINESS, DESIGN, CONDITION, OR FITNESS FOR A PARTICULAR USE. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EXCEPT FOR SELLER'S WARRANTY OF TITLE TO THE AIRCRAFT AS SET FORTH HEREIN AND IN THE WARRANTY BILL OF SALE, SELLER SHALL NOT BE LIABLE OR RESPONSIBLE TO PURCHASER FOR ANY DEFECTS, EITHER PATENT OR LATENT IN THE AIRCRAFT OR FOR ANY DIRECT OR INDIRECT DAMAGE TO PERSONS OR PROPERTIES RESULTING THEREFROM OR FOR PURCHASER'S LOSS OF USE OF OR A DIMINUTION IN VALUE OF THE AIRCRAFT OR FOR ANY INTERRUPTION IN PURCHASER'S BUSINESS CAUSED BY PURCHASER'S INABILITY TO USE THE AIRCRAFT FOR ANY REASON WHATSOEVER.
- 3.2 EXCEPT IN CASES OF FRAUD OR WILFUL MISCONDUCT, UNDER NO CIRCUMSTANCES SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR LOST PROFITS, LOSS OF BUSINESS, LOSS OF USE OR ANY OTHER INCIDENTAL, INDIRECT, CONSEQUENTIAL OR SPECIAL DAMAGES ARISING OUT OF OR RELATED TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY DELAY IN CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED HEREBY, AND EACH PARTY HEREBY WAIVES ANY RIGHT IT MAY HAVE TO SUCH DAMAGES.

ARTICLE VII. TAXES

- 7.1 **Seller's Taxes.** Seller has paid and/or shall bear, and shall defend, indemnify and hold Purchaser harmless from and against, any and all sales, use, value added, excise and other similar taxes (including excise-equivalent customs duty), and any and all taxes, fees, duties, interest, penalties, charges, invoices, claims, assessments and statements imposed or imposable by any federal, state, county, local, foreign or other governmental authority, entity or party arising from any purchase, sale, lease, delivery, transfer, possession, use, storage, operation, maintenance, consumption, or registration of the Aircraft prior to the Closing. In the event Purchaser receives written notice of any audit, claim, assessment or proposed assessment of any tax for which Seller may be responsible under this Article 7.1, Purchaser shall notify Seller within ten (10) Business Days thereof, and Seller and

Purchaser shall reasonably cooperate to manage and/or defend any such audit, claim, assessment or proposed assessment.

- 7.2 **Purchaser's Taxes.** Purchaser shall bear, and shall defend, indemnify and hold Seller harmless from and against any and all sales, use, value added, excise and other similar taxes (including excise-equivalent customs duty), and any taxes, fees, duties, interest, penalties, charges, invoices, claims and statements relating thereto, which may be imposed by any federal, state, county, local, foreign or other governmental authority as a result of the sale, delivery or transfer of the Aircraft to Purchaser, or the ownership, possession, use or storage of the Aircraft after the Closing, except to the extent (i) imposed on or measured by Seller's income or (ii) related to a period (or portion thereof) ending on or prior to the Closing. In the event Seller receives written notice of any audit, claim, assessment or proposed assessment of any tax for which Purchaser may be responsible under this Article 7.2, Seller shall notify Purchaser within ten (10) Business Days thereof, and Seller and Purchaser shall reasonably cooperate to manage and/or defend any such audit, claim, assessment or proposed assessment.
- 7.3 **Mitigation.** Seller and Purchaser shall cooperate to mitigate any Taxes that may be imposed upon either party as a result of the sale and delivery of the Aircraft pursuant to this Agreement, including (if necessary) changing the Delivery Location and provision of applicable exemption certificates, affidavits, or other similar paperwork.

ARTICLE VIII. MISCELLANEOUS

- 3.1 **Manufacturer Warranties.** Seller shall cause all rights under any manufacturer warranties to be assigned and transferred to Purchaser, or its designee, at Purchaser's expense, effective at the time of the Closing. Seller shall execute and/or provide whatever documents or agreements may be necessary or convenient to vest all rights under such manufacturer warranties in Purchaser, or its designee, maintain their continuity, and to permit Purchaser, or its designee, to assert or process claims thereunder. Seller shall reasonably assist Purchaser in maintaining continuity of and transferring any warranties and shall execute whatever documents or agreements may be required to vest all rights under such warranties in Purchaser and to permit Purchaser to assert or process claims thereunder. The foregoing is subject to the terms and conditions of each warranty. The obligations of this Section shall survive Closing.
- 3.2 **Risk of Loss, Damage or Destruction of Aircraft.**
- 8.2.1 **Risk of Loss.** Except for Discrepancies discovered during the Post-Closing Inspection, title to, and risk of loss, injury, destruction or damage to the Aircraft, shall pass from Seller to Purchaser at the time that, (i) the Purchase Price is released to Seller, and (ii) the FAA Bill of Sale and Warranty Bill of Sale are released to Purchaser, and (iii) Seller delivers possession of the Aircraft to Purchaser.
- 8.2.2 **Destruction or Damage.** Notwithstanding any contrary provision of this Agreement, if at any time prior to the Closing the Aircraft is destroyed or damaged in such a manner that constitutes a Total Loss, Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (i) be returned to Purchaser, or (ii) continue to be held by Seller in accordance with the Aircraft Operator Agreement, as amended from time-to-time, originally entered into on March 22, 2022 between Blade Urban Air Mobility, Inc., M&N Equipment, LLC d/b/a M&N Aviation, Aviation Bridge, LLC, and Atlas Jet, Inc. or follow on agreement as applicable ("Operator Agreement"), and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft

(including attorney's fees), and upon receipt of such amounts, this Agreement shall terminate and be of no further force or effect. In the event of any damage to the Aircraft following the Effective Date (other than Total Loss occurring prior to Closing), Seller shall promptly notify Purchaser in writing of such damage. Purchaser will have the right, but not the obligation, to have its technical representatives inspect the Aircraft within ten (10) days of Seller's notification to Purchaser ("Damage Inspection"). Purchaser shall, within five (5) Business Days of receipt of Seller's notice or upon completion of its Damage Inspection, whichever occurs later, notify Seller in writing (such notice, the "Damage Election") whether it desires (i) that the Aircraft be repaired by Seller in anticipation of the Closing, or (ii) to terminate this Agreement. In the event that Purchaser elects to terminate this Agreement as a result of damage in accordance with this Article 8.2.2, Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (a) be returned to Purchaser, or (b) continue to be held by Seller in accordance with Operator Agreement, and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts, this Agreement shall terminate and be of no further force or effect and the parties shall have no further obligations or liabilities with respect to this Agreement.

3.3 Termination and Default.

8.3.1 Purchaser's Right to Terminate. This Agreement may be terminated by Purchaser at any time prior to Closing. If Purchaser elects to terminate this Agreement Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (i) be returned to Purchaser, or (ii) continue to be held by Seller in accordance with Operator Agreement, and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts.

8.3.2 Purchaser's Default. Seller shall have the right to terminate this Agreement in the event of a breach by Purchaser of any material provision of this Agreement (provided that Seller is in compliance with its material obligations under this Agreement) which breach is not cured within one (1) year of the delivery to Purchaser of written notice thereof from Seller or which breach by its nature cannot be cured prior to Closing. Upon Seller's termination of this Agreement under this Article 8.3.2, Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (i) be returned to Purchaser, or (ii) continue to be held by Seller in accordance with Operator Agreement, and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts. The foregoing shall be the sole remedy available to Seller for breach of contract by Purchaser under this Agreement, and Seller waives any other remedies that may be available to Seller at law or in equity for breach of contract.

3.4 Amendments. The provisions of this Agreement may not be waived, altered, modified, amended, supplemented or terminated in any manner whatsoever except by written instrument signed by both parties hereto.

3.5 Severability. Any provision of this Agreement that may be determined by competent authority to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

3.6 **Assignment.** Purchaser may freely assign this Agreement. Seller may not assign this Agreement.

3.7 **Successor and Assigns.** This Agreement shall inure to the benefit of and be binding upon each of the parties hereto and their respective successors and permitted assigns.

3.8 **Interpretation.** The division of this Agreement into Articles, and the insertion of headings, are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The words "hereof," "herein," "hereunder," and words of similar import shall refer to this Agreement as a whole and not to any particular provision thereof. When used herein, the words "include" and "including" shall be construed as "include, without limitation" and "including, without limitation." Except as expressly identified, all dollar amounts are in United States Dollars.

3.9 **Counterparts.** This Agreement may be fully executed in two or more counterparts by each of the parties hereto, such counterparts together constituting but one and the same instrument. Such counterparts may be exchanged via email or other electronic transmission. Electronic signatures through DocuSign are acceptable and will act to create enforceable obligations to the same extent as an original signature.

3.10 **Notices.** All communications, declarations, demands, consents, directions, approvals, instructions, requests and notices required or permitted by this Agreement shall be in writing and shall be deemed to have been duly given or made when delivered personally or transmitted electronically by email, or in the case of documented overnight delivery service or registered or certified mail, return receipt requested, delivery charge or postage prepaid, on the date shown on the receipt therefor, in each case at the address set forth below:

If to Seller: [***]

If to Purchaser: [***]

If to Escrow Agent: [***]

3.11 **Attorney Fees.** In the event it becomes necessary to enforce the terms of this Agreement by litigation or otherwise, the prevailing party shall be entitled to recover its reasonable attorney fees and court costs from the party in breach, including any such fees or costs arising from subsequent appeals and efforts to execute on any judgment.

3.12 **Non-Waiver.** Any failure at any time of either party to enforce any provision of this Agreement shall not constitute a waiver of such provision or prejudice the right of such party to enforce such provision at any subsequent time.

3.13 **Entire Agreement.** The parties agree that the terms and conditions of this Agreement, together with all Schedules and Exhibits, constitute the entire agreement between the parties with respect to the subject matter hereof. This Agreement supersedes all prior agreements between the parties, express or implied including, but not limited to, any offer to purchase or letter of intent.

3.14 **Transaction Costs and Expenses.** Except as otherwise set forth herein, each party to this Agreement shall bear its own transaction costs and expenses, including, without limitation, any brokers' commissions and/or attorneys' fees. Seller and Purchaser will equally split the Escrow Fees. Each party hereto agrees to indemnify and hold the other harmless from and against any claims made by any broker, consultant or other party claiming an interest in the Aircraft or the Purchase Price arising from an actual or alleged relationship or agreement with the indemnifying party.

3.15 **Survival.** In addition to terms that expressly state survival herein, the representations, warranties, and indemnification obligations of Purchaser and Seller shall survive the Closing in perpetuity. Further, any provisions related to Post-Closing Delivery Condition, Inspection, Holdback, or Discrepancies shall survive until such time that the Holdback is returned to Seller.

3.16 **Time is of the Essence.** Time shall be of the essence for all events contemplated hereunder.

3.17 **Further Assurances.** Each of the parties hereto covenants and agrees to execute such other and further documents relating to the matters set forth herein and to take or cause to be taken such other and further actions, as may be reasonably necessary or appropriate to carry out the purposes and intent of this Agreement, and to consummate the transactions contemplated hereby.

3.18 **Governing Law/Jurisdiction and Venue.** This Agreement shall be governed by the laws of the State of New York without consideration to its choice of law provisions other than Section 5-1401 and Section 5-1402 of the New York General Obligations Law. The parties submit to the exclusive jurisdiction, including personal jurisdiction, of the state or federal courts located in New York, NY, and the parties agree not to raise, and waive, any objections or defenses based upon venue and forum non conveniens. The parties agree that the United Nations Convention on Contracts for the International Sale of Goods is specifically excluded from application to this Agreement, or the transactions contemplated by this Agreement. The parties expressly waive their right to trial by jury.

3.19 **Cape Town Convention**

8.19.1 Prior to the Closing, Purchaser shall become a "transacting user entity," and Owner Trustee shall become a "transacting user entity" with the International Registry. Each of Purchaser and Seller shall bear its own expense in doing so and such expenses shall not be considered Escrow Fees.

8.19.2 Seller on behalf of Owner Trustee and Purchaser shall provide to the other, as a condition to Closing, evidence that it has been approved by the International Registry as a "transacting user entity" and has duly registered with, is authorized to make filings with and has received all approvals from the International Registry and has appointed an "administrator" (as such term is defined and used in the International Registry Procedures and International Registry Regulations).

8.19.3 Each of Owner Trustee and Purchaser shall , as a condition to Closing, authorize Escrow Agent to act as, and shall designate Escrow Agent or another mutually agreed party as, its "professional user entity" (as such term is defined and used in the International Registry Procedures and International Registry Regulations) to effect, amend, discharge and consent to registrations with respect to the Airframe and the Engines on its behalf. Neither Seller or Owner Turstee nor Purchaser shall revoke such authorization until after the earlier to occur of (i) the discharge of any International Interests and registration of a Contract of Sale of the Airframe and Engines with the International Registry following release of the Warranty Bill of Sale conveying the Aircraft from Seller to Purchaser or (ii) termination of this Agreement in accordance with its terms. Purchaser shall have no right to and hereby agrees that it will not register, consent to or allow any third party (including, without limitation, any prospective lender or assignee) to register any Contract of Sale, Prospective Sale, International Interest or Prospective International Interest with respect to the Airframe or Engines until title to the Aircraft has been conveyed to Purchaser at the Closing, and if there has been any such registration, take all necessary actions to discharge or cause to discharge such registration immediately at its sole cost and expense.

- 8.19.4 Purchaser and Seller shall cooperate to cause Escrow Agent, as a professional user entity, to register a Contract of Sale of the Airframe and the Engines with the International Registry immediately after release of the Warranty Bill of Sale. Seller and Purchaser each hereby expressly consents to the registration of the Contract of Sale with respect to the Airframe and the Engines.
- 8.19.5 Immediately prior to Closing, the Escrow Agent shall obtain a Priority Search Certificate (as such term is defined and used in the International Registry Procedures and the International Registry Regulations) from the International Registry with respect to the Airframe and the Engines) confirming that no prior International Interest exists that will not be otherwise discharged at Closing with respect to the Airframe and the Engines. Any Priority Search Certificate obtained by the Escrow Agent from the International Registry with respect to the Airframe and the Engines shall identify the Purchaser and the Seller as having the benefit of the search.
- 8.19.6 If, in the event of termination of this Agreement for any reason whatsoever, any International Interest, Prospective International Interest, Contract of Sale, Prospective Contract of Sale or other interest has been filed or registered against the Airframe and/or Engines as a result of the acts or omissions of Purchaser, or by Purchaser or any person claiming by, through or under Purchaser or consented to by Purchaser, Purchaser hereby irrevocably authorizes and directs the Escrow Agent to cause the discharge of any such filing or registration not later than one (1) Business Day after the Escrow Agent becomes aware of any such filing or registration. Seller shall have all of the rights available to it under law or in equity, including the right of specific performance, to enforce Purchaser's performance of its obligations under this Article 8.20.6 Notwithstanding anything in this Agreement to the contrary, Purchaser agrees to be responsible for and upon demand to indemnify Seller and to hold Seller harmless from and against any and all claims, demands, liabilities, damages, losses and judgments, including legal fees and all expenses, arising out of any breach by Purchaser of any of its obligations under Article 8.20.6. This indemnity obligation and all of Purchaser's other obligations under this Article 8.20.6 shall survive the termination of this Agreement for any reason.
- 8.19.7 Purchaser shall have no right to and hereby agrees that it will not register, consent to or allow any third party claiming by, through or under Purchaser to register or consent to any Contract of Sale, Prospective Sale, International Interest or Prospective International Interest with respect to the Airframe or Engines until title to the Aircraft has been conveyed to Purchaser at the Closing. Seller nor Owner Trustee shall have an obligation to register or consent to any registration of any Contract of Sale, Prospective Sale, International Interest or Prospective International Interest with respect to the Airframe and/or Engines until title to the Aircraft has been conveyed to Purchaser at the Closing.
- 3.20 **Agreement Negotiated.** The parties to this Agreement are sophisticated and have been represented or had the opportunity to be represented in connection with the negotiation and performance of this Agreement. The parties agree that no presumptions relating to the interpretation of contracts against the drafter of any particular clause should or may be applied in this case and, therefore, waive their effects.
- 3.21 **Confidentiality.** The terms and conditions of this Agreement, and all writings, discussions, and negotiations in connection with the transaction contemplated by this Agreement (including, without limitation, the fact that discussions and negotiations have been conducted by the parties), shall remain strictly confidential and shall not be disclosed by either party, without the prior written consent of the

other party, except that each party shall be entitled to disclose the terms and conditions of this Agreement (i) as may be required by law or legal process; (ii) to such party's attorneys, accountants, consultants, lenders, and other advisors performing services for such party with respect to or affected by the transaction contemplated by this Agreement including Escrow Agent and their personnel; (iii) to each party's employees with a need to know; (iv) as may be required to permit such party to pursue all available remedies for breach of this Agreement by the other party; and (v) to any entity that may provide financing to Purchaser in connection with the acquisition of the Aircraft.

- 3.22 **Control.** Notwithstanding any provision to the contrary herein, any conflict between this Agreement and any provision within any document between the Parties, including but not limited to, management agreements, purchase agreements, operator agreements, or the BSAs, the provision that provides the most favorable outcome to Blade, in Blade's sole discretion, will control the subject matter.

[Signature Page follows immediately]

IN WITNESS WHEREOF, the undersigned parties have caused this Aircraft Purchase Agreement to be executed, delivered and effective as of the date first above written.

Atlas Jet, Inc.

N682D LLC

By: Blade Urban Air Mobility, Inc.,
its managing member

By: /s/ Michael Danenberg

By: /s/ Melissa Tomkiel

Name: Michael Danenberg

Name: Melissa Tomkiel

Title: CEO

Title: President

ACKNOWLEDGED BY OWNER TRUSTEE:

TVPX Aircraft Solutions Inc., not in its individual capacity but solely as owner trustee
under the Trust Agreement

By: /s/ Michael Hoggan

Name: Michael Hoggan

Title: Senior Vice President

*****] = Certain information contained in this document has been omitted because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.**

AIRCRAFT PURCHASE AGREEMENT

This AIRCRAFT PURCHASE AGREEMENT (this "Agreement") is made and entered into as of March 11, 2024 (the "Effective Date"), by and between N717KV LLC, a Delaware limited liability company ("Seller"), and M&N Equipment, LLC dba M&N Aviation, a Wyoming limited liability company ("Purchaser").

WITNESSETH:

A. **WHEREAS**, Seller desires to sell the Aircraft to Purchaser, and Purchaser desires to purchase the Aircraft from Seller, upon the terms and subject to the conditions set forth herein.

B. **WHEREAS**, capitalized terms used herein and not otherwise defined shall have the meanings set forth in Article I.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants, obligations and agreements herein contained, the parties, intending to be legally bound hereby, agree as follows:

ARTICLE I. DEFINITIONS

The following terms shall have the following meanings for all purposes of this Agreement:

"Aircraft" means (i) that certain Raytheon Aircraft Company model Hawker 800XP aircraft bearing manufacturer's serial number [***] and U.S. Registration Number N717KV (the "Airframe") equipped with two (2) Allied Signal model TFE731-5BR aircraft engines bearing manufacturer's serial numbers [***] and [***] (the "Engines") and one (1) Honeywell model GTCP36-150(W) auxiliary power unit bearing manufacturer's serial number [***] (the "APU"), (ii) all appurtenances, appliances, parts, instruments, components, accessions, furnishings and other equipment incorporated in or attached to any of the foregoing, (iii) all components, electronics, loose equipment, and accessories normally used or stored aboard the Aircraft or in Seller's possession and control or as otherwise identified on Exhibit A (e.g., china, glassware, flatware, flyaway kits, medical kits, and life rafts) (collectively, the "Equipment"), and (iv) all Aircraft Documents.

"Aircraft Documents" means all (i) documents and records required to be maintained by the FAA with respect to the Aircraft for Part 91 and 135 operations (including electronic versions), Airframe, Engine, and APU logbooks and maintenance records, flight operations manuals and checklists (most current revision), weight and balance manuals, FAA Form 8130-3s (or foreign equivalents), yellow tags, and other parts traceability records, fireblock certificates, task cards, overhaul records, wiring diagrams, completion manuals, supplemental type certificates, and engineering diagrams relating to the Aircraft, and (ii) all other documents and records in Seller's possession and control that relate to the Aircraft.

"Airworthiness" or **"Airworthy"** or **"Airworthy Condition"** means that Purchaser's Representative has determined that (i) the Aircraft is in a condition required to hold the current Airworthiness Certificate; (ii) the Aircraft conforms to the type certification issued by the FAA with respect to the type of aircraft which includes the Aircraft, including any Supplemental Type Certificates; (iii) the Aircraft is in a condition for safe operation; and (iv) the Aircraft is returned to service in accordance with applicable regulations, including those set forth in Parts 91 and 135.

“Business Day” means any day of the year (other than a Saturday or a Sunday) in which banks are authorized to operate or are not required to close in the State of New York and, only when being used with respect to the Closing Date, a day in which the FAA Registry is open for filing documents.

“Cape Town Convention” means, collectively, the Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment which were adopted on November 16, 2001 at a diplomatic conference held in Cape Town, South Africa.

“Closing” means the consummation of the purchase and sale transaction contemplated by this Agreement, as described in Article 4.5.

“Closing Date” means the date Closing is completed.

“Delivery Location” means a mutually agreed upon location within the continental United States that does not give rise to adverse tax consequences to the parties.

“Delivery Receipt” means an Aircraft Delivery Receipt in the form of Exhibit B, attached hereto.

“Deposit” means the purchase money deposit in the sum of \$1,861,577.00, which has been deposited with Seller.

“Discrepancy” means (i) items/conditions discovered during the Inspection that do not comply with the Post-Closing Delivery Condition, and (ii) any deferred or extended repairs, maintenance, or inspections, including but not limited to items on the Minimum Equipment List, that exist as of the Closing Date.

“Escrow Agent” means Insured Aircraft Title Service, LLC, 21 E. Main Street, Suite 100, Oklahoma City, Oklahoma 73104.

“Escrow Fees” means the fees and expenses of the Escrow Agent relating to the transactions contemplated hereby which shall be split equally between Purchaser and Seller (but shall not include any fees charged by Escrow Agent to either of the parties with respect to applying as a transacting user entity on the International Registry).

“FAA” means the United States of America Federal Aviation Administration and all successor agencies.

“FAA Airworthiness Certificate” means a United States Standard Airworthiness Certificate (FAA Form 8100-2).

“FAA Bill of Sale” means an FAA Aeronautical Center Form 8050-2 Aircraft Bill of Sale in a form recordable by the FAA.

“FAA Registry” means the FAA Civil Aircraft Registry, Aircraft Registration Branch, Mike Monroney Aeronautical Center, 6500 South MacArthur Boulevard, Oklahoma City, Oklahoma 73169.

“International Interest” has the meaning given to it in the Cape Town Convention.

“International Registry” means the international registry located in Dublin, Ireland, established pursuant to the Cape Town Convention.

“International Registry Procedures” means the official English language text of the Procedures of the International Registry issued by the supervisory authority thereof pursuant to the Cape Town Convention.

“International Registry Regulations” means the official English language text of the Regulations of the International Registry issued by the supervisory authority thereof pursuant to the Cape Town Convention.

“Lien” means any lien, mortgage, security interest, title defect, lease, and/or other notation, claim, charge, International Interest, encumbrance, and/or right of others.

“Material Corrosion” means corrosion (or history of corrosion) of the Aircraft or any part or component thereof beyond manufacturer's tolerances, limitations, or specifications (i) the repair of which constitutes Material Damage, or (ii) which cannot be repaired, rectified and terminated on a non-recurring basis such that the Aircraft can be Returned to Service without a requirement of repetitive or recurring inspections which deviate from the Aircraft manufacturer's normal maintenance procedures or require modifications to the normal component life limitations, overhaul and/or inspection intervals for the Aircraft.

“Material Damage” means any damage (or history of damage) to the Aircraft or any part thereof that (a) requires or required the issuance of an FAA Form 337 or any foreign equivalent or that requires or required an alteration or repair which would constitute a “major repair” as such term is defined in 14 C.F.R., Part 43, Appendix A and recorded in a manner prescribed by 14 C.F.R., Part 43, Appendix B, or foreign equivalent, (b) requires or required any deviation from the original approved manufacturer's aircraft build specification or standard production configuration, (c) requires repetitive or recurring or non-standard inspections which deviate from the Aircraft manufacturer's normal maintenance procedures or required modifications to the normal component life limitations, overhaul and/or inspection intervals for the Aircraft, and/or (iv) bird strikes, lightning strikes, or hail damage.

“Purchase Price” means the amount of \$2,288,702.00.

“Purchaser Registration Documents” means an FAA Form AC 8050-1 Aircraft Registration Application, and any other documents necessary to register the Aircraft in Purchaser's name with the FAA Registry.

“Purchaser Representative” means a mutually agreed upon representative.

“Total Loss” means, with respect to the Aircraft (including for the purposes of this definition, the Airframe and Engines), the total loss or the loss of the use thereof due to theft, disappearance, destruction or the requisition or taking of use of the Aircraft or any substantial part thereof by any governmental entity; and/or any damage to the Aircraft or any part thereof to any extent which, in the opinion of the insurers with which the Aircraft is insured, renders repair impractical or uneconomic; and/or any other event which is treated by the insurers with which the Aircraft is insured, or by Seller or any governmental entity having jurisdiction thereof, as a total loss of the Aircraft.

“Warranty Bill of Sale” means a Warranty Bill of Sale for the Aircraft in the form of Exhibit C, attached hereto.

ARTICLE II. AGREEMENT TO BUY AND SELL

2.1 Agreement. For and in consideration of the Purchase Price, on the Closing Date, Seller shall sell and deliver the Aircraft to Purchaser, and Purchaser shall purchase and accept delivery of the Aircraft from Seller, on and subject to the terms and conditions set forth herein.

2.2 Deposit. Seller is in possession of the Deposit.

ARTICLE III. DELIVERY CONDITION AND INSPECTION

- 3.1 **Closing Date Delivery Condition.** At Closing, the Aircraft will be delivered to Purchaser at the Delivery Location in “as-is, where-is” physical condition.
- 3.2 **Post-Closing Delivery Condition.** “Post-Closing Delivery Condition” means:
- 3.2.1 With all Equipment and Aircraft Documents, which shall be in original, current, up to date (latest revision of each as applicable), complete (including hard copy, digital, or similar formats as applicable), accurate, and consecutive condition and in English;
 - 3.2.2 With a valid Standard US Airworthiness Certificate with no exceptions or limitations other than those common to aircraft of similar make, model, and production year;
 - 3.2.3 In airworthy condition and suitable for operations under Part 91 and 135 of the Federal Aviation Regulations;
 - 3.2.4 With all systems, avionics, equipment, parts, and components of the Aircraft in normal working order and each operating in a manner that is consistent with the standard manufacturers’ specifications;
 - 3.2.5 In compliance with all FAA Airworthiness Directives (“AD”) and mandatory service bulletins that are due prior to the Closing, without deferment or extensions, and, if any terminating action is due, such action shall have been completed;
 - 3.2.6 With all maintenance and inspections (hourly, calendar, and cycles) in accordance with its current FAR Part 135 FAA approved maintenance program, current through the Closing with no deferments or extensions;
 - 3.2.7 With no engineering dispositions or technical variances, or non-standard or recurring inspections or intervals outside of the manufacturer’s recommended maintenance program or maintenance manual;
 - 3.2.8 Enrolled and current on a computerized maintenance tracking program;
 - 3.2.9 With any remaining factory and vendor warranties transferable to Purchaser or available for follow on contracts in accordance with their respective terms;
 - 3.2.10 With no parts, systems or components installed in the Aircraft on a temporary, loan, or exchange basis;
 - 3.2.11 With no Material Damage or Material Corrosion identified during the Inspection; and
 - 3.2.12 With no missing placards and with Seller’s company name and logos removed or deleted from the interior and exterior of the Aircraft (including Airshow).
- 3.3 **Post-Closing Inspection.** At a mutually agreed upon time and location, within ninety (90) days from Closing, Purchaser, at Purchaser’s expense, shall have the right to conduct an evaluation in accordance with the Inspection Workscope attached hereto as Exhibit E (the “Inspection”). The timeline for the Post-Closing Inspection will be extended if Seller’s actions or omissions restrict Purchaser’s ability to perform the Inspection.
- 3.4 **Discrepancy Correction.** Following completion of the Inspection (evidenced by Sellers receipt of a written report of Discrepancies) Seller, at Seller’s expense, will cause the correction of Discrepancies.

3.5 **Holdback.** At Closing, as security for Seller's obligation to correct the Discrepancies, Purchaser will retain fifteen percent (15%) of the Purchase Price ("Holdback"). At Purchaser's discretion, Purchaser may waive Seller's obligation to correct a Discrepancy and the cost of such correction will be credited back to Purchaser from the Holdback.

ARTICLE IV. CLOSING PROCEDURES

4.1 **Purchaser's Pre-Closing Obligations.** On or prior to the Closing Date, Purchaser shall (i) position or cause to be positioned with Escrow Agent: (1) a signed and undated Delivery Receipt and Assignment of Warranties, attached hereto as Exhibit D, (2) the Purchaser Registration Documents, (3) any necessary documents to release the Aircraft from the Security Agreement in favor of Purchaser ("BSA"), (4) Purchaser's half of Escrow Fees, and (iii) register as a Transacting User Entity and designate the Escrow Agent as its Professional User Entity on the International Registry.

4.2 **Seller's Pre-Closing Obligations.** On or prior to the Closing Date: Seller shall: (i) position the Aircraft to the Delivery Location; (ii) register as a Transacting User Entity and designate the Escrow Agent as its Professional User Entity on the International Registry, and (iii) pre-position or cause to be pre-positioned with the Escrow Agent: (1) an undated, but otherwise fully executed Warranty Bill of Sale conveying title from Seller to Purchaser; (2) an undated, but otherwise executed Assignment of Warranties; (3) an undated, but otherwise fully executed FAA Bill of Sale conveying title from Seller to Purchaser; (4) any necessary Lien release documents, (5) Seller's half of Escrow Fees, and (6) any other documents necessary to transfer title from Seller to Purchaser or accomplish the intent of this Agreement.

THE PRE-POSITIONING OF ANY DOCUMENT OR THE BALANCE OF THE PURCHASE PRICE WITH THE ESCROW AGENT IS FOR THE CONVENIENCE OF THE PARTIES ONLY SO THAT THEY MAY BE RELEASED AT THE ORAL OR WRITTEN DIRECTION OF THE DEPOSITING PARTIES FOLLOWING SATISFACTION OF ANY CONDITIONS CONTAINED HEREIN AND SHALL NOT BE CONSTRUED AS OR IMPLY ACCEPTANCE OF THE AIRCRAFT OR CONVEYANCE OF TITLE THERETO, WHICH MAY ONLY OCCUR AS SPECIFICALLY PROVIDED IN THIS AGREEMENT.

4.3 **Conditions Precedent to Seller's Obligations.** Seller's obligation to sell and deliver the Aircraft to Purchaser on the Closing Date shall be subject to the following conditions precedent:

4.3.1 Purchaser shall not be in breach or default of any of Purchaser's obligations arising under this Agreement;

4.3.2 All of Purchaser's representations set forth in Article 5.2 shall be true and accurate as of the time of Closing;

4.3.3 Purchaser shall have paid all costs agreed to be paid by Purchaser in this Agreement;

4.3.4 Purchaser shall have complied with its obligations in Article 4.1 above; and

4.3.5 Purchaser shall have performed and complied with all of the terms, conditions and covenants required by this Agreement to be performed or complied with by it prior to or at the Closing.

4.4 **Conditions Precedent to Purchaser's Obligations.** Purchaser's obligation to purchase and accept delivery of the Aircraft from Seller on the Closing Date shall be subject to the following conditions precedent:

- 4.4.1 Seller shall not be in breach or default of any of Seller's obligations arising under this Agreement;
- 4.4.2 All of Seller's representations set forth in Article 5.1 shall be true and accurate as of the time of Closing;
- 4.4.3 Seller shall have delivered or caused to be delivered the items identified in Article 4.2 required to be delivered by it; and
- 4.4.4 Seller shall have performed and complied with all of the terms, conditions and covenants required by this Agreement to be performed or complied with by it prior to or at the Closing.
- 4.5 **Closing.** Closing shall begin on a mutually agreed upon date and time. The parties shall perform the following closing deliverables in the order presented, the consummation of which shall constitute the "Closing":
- 4.5.1 Escrow Agent shall confirm in writing to Purchaser that all proper up to date searches for Liens have been completed by the Escrow Agent on the Aircraft (including the Engines) with the International Registry and the FAA Registry, all showing that there are no Liens (other than Liens which the Escrow Agent or Seller shall be able to discharge at Closing in accordance with this Agreement).
- 4.5.2 Escrow Agent shall confirm to the parties that it has received the items set forth in Articles 4.1 and 4.2;
- 4.5.3 Seller shall confirm to Purchaser and Escrow Agent in writing via email that the conditions precedent to Seller's obligations as set forth in Article 4.3 have been satisfied or waived;
- 4.5.4 Purchaser shall confirm to Seller and Escrow Agent in writing via email that the conditions precedent to Purchaser's obligations as set forth in Article 4.4 have been satisfied or waived;
- 4.5.5 Upon receipt of the confirmations in Articles 4.5.3. and 4.5.4, the Escrow Agent, without any further instruction from the parties, shall: (a) date and file any lien release documents necessary to discharge any Liens against the Aircraft, (b) date and submit for filing with the FAA Registry the FAA Bill of Sale and Purchaser Registration Documents, (c) date and release to Purchaser a copy of the Warranty Bill of Sale and Assignment of Warranties, (d) complete, date and release to Seller a copy of the Delivery Receipt (with the time of delivery thereunder being the same as the time that the Escrow Agent submits the FAA Bill of Sale for filing with the FAA), (e) make all necessary discharges and registrations on the International Registry, and (f) retain the Escrow Fees for its services.
- 4.5.6 Immediately upon Escrow Agent's submission for filing the FAA Bill of Sale in accordance with Article 4.5.5.2, Purchaser shall wire the Purchase Price, less the Holdback, to Seller, and Seller shall transfer possession over, and Purchaser shall accept delivery of, the Aircraft at the Delivery Location.
- 4.5.7 During the performance of the above Closing actions by Escrow Agent, Purchaser shall provide to Seller a fuel receipt (or similar third-party verification) issued at the Delivery Location with respect to the Aircraft, a copy of which the parties shall attach to the Delivery Receipt.

ARTICLE V. REPRESENTATIONS AND WARRANTIES

5.1 Seller's Representations and Warranties. Seller hereby represents and warrants that, as of the date hereof, and as of the Closing:

- 5.1.1 Seller is duly formed limited liability company, validly existing, and in good standing, having the capacity to sue and be sued in its own name, having full power, legal right and authority to carry on its business as currently conducted, and to execute, deliver and perform the provisions of this Agreement;
- 5.1.2 The execution, delivery, and performance by Seller of this Agreement, and the sale of the Aircraft, has been duly authorized by all necessary action on behalf of Seller and do not conflict with or result in any breach of any of the terms or constitute a default under any document, instrument, or agreement to which Seller is a party;
- 5.1.3 The person executing this Agreement on behalf of Seller has full power and authority to do so;
- 5.1.4 Neither it nor any of its employees (or any assignee as defined in Article 8.7 hereof) are listed by the United States Department of Treasury on the Specifically Designated Nationals and Blocked Persons List or by the United States Department of Commerce on the Denied Persons List. There exists no United States prohibition on the transactions contemplated by this Agreement related to the identity, citizenship, location or business of Seller or to the purpose for which the Aircraft was previously used;
- 5.1.5 Seller has not entered into any other agreements under which it has agreed to sell or lease or otherwise encumber the Aircraft or any part thereof, other than this Agreement or any Liens that are to be discharged at Closing.
- 5.1.6 This Agreement constitutes the legal, valid and binding obligations of Seller and is enforceable against Seller in accordance with its terms subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting the enforceability of contractual obligations and creditors' rights generally and by the application of equitable principles by courts of competent jurisdiction, sitting at law or in equity; and
- 5.1.7 Seller is the lawful beneficial owner of the Aircraft as of the date of execution of this Agreement, and at the time of the Closing, will convey good and marketable title to the Aircraft, free and clear of all Liens to Purchaser, and Seller will warrant and defend such title forever against all claims and demands whatsoever.
- 5.1.8 Seller has paid any and all taxes, fees, duties, penalties, charges, invoices, and statements arising from any purchase, sale, delivery, transfer, possessions, use, storage, operation, consumption, or registration of the Aircraft prior to the Closing ("Amounts Owed"), provided that, if Amounts Owed are not yet due, imposed, levied, or assessed against Seller or the Aircraft, Seller will pay such Amounts Owed when due, imposed, levied, or assessed and will defend and hold Purchaser harmless from such Amounts Owed.
- 5.1.9 Seller has not entered into any agreement for commissions, brokerage fees or similar fees to be paid upon transfer of the Aircraft that would become the obligation of Purchaser or a lien on the Aircraft nor does Seller have any agreement or arrangement to pay any consideration whatsoever, directly or indirectly, to any employee, agent or independent contractor of Purchaser.

5.2 Purchaser's Representations and Warranties. Purchaser hereby represents and warrants that, as of the date hereof, and as of the Closing:

- 5.2.1 Purchaser is a duly formed limited liability company, validly existing, and in good standing, having the capacity to sue and be sued in its own name, having full power, legal right and authority to carry on its business as currently conducted, and to execute, deliver and perform the provisions of this Agreement;
- 5.2.2 The execution, delivery, and performance by Purchaser of this Agreement, and the acquisition of the Aircraft, has been duly authorized by all necessary action on behalf of Purchaser and do not conflict with or result in any breach of any of the terms or constitute a default under any document, instrument, or agreement to which Purchaser is a party;
- 5.2.3 The person executing this Agreement on behalf of Purchaser has full power and authority to do so;
- 5.2.4 This Agreement constitutes the legal, valid and binding obligations of Purchaser and is enforceable against Purchaser in accordance with its terms subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting the enforceability of contractual obligations and creditors' rights generally and by the application of equitable principles by courts of competent jurisdiction, sitting at law or in equity;
- 5.2.5 Purchaser has not entered into any agreement for commissions, brokerage fees or similar fees to be paid upon transfer of the Aircraft that would become the obligation of Seller or a lien on the Aircraft nor does Purchaser have any agreement or arrangement to pay any consideration whatsoever, directly or indirectly, to any employee, agent or independent contractor of Seller;
- 5.2.6 Neither Purchaser nor any of its employees (or any assignee as defined in Article 8.7 hereof) is listed by the United States Department of Treasury on the Specifically Designated Nationals and Blocked Persons List or by the United States Department of Commerce on the Denied Persons List. There exists no United States prohibition on the transactions contemplated by this Agreement related to the identity, citizenship, location or business of Purchaser (or its assignee) or to the purpose for which Purchaser (or its assignee) will use the Aircraft; and
- 5.2.7 No portion of the Purchase Price is derived from Anti-Money Laundering Laws, meaning those laws, regulations and sanctions, state and federal, criminal and civil, that (a) limit the use of and/or seek the forfeiture of proceeds from illegal transactions; (b) limit commercial transactions with designated countries or individuals believed to be terrorists, narcotics dealers or otherwise engaged in activities contrary to the interests of the United States; (c) require identification and documentation of the parties with whom a financial institution conducts business; or (d) are designed to disrupt the flow of funds to terrorist organizations. Such laws, regulations and sanctions shall be deemed to include the Patriot Act, the Bank Secrecy Act, the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957.

ARTICLE VI. DISCLAIMER

- 3.1 DISCLAIMER AND LIMITATION OF LIABILITY. EXCEPT FOR SELLER'S WARRANTIES MADE IN SECTION 5.1 HEREIN AND THE WARRANTY OF TITLE TO THE AIRCRAFT AS SET FORTH HEREIN AND IN THE WARRANTY BILL OF SALE, THE AIRCRAFT AND EACH PART THEREOF IS BEING SOLD AND DELIVERED TO PURCHASER IN "AS IS, WHERE IS, WITH ALL FAULTS" CONDITION ON THE CLOSING DATE, WITHOUT ANY REPRESENTATION, WARRANTY OR GUARANTY OF ANY KIND BEING MADE OR GIVEN BY SELLER, ITS SHAREHOLDERS, MEMBERS, DIRECTORS, OFFICERS, MANAGERS,

AGENTS, EMPLOYEES OR ATTORNEYS, EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE AND SELLER DISCLAIMS ALL EXPRESS OR IMPLIED WARRANTIES WHETHER ARISING IN LAW, IN EQUITY, IN CONTRACT OR IN TORT, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY, AIRWORTHINESS, DESIGN, CONDITION, OR FITNESS FOR A PARTICULAR USE. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EXCEPT FOR SELLER'S WARRANTY OF TITLE TO THE AIRCRAFT AS SET FORTH HEREIN AND IN THE WARRANTY BILL OF SALE, SELLER SHALL NOT BE LIABLE OR RESPONSIBLE TO PURCHASER FOR ANY DEFECTS, EITHER PATENT OR LATENT IN THE AIRCRAFT OR FOR ANY DIRECT OR INDIRECT DAMAGE TO PERSONS OR PROPERTIES RESULTING THEREFROM OR FOR PURCHASER'S LOSS OF USE OF OR A DIMINUTION IN VALUE OF THE AIRCRAFT OR FOR ANY INTERRUPTION IN PURCHASER'S BUSINESS CAUSED BY PURCHASER'S INABILITY TO USE THE AIRCRAFT FOR ANY REASON WHATSOEVER.

- 3.2 EXCEPT IN CASES OF FRAUD OR WILFUL MISCONDUCT, UNDER NO CIRCUMSTANCES SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR LOST PROFITS, LOSS OF BUSINESS, LOSS OF USE OR ANY OTHER INCIDENTAL, INDIRECT, CONSEQUENTIAL OR SPECIAL DAMAGES ARISING OUT OF OR RELATED TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY DELAY IN CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED HEREBY, AND EACH PARTY HEREBY WAIVES ANY RIGHT IT MAY HAVE TO SUCH DAMAGES.

ARTICLE VII. TAXES

- 7.1 **Seller's Taxes.** Seller has paid and/or shall bear, and shall defend, indemnify and hold Purchaser harmless from and against, any and all sales, use, value added, excise and other similar taxes (including excise-equivalent customs duty), and any and all taxes, fees, duties, interest, penalties, charges, invoices, claims, assessments and statements imposed or imposable by any federal, state, county, local, foreign or other governmental authority, entity or party arising from any purchase, sale, lease, delivery, transfer, possession, use, storage, operation, maintenance, consumption, or registration of the Aircraft prior to the Closing. In the event Purchaser receives written notice of any audit, claim, assessment or proposed assessment of any tax for which Seller may be responsible under this Article 7.1, Purchaser shall notify Seller within ten (10) Business Days thereof, and Seller and Purchaser shall reasonably cooperate to manage and/or defend any such audit, claim, assessment or proposed assessment.
- 7.2 **Purchaser's Taxes.** Purchaser shall bear, and shall defend, indemnify and hold Seller harmless from and against any and all sales, use, value added, excise and other similar taxes (including excise-equivalent customs duty), and any taxes, fees, duties, interest, penalties, charges, invoices, claims and statements relating thereto, which may be imposed by any federal, state, county, local, foreign or other governmental authority as a result of the sale, delivery or transfer of the Aircraft to Purchaser, or the ownership, possession, use or storage of the Aircraft after the Closing, except to the extent (i) imposed on or measured by Seller's income or (ii) related to a period (or portion thereof) ending on or prior to the Closing. In the event Seller receives written notice of any audit, claim, assessment or proposed assessment of any tax for which Purchaser may be responsible under this Article 7.2, Seller shall notify Purchaser within ten (10) Business Days thereof, and Seller and Purchaser shall reasonably cooperate to manage and/or defend any such audit, claim, assessment or proposed assessment.

7.3 **Mitigation.** Seller and Purchaser shall cooperate to mitigate any Taxes that may be imposed upon either party as a result of the sale and delivery of the Aircraft pursuant to this Agreement, including (if necessary) changing the Delivery Location and provision of applicable exemption certificates, affidavits, or other similar paperwork.

ARTICLE VIII. MISCELLANEOUS

3.1 **Manufacturer Warranties.** Seller shall cause all rights under any manufacturer warranties to be assigned and transferred to Purchaser, or its designee, at Purchaser's expense, effective at the time of the Closing. Seller shall execute and/or provide whatever documents or agreements may be necessary or convenient to vest all rights under such manufacturer warranties in Purchaser, or its designee, maintain their continuity, and to permit Purchaser, or its designee, to assert or process claims thereunder. Seller shall reasonably assist Purchaser in maintaining continuity of and transferring any warranties and shall execute whatever documents or agreements may be required to vest all rights under such warranties in Purchaser and to permit Purchaser to assert or process claims thereunder. The foregoing is subject to the terms and conditions of each warranty. The obligations of this Section shall survive Closing.

3.2 Risk of Loss, Damage or Destruction of Aircraft.

8.2.1 **Risk of Loss.** Except for Discrepancies discovered during the Post-Closing Inspection, title to, and risk of loss, injury, destruction or damage to the Aircraft, shall pass from Seller to Purchaser at the time that, (i) the Purchase Price is released to Seller, and (ii) the FAA Bill of Sale and Warranty Bill of Sale are released to Purchaser, and (iii) Seller delivers possession of the Aircraft to Purchaser.

8.2.2 **Destruction or Damage.** Notwithstanding any contrary provision of this Agreement, if at any time prior to the Closing the Aircraft is destroyed or damaged in such a manner that constitutes a Total Loss, Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (i) be returned to Purchaser, or (ii) continue to be held by Seller in accordance with the Aircraft Operator Agreement, as amended from time-to-time, originally entered into on March 22, 2022 between Blade Urban Air Mobility, Inc., M&N Equipment, LLC d/b/a M&N Aviation, Aviation Bridge, LLC, and Atlas Jet, Inc. or follow on agreement as applicable ("Operator Agreement"), and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts, this Agreement shall terminate and be of no further force or effect. In the event of any damage to the Aircraft following the Effective Date (other than Total Loss occurring prior to Closing), Seller shall promptly notify Purchaser in writing of such damage. Purchaser will have the right, but not the obligation, to have its technical representatives inspect the Aircraft within ten (10) days of Seller's notification to Purchaser ("Damage Inspection"). Purchaser shall, within five (5) Business Days of receipt of Seller's notice or upon completion of its Damage Inspection, whichever occurs later, notify Seller in writing (such notice, the "Damage Election") whether it desires (i) that the Aircraft be repaired by Seller in anticipation of the Closing, or (ii) to terminate this Agreement. In the event that Purchaser elects to terminate this Agreement as a result of damage in accordance with this Article 8.2.2, Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (a) be returned to Purchaser, or (b) continue to be held by Seller in accordance with Operator Agreement, and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the

Aircraft (including attorney's fees), and upon receipt of such amounts, this Agreement shall terminate and be of no further force or effect and the parties shall have no further obligations or liabilities with respect to this Agreement.

8.3 Termination and Default.

8.3.1 **Purchaser's Right to Terminate.** This Agreement may be terminated by Purchaser at any time prior to Closing. If Purchaser elects to terminate this Agreement Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (i) be returned to Purchaser, or (ii) continue to be held by Seller in accordance with Operator Agreement, and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts.

8.3.2 **Purchaser's Default.** Seller shall have the right to terminate this Agreement in the event of a breach by Purchaser of any material provision of this Agreement (provided that Seller is in compliance with its material obligations under this Agreement) which breach is not cured within one (1) year of the delivery to Purchaser of written notice thereof from Seller or which breach by its nature cannot be cured prior to Closing. Upon Seller's termination of this Agreement under this Article 8.3.2, Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (i) be returned to Purchaser, or (ii) continue to be held by Seller in accordance with Operator Agreement, and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts. The foregoing shall be the sole remedy available to Seller for breach of contract by Purchaser under this Agreement, and Seller waives any other remedies that may be available to Seller at law or in equity for breach of contract.

3.4 **Amendments.** The provisions of this Agreement may not be waived, altered, modified, amended, supplemented or terminated in any manner whatsoever except by written instrument signed by both parties hereto.

3.5 **Severability.** Any provision of this Agreement that may be determined by competent authority to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

3.6 **Assignment.** Purchaser may freely assign this Agreement. Seller may not assign this Agreement.

3.7 **Successor and Assigns.** This Agreement shall inure to the benefit of and be binding upon each of the parties hereto and their respective successors and permitted assigns.

3.8 **Interpretation.** The division of this Agreement into Articles, and the insertion of headings, are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The words "hereof," "herein," "hereunder," and words of similar import shall refer to this Agreement as a whole and not to any particular provision thereof. When used herein, the words "include" and "including" shall be construed as "include, without limitation" and "including, without limitation." Except as expressly identified, all dollar amounts are in United States Dollars.

3.9 **Counterparts.** This Agreement may be fully executed in two or more counterparts by each of the parties hereto, such counterparts together constituting but one and the same instrument. Such counterparts may be exchanged via email or other electronic transmission. Electronic signatures

through DocuSign are acceptable and will act to create enforceable obligations to the same extent as an original signature.

- 3.10 **Notices.** All communications, declarations, demands, consents, directions, approvals, instructions, requests and notices required or permitted by this Agreement shall be in writing and shall be deemed to have been duly given or made when delivered personally or transmitted electronically by email, or in the case of documented overnight delivery service or registered or certified mail, return receipt requested, delivery charge or postage prepaid, on the date shown on the receipt therefor, in each case at the address set forth below:

If to Seller: [***]

If to Purchaser: [***]

If to Escrow Agent: [***]

- 3.11 **Attorney Fees.** In the event it becomes necessary to enforce the terms of this Agreement by litigation or otherwise, the prevailing party shall be entitled to recover its reasonable attorney fees and court costs from the party in breach, including any such fees or costs arising from subsequent appeals and efforts to execute on any judgment.
- 3.12 **Non-Waiver.** Any failure at any time of either party to enforce any provision of this Agreement shall not constitute a waiver of such provision or prejudice the right of such party to enforce such provision at any subsequent time.
- 3.13 **Entire Agreement.** The parties agree that the terms and conditions of this Agreement, together with all Schedules and Exhibits, constitute the entire agreement between the parties with respect to the subject matter hereof. This Agreement supersedes all prior agreements between the parties, express or implied including, but not limited to, any offer to purchase or letter of intent.
- 3.14 **Transaction Costs and Expenses.** Except as otherwise set forth herein, each party to this Agreement shall bear its own transaction costs and expenses, including, without limitation, any brokers' commissions and/or attorneys' fees. Seller and Purchaser will equally split the Escrow Fees. Each party hereto agrees to indemnify and hold the other harmless from and against any claims made by any broker, consultant or other party claiming an interest in the Aircraft or the Purchase Price arising from an actual or alleged relationship or agreement with the indemnifying party.
- 3.15 **Survival.** In addition to terms that expressly state survival herein, the representations, warranties, and indemnification obligations of Purchaser and Seller shall survive the Closing in perpetuity. Further, any provisions related to Post-Closing Delivery Condition, Inspection, Holdback, or Discrepancies shall survive until such time that the Holdback is returned to Seller.
- 3.16 **Time is of the Essence.** Time shall be of the essence for all events contemplated hereunder.
- 3.17 **Further Assurances.** Each of the parties hereto covenants and agrees to execute such other and further documents relating to the matters set forth herein and to take or cause to be taken such other and further actions, as may be reasonably necessary or appropriate to carry out the purposes and intent of this Agreement, and to consummate the transactions contemplated hereby.
- 3.18 **Governing Law/Jurisdiction and Venue.** This Agreement shall be governed by the laws of the State of New York without consideration to its choice of law provisions other than Section 5-1401 and Section 5-1402 of the New York General Obligations Law. The parties submit to the exclusive

jurisdiction, including personal jurisdiction, of the state or federal courts located in New York, NY, and the parties agree not to raise, and waive, any objections or defenses based upon venue and forum non conveniens. The parties agree that the United Nations Convention on Contracts for the International Sale of Goods is specifically excluded from application to this Agreement, or the transactions contemplated by this Agreement. The parties expressly waive their right to trial by jury.

3.19 Cape Town Convention

- 8.19.1 Prior to the Closing, Purchaser shall become a “transacting user entity,” and Seller shall become a “transacting user entity” with the International Registry. Each of Purchaser and Seller shall bear its own expense in doing so and such expenses shall not be considered Escrow Fees.
- 8.19.2 Each party shall provide to the other, as a condition to Closing, evidence that it has been approved by the International Registry as a “transacting user entity” and has duly registered with, is authorized to make filings with and has received all approvals from the International Registry and has appointed an “administrator” (as such term is defined and used in the International Registry Procedures and International Registry Regulations).
- 8.19.3 Each party shall, as a condition to Closing, authorize Escrow Agent to act as, and shall designate Escrow Agent or another mutually agreed party as, its “professional user entity” (as such term is defined and used in the International Registry Procedures and International Registry Regulations) to effect, amend, discharge and consent to registrations with respect to the Airframe and the Engines on its behalf. Neither Seller nor Purchaser shall revoke such authorization until after the earlier to occur of (i) the discharge of any International Interests and registration of a Contract of Sale of the Airframe and Engines with the International Registry following release of the Warranty Bill of Sale conveying the Aircraft from Seller to Purchaser or (ii) termination of this Agreement in accordance with its terms. Purchaser shall have no right to and hereby agrees that it will not register, consent to or allow any third party (including, without limitation, any prospective lender or assignee) to register any Contract of Sale, Prospective Sale, International Interest or Prospective International Interest with respect to the Airframe or Engines until title to the Aircraft has been conveyed to Purchaser at the Closing, and if there has been any such registration, take all necessary actions to discharge or cause to discharge such registration immediately at its sole cost and expense.
- 8.19.4 Purchaser and Seller shall cooperate to cause Escrow Agent, as a professional user entity, to register a Contract of Sale of the Airframe and the Engines with the International Registry immediately after release of the Warranty Bill of Sale. Seller and Purchaser each hereby expressly consents to the registration of the Contract of Sale with respect to the Airframe and the Engines.
- 8.19.5 Immediately prior to Closing, the Escrow Agent shall obtain a Priority Search Certificate (as such term is defined and used in the International Registry Procedures and the International Registry Regulations) from the International Registry with respect to the Airframe and the Engines) confirming that no prior International Interest exists that will not be otherwise discharged at Closing with respect to the Airframe and the Engines. Any Priority Search Certificate obtained by the Escrow Agent from the International Registry with respect to the Airframe and the Engines shall identify the Purchaser and the Seller as having the benefit of the search.
- 8.19.6 If, in the event of termination of this Agreement for any reason whatsoever, any International Interest, Prospective International Interest, Contract of Sale, Prospective Contract of Sale or

other interest has been filed or registered against the Airframe and/or Engines as a result of the acts or omissions of Purchaser, or by Purchaser or any person claiming by, through or under Purchaser or consented to by Purchaser, Purchaser hereby irrevocably authorizes and directs the Escrow Agent to cause the discharge of any such filing or registration not later than one (1) Business Day after the Escrow Agent becomes aware of any such filing or registration. Seller shall have all of the rights available to it under law or in equity, including the right of specific performance, to enforce Purchaser's performance of its obligations under this Article 8.20.6 Notwithstanding anything in this Agreement to the contrary, Purchaser agrees to be responsible for and upon demand to indemnify Seller and to hold Seller harmless from and against any and all claims, demands, liabilities, damages, losses and judgments, including legal fees and all expenses, arising out of any breach by Purchaser of any of its obligations under Article 8.20.6. This indemnity obligation and all of Purchaser's other obligations under this Article 8.20.6 shall survive the termination of this Agreement for any reason.

8.19.7 Purchaser shall have no right to and hereby agrees that it will not register, consent to or allow any third party claiming by, through or under Purchaser to register or consent to any Contract of Sale, Prospective Sale, International Interest or Prospective International Interest with respect to the Airframe or Engines until title to the Aircraft has been conveyed to Purchaser at the Closing. Seller shall have no obligation to register or consent to any registration of any Contract of Sale, Prospective Sale, International Interest or Prospective International Interest with respect to the Airframe and/or Engines until title to the Aircraft has been conveyed to Purchaser at the Closing

3.20 **Agreement Negotiated.** The parties to this Agreement are sophisticated and have been represented or had the opportunity to be represented in connection with the negotiation and performance of this Agreement. The parties agree that no presumptions relating to the interpretation of contracts against the drafter of any particular clause should or may be applied in this case and, therefore, waive their effects.

3.21 **Confidentiality.** The terms and conditions of this Agreement, and all writings, discussions, and negotiations in connection with the transaction contemplated by this Agreement (including, without limitation, the fact that discussions and negotiations have been conducted by the parties), shall remain strictly confidential and shall not be disclosed by either party, without the prior written consent of the other party, except that each party shall be entitled to disclose the terms and conditions of this Agreement (i) as may be required by law or legal process; (ii) to such party's attorneys, accountants, consultants, lenders, and other advisors performing services for such party with respect to or affected by the transaction contemplated by this Agreement including Escrow Agent and their personnel; (iii) to each party's employees with a need to know; (iv) as may be required to permit such party to pursue all available remedies for breach of this Agreement by the other party; and (v) to any entity that may provide financing to Purchaser in connection with the acquisition of the Aircraft.

3.22 **Control.** Notwithstanding any provision to the contrary herein, any conflict between this Agreement and any provision within any document between the Parties, including but not limited to, management agreements, purchase agreements, operator agreements, or the BSAs, the provision that provides the most favorable outcome to Blade, in Blade's sole discretion, will control the subject matter.

[Signature Page follows immediately]

IN WITNESS WHEREOF, the undersigned parties have caused this Aircraft Purchase Agreement to be executed, delivered and effective as of the date first above written.

SELLER:

PURCHASER:

**M&N Equipment, LLC
dba M&N Aviation**

N717KV LLC

By: Blade Urban Air Mobility, Inc.,
its managing member

By: /s/ Todd Schieck
Name: Todd Schieck
Title: Managing Director

By: /s/ Melissa Tomkiel
Name: Melissa Tomkiel
Title: President

*****] = Certain information contained in this document has been omitted because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.**

AIRCRAFT PURCHASE AGREEMENT

This AIRCRAFT PURCHASE AGREEMENT (this "Agreement") is made and entered into as of March 11, 2024 (the "Effective Date"), by and between N800TL LLC, a Delaware limited liability company ("Seller"), and Aviation Bridge, LLC, a Delaware limited liability company ("Purchaser").

WITNESSETH:

A. **WHEREAS**, Seller desires to sell the Aircraft to Purchaser, and Purchaser desires to purchase the Aircraft from Seller, upon the terms and subject to the conditions set forth herein.

B. **WHEREAS**, capitalized terms used herein and not otherwise defined shall have the meanings set forth in Article I.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants, obligations and agreements herein contained, the parties, intending to be legally bound hereby, agree as follows:

ARTICLE I. DEFINITIONS

The following terms shall have the following meanings for all purposes of this Agreement:

"Aircraft" means (i) that certain Raytheon Aircraft Company model Hawker 800XP aircraft bearing manufacturer's serial number [***] and U.S. Registration Number N800TL (the "Airframe") equipped with two (2) Honeywell model TFE731-5BR aircraft engines bearing manufacturer's serial numbers [***] and [***] (the "Engines") and one (1) Honeywell model GTCP36-150(W) auxiliary power unit bearing manufacturer's serial number [***] (the "APU"), (ii) all appurtenances, appliances, parts, instruments, components, accessions, furnishings and other equipment incorporated in or attached to any of the foregoing, (iii) all components, electronics, loose equipment, and accessories normally used or stored aboard the Aircraft or in Seller's possession and control or as otherwise identified on Exhibit A (e.g., china, glassware, flatware, flyaway kits, medical kits, and life rafts) (collectively, the "Equipment"), and (iv) all Aircraft Documents.

"Aircraft Documents" means all (i) documents and records required to be maintained by the FAA with respect to the Aircraft for Part 91 and 135 operations (including electronic versions), Airframe, Engine, and APU logbooks and maintenance records, flight operations manuals and checklists (most current revision), weight and balance manuals, FAA Form 8130-3s (or foreign equivalents), yellow tags, and other parts traceability records, fireblock certificates, task cards, overhaul records, wiring diagrams, completion manuals, supplemental type certificates, and engineering diagrams relating to the Aircraft, and (ii) all other documents and records in Seller's possession and control that relate to the Aircraft.

"Airworthiness" or **"Airworthy"** or **"Airworthy Condition"** means that Purchaser's Representative has determined that (i) the Aircraft is in a condition required to hold the current Airworthiness Certificate; (ii) the Aircraft conforms to the type certification issued by the FAA with respect to the type of aircraft which includes the Aircraft, including any Supplemental Type Certificates; (iii) the Aircraft is in a condition for safe operation; and (iv) the Aircraft is returned to service in accordance with applicable regulations, including those set forth in Parts 91 and 135.

“Business Day” means any day of the year (other than a Saturday or a Sunday) in which banks are authorized to operate or are not required to close in the State of New York and, only when being used with respect to the Closing Date, a day in which the FAA Registry is open for filing documents.

“Cape Town Convention” means, collectively, the Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment which were adopted on November 16, 2001 at a diplomatic conference held in Cape Town, South Africa.

“Closing” means the consummation of the purchase and sale transaction contemplated by this Agreement, as described in Article 4.5.

“Closing Date” means the date Closing is completed.

“Delivery Location” means a mutually agreed upon location within the continental United States that does not give rise to adverse tax consequences to the parties.

“Delivery Receipt” means an Aircraft Delivery Receipt in the form of Exhibit B, attached hereto.

“Deposit” means the purchase money deposit in the sum of \$921,017.00, which has been deposited with Seller.

“Discrepancy” means (i) items/conditions discovered during the Inspection that do not comply with the Post-Closing Delivery Condition, and (ii) any deferred or extended repairs, maintenance, or inspections, including but not limited to items on the Minimum Equipment List, that exist as of the Closing Date.

“Escrow Agent” means Insured Aircraft Title Service, LLC, 21 E. Main Street, Suite 100, Oklahoma City, Oklahoma 73104.

“Escrow Fees” means the fees and expenses of the Escrow Agent relating to the transactions contemplated hereby which shall be split equally between Purchaser and Seller (but shall not include any fees charged by Escrow Agent to either of the parties with respect to applying as a transacting user entity on the International Registry).

“FAA” means the United States of America Federal Aviation Administration and all successor agencies.

“FAA Airworthiness Certificate” means a United States Standard Airworthiness Certificate (FAA Form 8100-2).

“FAA Bill of Sale” means an FAA Aeronautical Center Form 8050-2 Aircraft Bill of Sale in a form recordable by the FAA.

“FAA Registry” means the FAA Civil Aircraft Registry, Aircraft Registration Branch, Mike Monroney Aeronautical Center, 6500 South MacArthur Boulevard, Oklahoma City, Oklahoma 73169.

“International Interest” has the meaning given to it in the Cape Town Convention.

“International Registry” means the international registry located in Dublin, Ireland, established pursuant to the Cape Town Convention.

“International Registry Procedures” means the official English language text of the Procedures of the International Registry issued by the supervisory authority thereof pursuant to the Cape Town Convention.

“International Registry Regulations” means the official English language text of the Regulations of the International Registry issued by the supervisory authority thereof pursuant to the Cape Town Convention.

“Lien” means any lien, mortgage, security interest, title defect, lease, and/or other notation, claim, charge, International Interest, encumbrance, and/or right of others.

“Material Corrosion” means corrosion (or history of corrosion) of the Aircraft or any part or component thereof beyond manufacturer's tolerances, limitations, or specifications (i) the repair of which constitutes Material Damage, or (ii) which cannot be repaired, rectified and terminated on a non-recurring basis such that the Aircraft can be Returned to Service without a requirement of repetitive or recurring inspections which deviate from the Aircraft manufacturer's normal maintenance procedures or require modifications to the normal component life limitations, overhaul and/or inspection intervals for the Aircraft.

“Material Damage” means any damage (or history of damage) to the Aircraft or any part thereof that (a) requires or required the issuance of an FAA Form 337 or any foreign equivalent or that requires or required an alteration or repair which would constitute a “major repair” as such term is defined in 14 C.F.R., Part 43, Appendix A and recorded in a manner prescribed by 14 C.F.R., Part 43, Appendix B, or foreign equivalent, (b) requires or required any deviation from the original approved manufacturer's aircraft build specification or standard production configuration, (c) requires repetitive or recurring or non-standard inspections which deviate from the Aircraft manufacturer's normal maintenance procedures or required modifications to the normal component life limitations, overhaul and/or inspection intervals for the Aircraft, and/or (iv) bird strikes, lightning strikes, or hail damage.

“Purchase Price” means the amount of \$3,189,726.00.

“Purchaser Registration Documents” means an FAA Form AC 8050-1 Aircraft Registration Application, and any other documents necessary to register the Aircraft in Purchaser's name with the FAA Registry.

“Purchaser Representative” means a mutually agreed upon representative.

“Total Loss” means, with respect to the Aircraft (including for the purposes of this definition, the Airframe and Engines), the total loss or the loss of the use thereof due to theft, disappearance, destruction or the requisition or taking of use of the Aircraft or any substantial part thereof by any governmental entity; and/or any damage to the Aircraft or any part thereof to any extent which, in the opinion of the insurers with which the Aircraft is insured, renders repair impractical or uneconomic; and/or any other event which is treated by the insurers with which the Aircraft is insured, or by Seller or any governmental entity having jurisdiction thereof, as a total loss of the Aircraft.

“Warranty Bill of Sale” means a Warranty Bill of Sale for the Aircraft in the form of Exhibit C, attached hereto.

ARTICLE II. AGREEMENT TO BUY AND SELL

2.1 Agreement. For and in consideration of the Purchase Price, on the Closing Date, Seller shall sell and deliver the Aircraft to Purchaser, and Purchaser shall purchase and accept delivery of the Aircraft from Seller, on and subject to the terms and conditions set forth herein.

2.2 Deposit. Seller is in possession of the Deposit.

ARTICLE III. DELIVERY CONDITION AND INSPECTION

3.1 Closing Date Delivery Condition. At Closing, the Aircraft will be delivered to Purchaser at the Delivery Location in "as-is, where-is" physical condition.

3.2 Post-Closing Delivery Condition. "Post-Closing Delivery Condition" means:

- 3.2.1 With all Equipment and Aircraft Documents, which shall be in original, current, up to date (latest revision of each as applicable), complete (including hard copy, digital, or similar formats as applicable), accurate, and consecutive condition and in English;
- 3.2.2 With a valid Standard US Airworthiness Certificate with no exceptions or limitations other than those common to aircraft of similar make, model, and production year;
- 3.2.3 In airworthy condition and suitable for operations under Part 91 and 135 of the Federal Aviation Regulations;
- 3.2.4 With all systems, avionics, equipment, parts, and components of the Aircraft in normal working order and each operating in a manner that is consistent with the standard manufacturers' specifications;
- 3.2.5 In compliance with all FAA Airworthiness Directives ("AD") and mandatory service bulletins that are due prior to the Closing, without deferment or extensions, and, if any terminating action is due, such action shall have been completed;
- 3.2.6 With all maintenance and inspections (hourly, calendar, and cycles) in accordance with its current FAR Part 135 FAA approved maintenance program, current through the Closing with no deferments or extensions;
- 3.2.7 With no engineering dispositions or technical variances, or non-standard or recurring inspections or intervals outside of the manufacturer's recommended maintenance program or maintenance manual;
- 3.2.8 Enrolled and current on a computerized maintenance tracking program;
- 3.2.9 With any remaining factory and vendor warranties transferable to Purchaser or available for follow on contracts in accordance with their respective terms;
- 3.2.10 With no parts, systems or components installed in the Aircraft on a temporary, loan, or exchange basis;
- 3.2.11 With no Material Damage or Material Corrosion identified during the Inspection; and
- 3.2.12 With no missing placards and with Seller's company name and logos removed or deleted from the interior and exterior of the Aircraft (including Airshow).

3.3 Post-Closing Inspection. At a mutually agreed upon time and location, within ninety (90) days from Closing, Purchaser, at Purchaser's expense, shall have the right to conduct an evaluation in accordance with the Inspection Workscope attached hereto as Exhibit E (the "Inspection"). The timeline for the Post-Closing Inspection will be extended if Seller's actions or omissions restrict Purchaser's ability to perform the Inspection.

3.4 Discrepancy Correction. Following completion of the Inspection (evidenced by Sellers receipt of a written report of Discrepancies) Seller, at Seller's expense, will cause the correction of Discrepancies.

3.5 **Holdback.** At Closing, as security for Seller's obligation to correct the Discrepancies, Purchaser will retain fifteen percent (15%) of the Purchase Price ("Holdback"). At Purchaser's discretion, Purchaser may waive Seller's obligation to correct a Discrepancy and the cost of such correction will be credited back to Purchaser from the Holdback.

ARTICLE IV. CLOSING PROCEDURES

4.1 **Purchaser's Pre-Closing Obligations.** On or prior to the Closing Date, Purchaser shall (i) position or cause to be positioned with Escrow Agent: (1) a signed and undated Delivery Receipt and Assignment of Warranties, attached hereto as Exhibit D, (2) the Purchaser Registration Documents, (3) any necessary documents to release the Aircraft from the Security Agreement in favor of Purchaser ("BSA"), (4) Purchaser's half of Escrow Fees, and (iii) register as a Transacting User Entity and designate the Escrow Agent as its Professional User Entity on the International Registry.

4.2 **Seller's Pre-Closing Obligations.** On or prior to the Closing Date: Seller shall: (i) position the Aircraft to the Delivery Location; (ii) register as a Transacting User Entity and designate the Escrow Agent as its Professional User Entity on the International Registry, and (iii) pre-position or cause to be pre-positioned with the Escrow Agent: (1) an undated, but otherwise fully executed Warranty Bill of Sale conveying title from Seller to Purchaser; (2) an undated, but otherwise executed Assignment of Warranties; (3) an undated, but otherwise fully executed FAA Bill of Sale conveying title from Seller to Purchaser; (4) any necessary Lien release documents, (5) Seller's half of Escrow Fees, and (6) any other documents necessary to transfer title from Seller to Purchaser or accomplish the intent of this Agreement.

THE PRE-POSITIONING OF ANY DOCUMENT OR THE BALANCE OF THE PURCHASE PRICE WITH THE ESCROW AGENT IS FOR THE CONVENIENCE OF THE PARTIES ONLY SO THAT THEY MAY BE RELEASED AT THE ORAL OR WRITTEN DIRECTION OF THE DEPOSITING PARTIES FOLLOWING SATISFACTION OF ANY CONDITIONS CONTAINED HEREIN AND SHALL NOT BE CONSTRUED AS OR IMPLY ACCEPTANCE OF THE AIRCRAFT OR CONVEYANCE OF TITLE THERETO, WHICH MAY ONLY OCCUR AS SPECIFICALLY PROVIDED IN THIS AGREEMENT.

4.3 **Conditions Precedent to Seller's Obligations.** Seller's obligation to sell and deliver the Aircraft to Purchaser on the Closing Date shall be subject to the following conditions precedent:

4.3.1 Purchaser shall not be in breach or default of any of Purchaser's obligations arising under this Agreement;

4.3.2 All of Purchaser's representations set forth in Article 5.2 shall be true and accurate as of the time of Closing;

4.3.3 Purchaser shall have paid all costs agreed to be paid by Purchaser in this Agreement;

4.3.4 Purchaser shall have complied with its obligations in Article 4.1 above; and

4.3.5 Purchaser shall have performed and complied with all of the terms, conditions and covenants required by this Agreement to be performed or complied with by it prior to or at the Closing.

4.4 **Conditions Precedent to Purchaser's Obligations.** Purchaser's obligation to purchase and accept delivery of the Aircraft from Seller on the Closing Date shall be subject to the following conditions precedent:

- 4.4.1 Seller shall not be in breach or default of any of Seller's obligations arising under this Agreement;
- 4.4.2 All of Seller's representations set forth in Article 5.1 shall be true and accurate as of the time of Closing;
- 4.4.3 Seller shall have delivered or caused to be delivered the items identified in Article 4.2 required to be delivered by it; and
- 4.4.4 Seller shall have performed and complied with all of the terms, conditions and covenants required by this Agreement to be performed or complied with by it prior to or at the Closing.
- 4.5 **Closing.** Closing shall begin on a mutually agreed upon date and time. The parties shall perform the following closing deliverables in the order presented, the consummation of which shall constitute the "Closing":
- 4.5.1 Escrow Agent shall confirm in writing to Purchaser that all proper up to date searches for Liens have been completed by the Escrow Agent on the Aircraft (including the Engines) with the International Registry and the FAA Registry, all showing that there are no Liens (other than Liens which the Escrow Agent or Seller shall be able to discharge at Closing in accordance with this Agreement).
- 4.5.2 Escrow Agent shall confirm to the parties that it has received the items set forth in Articles 4.1 and 4.2;
- 4.5.3 Seller shall confirm to Purchaser and Escrow Agent in writing via email that the conditions precedent to Seller's obligations as set forth in Article 4.3 have been satisfied or waived;
- 4.5.4 Purchaser shall confirm to Seller and Escrow Agent in writing via email that the conditions precedent to Purchaser's obligations as set forth in Article 4.4 have been satisfied or waived;
- 4.5.5 Upon receipt of the confirmations in Articles 4.5.3. and 4.5.4, the Escrow Agent, without any further instruction from the parties, shall: (a) date and file any lien release documents necessary to discharge any Liens against the Aircraft, (b) date and submit for filing with the FAA Registry the FAA Bill of Sale and Purchaser Registration Documents, (c) date and release to Purchaser a copy of the Warranty Bill of Sale and Assignment of Warranties, (d) complete, date and release to Seller a copy of the Delivery Receipt (with the time of delivery thereunder being the same as the time that the Escrow Agent submits the FAA Bill of Sale for filing with the FAA), (e) make all necessary discharges and registrations on the International Registry, and (f) retain the Escrow Fees for its services.
- 4.5.6 Immediately upon Escrow Agent's submission for filing the FAA Bill of Sale in accordance with Article 4.5.5.2, Purchaser shall wire the Purchase Price, less the Holdback, to Seller, and Seller shall transfer possession over, and Purchaser shall accept delivery of, the Aircraft at the Delivery Location.
- 4.5.7 During the performance of the above Closing actions by Escrow Agent, Purchaser shall provide to Seller a fuel receipt (or similar third-party verification) issued at the Delivery Location with respect to the Aircraft, a copy of which the parties shall attach to the Delivery Receipt.

ARTICLE V. REPRESENTATIONS AND WARRANTIES

5.1 Seller's Representations and Warranties. Seller hereby represents and warrants that, as of the date hereof, and as of the Closing:

- 5.1.1 Seller is duly formed limited liability company, validly existing, and in good standing, having the capacity to sue and be sued in its own name, having full power, legal right and authority to carry on its business as currently conducted, and to execute, deliver and perform the provisions of this Agreement;
- 5.1.2 The execution, delivery, and performance by Seller of this Agreement, and the sale of the Aircraft, has been duly authorized by all necessary action on behalf of Seller and do not conflict with or result in any breach of any of the terms or constitute a default under any document, instrument, or agreement to which Seller is a party;
- 5.1.3 The person executing this Agreement on behalf of Seller has full power and authority to do so;
- 5.1.4 Neither it nor any of its employees (or any assignee as defined in Article 8.7 hereof) are listed by the United States Department of Treasury on the Specifically Designated Nationals and Blocked Persons List or by the United States Department of Commerce on the Denied Persons List. There exists no United States prohibition on the transactions contemplated by this Agreement related to the identity, citizenship, location or business of Seller or to the purpose for which the Aircraft was previously used;
- 5.1.5 Seller has not entered into any other agreements under which it has agreed to sell or lease or otherwise encumber the Aircraft or any part thereof, other than this Agreement or any Liens that are to be discharged at Closing.
- 5.1.6 This Agreement constitutes the legal, valid and binding obligations of Seller and is enforceable against Seller in accordance with its terms subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting the enforceability of contractual obligations and creditors' rights generally and by the application of equitable principles by courts of competent jurisdiction, sitting at law or in equity; and
- 5.1.7 Seller is the lawful beneficial owner of the Aircraft as of the date of execution of this Agreement, and at the time of the Closing, will convey good and marketable title to the Aircraft, free and clear of all Liens to Purchaser, and Seller will warrant and defend such title forever against all claims and demands whatsoever.
- 5.1.8 Seller has paid any and all taxes, fees, duties, penalties, charges, invoices, and statements arising from any purchase, sale, delivery, transfer, possessions, use, storage, operation, consumption, or registration of the Aircraft prior to the Closing ("Amounts Owed"), provided that, if Amounts Owed are not yet due, imposed, levied, or assessed against Seller or the Aircraft, Seller will pay such Amounts Owed when due, imposed, levied, or assessed and will defend and hold Purchaser harmless from such Amounts Owed.
- 5.1.9 Seller has not entered into any agreement for commissions, brokerage fees or similar fees to be paid upon transfer of the Aircraft that would become the obligation of Purchaser or a lien on the Aircraft nor does Seller have any agreement or arrangement to pay any consideration whatsoever, directly or indirectly, to any employee, agent or independent contractor of Purchaser.

5.2 Purchaser's Representations and Warranties. Purchaser hereby represents and warrants that, as of the date hereof, and as of the Closing:

- 5.2.1 Purchaser is a duly formed limited liability company, validly existing, and in good standing, having the capacity to sue and be sued in its own name, having full power, legal right and authority to carry on its business as currently conducted, and to execute, deliver and perform the provisions of this Agreement;
- 5.2.2 The execution, delivery, and performance by Purchaser of this Agreement, and the acquisition of the Aircraft, has been duly authorized by all necessary action on behalf of Purchaser and do not conflict with or result in any breach of any of the terms or constitute a default under any document, instrument, or agreement to which Purchaser is a party;
- 5.2.3 The person executing this Agreement on behalf of Purchaser has full power and authority to do so;
- 5.2.4 This Agreement constitutes the legal, valid and binding obligations of Purchaser and is enforceable against Purchaser in accordance with its terms subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting the enforceability of contractual obligations and creditors' rights generally and by the application of equitable principles by courts of competent jurisdiction, sitting at law or in equity;
- 5.2.5 Purchaser has not entered into any agreement for commissions, brokerage fees or similar fees to be paid upon transfer of the Aircraft that would become the obligation of Seller or a lien on the Aircraft nor does Purchaser have any agreement or arrangement to pay any consideration whatsoever, directly or indirectly, to any employee, agent or independent contractor of Seller;
- 5.2.6 Neither Purchaser nor any of its employees (or any assignee as defined in Article 8.7 hereof) is listed by the United States Department of Treasury on the Specifically Designated Nationals and Blocked Persons List or by the United States Department of Commerce on the Denied Persons List. There exists no United States prohibition on the transactions contemplated by this Agreement related to the identity, citizenship, location or business of Purchaser (or its assignee) or to the purpose for which Purchaser (or its assignee) will use the Aircraft; and
- 5.2.7 No portion of the Purchase Price is derived from Anti-Money Laundering Laws, meaning those laws, regulations and sanctions, state and federal, criminal and civil, that (a) limit the use of and/or seek the forfeiture of proceeds from illegal transactions; (b) limit commercial transactions with designated countries or individuals believed to be terrorists, narcotics dealers or otherwise engaged in activities contrary to the interests of the United States; (c) require identification and documentation of the parties with whom a financial institution conducts business; or (d) are designed to disrupt the flow of funds to terrorist organizations. Such laws, regulations and sanctions shall be deemed to include the Patriot Act, the Bank Secrecy Act, the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957.

ARTICLE VI. DISCLAIMER

- 5.1 DISCLAIMER AND LIMITATION OF LIABILITY. EXCEPT FOR SELLER'S WARRANTIES MADE IN SECTION 5.1 HEREIN AND THE WARRANTY OF TITLE TO THE AIRCRAFT AS SET FORTH HEREIN AND IN THE WARRANTY BILL OF SALE, THE AIRCRAFT AND EACH PART THEREOF IS BEING SOLD AND DELIVERED TO PURCHASER IN "AS IS, WHERE IS, WITH ALL FAULTS" CONDITION ON THE CLOSING DATE, WITHOUT ANY

REPRESENTATION, WARRANTY OR GUARANTY OF ANY KIND BEING MADE OR GIVEN BY SELLER, ITS SHAREHOLDERS, MEMBERS, DIRECTORS, OFFICERS, MANAGERS, AGENTS, EMPLOYEES OR ATTORNEYS, EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE AND SELLER DISCLAIMS ALL EXPRESS OR IMPLIED WARRANTIES WHETHER ARISING IN LAW, IN EQUITY, IN CONTRACT OR IN TORT, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY, AIRWORTHINESS, DESIGN, CONDITION, OR FITNESS FOR A PARTICULAR USE. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EXCEPT FOR SELLER'S WARRANTY OF TITLE TO THE AIRCRAFT AS SET FORTH HEREIN AND IN THE WARRANTY BILL OF SALE, SELLER SHALL NOT BE LIABLE OR RESPONSIBLE TO PURCHASER FOR ANY DEFECTS, EITHER PATENT OR LATENT IN THE AIRCRAFT OR FOR ANY DIRECT OR INDIRECT DAMAGE TO PERSONS OR PROPERTIES RESULTING THEREFROM OR FOR PURCHASER'S LOSS OF USE OF OR A DIMINUTION IN VALUE OF THE AIRCRAFT OR FOR ANY INTERRUPTION IN PURCHASER'S BUSINESS CAUSED BY PURCHASER'S INABILITY TO USE THE AIRCRAFT FOR ANY REASON WHATSOEVER.

- 5.2 EXCEPT IN CASES OF FRAUD OR WILFUL MISCONDUCT, UNDER NO CIRCUMSTANCES SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR LOST PROFITS, LOSS OF BUSINESS, LOSS OF USE OR ANY OTHER INCIDENTAL, INDIRECT, CONSEQUENTIAL OR SPECIAL DAMAGES ARISING OUT OF OR RELATED TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY DELAY IN CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED HEREBY, AND EACH PARTY HEREBY WAIVES ANY RIGHT IT MAY HAVE TO SUCH DAMAGES.

ARTICLE VII. TAXES

- 7.1 **Seller's Taxes.** Seller has paid and/or shall bear, and shall defend, indemnify and hold Purchaser harmless from and against, any and all sales, use, value added, excise and other similar taxes (including excise-equivalent customs duty), and any and all taxes, fees, duties, interest, penalties, charges, invoices, claims, assessments and statements imposed or imposable by any federal, state, county, local, foreign or other governmental authority, entity or party arising from any purchase, sale, lease, delivery, transfer, possession, use, storage, operation, maintenance, consumption, or registration of the Aircraft prior to the Closing. In the event Purchaser receives written notice of any audit, claim, assessment or proposed assessment of any tax for which Seller may be responsible under this Article 7.1, Purchaser shall notify Seller within ten (10) Business Days thereof, and Seller and Purchaser shall reasonably cooperate to manage and/or defend any such audit, claim, assessment or proposed assessment.
- 7.2 **Purchaser's Taxes.** Purchaser shall bear, and shall defend, indemnify and hold Seller harmless from and against any and all sales, use, value added, excise and other similar taxes (including excise-equivalent customs duty), and any taxes, fees, duties, interest, penalties, charges, invoices, claims and statements relating thereto, which may be imposed by any federal, state, county, local, foreign or other governmental authority as a result of the sale, delivery or transfer of the Aircraft to Purchaser, or the ownership, possession, use or storage of the Aircraft after the Closing, except to the extent (i) imposed on or measured by Seller's income or (ii) related to a period (or portion thereof) ending on or prior to the Closing. In the event Seller receives written notice of any audit, claim, assessment or proposed assessment of any tax for which Purchaser may be responsible under this Article 7.2, Seller shall notify Purchaser within ten (10) Business Days thereof, and Seller and Purchaser shall

reasonably cooperate to manage and/or defend any such audit, claim, assessment or proposed assessment.

- 7.3 **Mitigation.** Seller and Purchaser shall cooperate to mitigate any Taxes that may be imposed upon either party as a result of the sale and delivery of the Aircraft pursuant to this Agreement, including (if necessary) changing the Delivery Location and provision of applicable exemption certificates, affidavits, or other similar paperwork.

ARTICLE VIII. MISCELLANEOUS

- 3.1 **Manufacturer Warranties.** Seller shall cause all rights under any manufacturer warranties to be assigned and transferred to Purchaser, or its designee, at Purchaser's expense, effective at the time of the Closing. Seller shall execute and/or provide whatever documents or agreements may be necessary or convenient to vest all rights under such manufacturer warranties in Purchaser, or its designee, maintain their continuity, and to permit Purchaser, or its designee, to assert or process claims thereunder. Seller shall reasonably assist Purchaser in maintaining continuity of and transferring any warranties and shall execute whatever documents or agreements may be required to vest all rights under such warranties in Purchaser and to permit Purchaser to assert or process claims thereunder. The foregoing is subject to the terms and conditions of each warranty. The obligations of this Section shall survive Closing.

3.2 **Risk of Loss, Damage or Destruction of Aircraft.**

- 8.2.1 **Risk of Loss.** Except for Discrepancies discovered during the Post-Closing Inspection, title to, and risk of loss, injury, destruction or damage to the Aircraft, shall pass from Seller to Purchaser at the time that, (i) the Purchase Price is released to Seller, and (ii) the FAA Bill of Sale and Warranty Bill of Sale are released to Purchaser, and (iii) Seller delivers possession of the Aircraft to Purchaser.

- 8.2.2 **Destruction or Damage.** Notwithstanding any contrary provision of this Agreement, if at any time prior to the Closing the Aircraft is destroyed or damaged in such a manner that constitutes a Total Loss, Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (i) be returned to Purchaser, or (ii) continue to be held by Seller in accordance with the Aircraft Operator Agreement, as amended from time-to-time, originally entered into on March 22, 2022 between Blade Urban Air Mobility, Inc., M&N Equipment, LLC d/b/a M&N Aviation, Aviation Bridge, LLC, and Atlas Jet, Inc. or follow on agreement as applicable ("Operator Agreement"), and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts, this Agreement shall terminate and be of no further force or effect. In the event of any damage to the Aircraft following the Effective Date (other than Total Loss occurring prior to Closing), Seller shall promptly notify Purchaser in writing of such damage. Purchaser will have the right, but not the obligation, to have its technical representatives inspect the Aircraft within ten (10) days of Seller's notification to Purchaser ("Damage Inspection"). Purchaser shall, within five (5) Business Days of receipt of Seller's notice or upon completion of its Damage Inspection, whichever occurs later, notify Seller in writing (such notice, the "Damage Election") whether it desires (i) that the Aircraft be repaired by Seller in anticipation of the Closing, or (ii) to terminate this Agreement. In the event that Purchaser elects to terminate this Agreement as a result of damage in accordance with this Article 8.2.2, Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (a) be returned to Purchaser, or (b) continue to be

held by Seller in accordance with Operator Agreement, and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts, this Agreement shall terminate and be of no further force or effect and the parties shall have no further obligations or liabilities with respect to this Agreement.

3.3 Termination and Default.

8.3.1 Purchaser's Right to Terminate. This Agreement may be terminated by Purchaser at any time prior to Closing. If Purchaser elects to terminate this Agreement Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (i) be returned to Purchaser, or (ii) continue to be held by Seller in accordance with Operator Agreement, and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts.

8.3.2 Purchaser's Default. Seller shall have the right to terminate this Agreement in the event of a breach by Purchaser of any material provision of this Agreement (provided that Seller is in compliance with its material obligations under this Agreement) which breach is not cured within one (1) year of the delivery to Purchaser of written notice thereof from Seller or which breach by its nature cannot be cured prior to Closing. Upon Seller's termination of this Agreement under this Article 8.3.2, Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (i) be returned to Purchaser, or (ii) continue to be held by Seller in accordance with Operator Agreement, and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts. The foregoing shall be the sole remedy available to Seller for breach of contract by Purchaser under this Agreement, and Seller waives any other remedies that may be available to Seller at law or in equity for breach of contract.

3.4 Amendments. The provisions of this Agreement may not be waived, altered, modified, amended, supplemented or terminated in any manner whatsoever except by written instrument signed by both parties hereto.

3.5 Severability. Any provision of this Agreement that may be determined by competent authority to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

3.6 Assignment. Purchaser may freely assign this Agreement. Seller may not assign this Agreement.

3.7 Successor and Assigns. This Agreement shall inure to the benefit of and be binding upon each of the parties hereto and their respective successors and permitted assigns.

3.8 Interpretation. The division of this Agreement into Articles, and the insertion of headings, are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The words "hereof," "herein," "hereunder," and words of similar import shall refer to this Agreement as a whole and not to any particular provision thereof. When used herein, the words "include" and "including" shall be construed as "include, without limitation" and "including, without limitation." Except as expressly identified, all dollar amounts are in United States Dollars.

3.9 **Counterparts.** This Agreement may be fully executed in two or more counterparts by each of the parties hereto, such counterparts together constituting but one and the same instrument. Such counterparts may be exchanged via email or other electronic transmission. Electronic signatures through DocuSign are acceptable and will act to create enforceable obligations to the same extent as an original signature.

3.10 **Notices.** All communications, declarations, demands, consents, directions, approvals, instructions, requests and notices required or permitted by this Agreement shall be in writing and shall be deemed to have been duly given or made when delivered personally or transmitted electronically by email, or in the case of documented overnight delivery service or registered or certified mail, return receipt requested, delivery charge or postage prepaid, on the date shown on the receipt therefor, in each case at the address set forth below:

If to Seller: [***]

If to Purchaser: [***]

If to Escrow Agent: [***]

3.11 **Attorney Fees.** In the event it becomes necessary to enforce the terms of this Agreement by litigation or otherwise, the prevailing party shall be entitled to recover its reasonable attorney fees and court costs from the party in breach, including any such fees or costs arising from subsequent appeals and efforts to execute on any judgment.

3.12 **Non-Waiver.** Any failure at any time of either party to enforce any provision of this Agreement shall not constitute a waiver of such provision or prejudice the right of such party to enforce such provision at any subsequent time.

3.13 **Entire Agreement.** The parties agree that the terms and conditions of this Agreement, together with all Schedules and Exhibits, constitute the entire agreement between the parties with respect to the subject matter hereof. This Agreement supersedes all prior agreements between the parties, express or implied including, but not limited to, any offer to purchase or letter of intent.

3.14 **Transaction Costs and Expenses.** Except as otherwise set forth herein, each party to this Agreement shall bear its own transaction costs and expenses, including, without limitation, any brokers' commissions and/or attorneys' fees. Seller and Purchaser will equally split the Escrow Fees. Each party hereto agrees to indemnify and hold the other harmless from and against any claims made by any broker, consultant or other party claiming an interest in the Aircraft or the Purchase Price arising from an actual or alleged relationship or agreement with the indemnifying party.

3.15 **Survival.** In addition to terms that expressly state survival herein, the representations, warranties, and indemnification obligations of Purchaser and Seller shall survive the Closing in perpetuity. Further, any provisions related to Post-Closing Delivery Condition, Inspection, Holdback, or Discrepancies shall survive until such time that the Holdback is returned to Seller.

3.16 **Time is of the Essence.** Time shall be of the essence for all events contemplated hereunder.

3.17 **Further Assurances.** Each of the parties hereto covenants and agrees to execute such other and further documents relating to the matters set forth herein and to take or cause to be taken such other and further actions, as may be reasonably necessary or appropriate to carry out the purposes and intent of this Agreement, and to consummate the transactions contemplated hereby.

3.18 Governing Law/Jurisdiction and Venue. This Agreement shall be governed by the laws of the State of New York without consideration to its choice of law provisions other than Section 5-1401 and Section 5-1402 of the New York General Obligations Law. The parties submit to the exclusive jurisdiction, including personal jurisdiction, of the state or federal courts located in New York, NY, and the parties agree not to raise, and waive, any objections or defenses based upon venue and forum non conveniens. The parties agree that the United Nations Convention on Contracts for the International Sale of Goods is specifically excluded from application to this Agreement, or the transactions contemplated by this Agreement. The parties expressly waive their right to trial by jury.

3.19 Cape Town Convention

8.19.1 Prior to the Closing, Purchaser shall become a "transacting user entity," and Seller shall become a "transacting user entity" with the International Registry. Each of Purchaser and Seller shall bear its own expense in doing so and such expenses shall not be considered Escrow Fees.

8.19.2 Each party shall provide to the other, as a condition to Closing, evidence that it has been approved by the International Registry as a "transacting user entity" and has duly registered with, is authorized to make filings with and has received all approvals from the International Registry and has appointed an "administrator" (as such term is defined and used in the International Registry Procedures and International Registry Regulations).

8.19.3 Each party shall, as a condition to Closing, authorize Escrow Agent to act as, and shall designate Escrow Agent or another mutually agreed party as, its "professional user entity" (as such term is defined and used in the International Registry Procedures and International Registry Regulations) to effect, amend, discharge and consent to registrations with respect to the Airframe and the Engines on its behalf. Neither Seller nor Purchaser shall revoke such authorization until after the earlier to occur of (i) the discharge of any International Interests and registration of a Contract of Sale of the Airframe and Engines with the International Registry following release of the Warranty Bill of Sale conveying the Aircraft from Seller to Purchaser or (ii) termination of this Agreement in accordance with its terms. Purchaser shall have no right to and hereby agrees that it will not register, consent to or allow any third party (including, without limitation, any prospective lender or assignee) to register any Contract of Sale, Prospective Sale, International Interest or Prospective International Interest with respect to the Airframe or Engines until title to the Aircraft has been conveyed to Purchaser at the Closing, and if there has been any such registration, take all necessary actions to discharge or cause to discharge such registration immediately at its sole cost and expense.

8.19.4 Purchaser and Seller shall cooperate to cause Escrow Agent, as a professional user entity, to register a Contract of Sale of the Airframe and the Engines with the International Registry immediately after release of the Warranty Bill of Sale. Seller and Purchaser each hereby expressly consents to the registration of the Contract of Sale with respect to the Airframe and the Engines.

8.19.5 Immediately prior to Closing, the Escrow Agent shall obtain a Priority Search Certificate (as such term is defined and used in the International Registry Procedures and the International Registry Regulations) from the International Registry with respect to the Airframe and the Engines) confirming that no prior International Interest exists that will not be otherwise discharged at Closing with respect to the Airframe and the Engines. Any Priority Search Certificate obtained by the Escrow Agent from the International Registry with respect to the

Airframe and the Engines shall identify the Purchaser and the Seller as having the benefit of the search.

- 8.19.6 If, in the event of termination of this Agreement for any reason whatsoever, any International Interest, Prospective International Interest, Contract of Sale, Prospective Contract of Sale or other interest has been filed or registered against the Airframe and/or Engines as a result of the acts or omissions of Purchaser, or by Purchaser or any person claiming by, through or under Purchaser or consented to by Purchaser, Purchaser hereby irrevocably authorizes and directs the Escrow Agent to cause the discharge of any such filing or registration not later than one (1) Business Day after the Escrow Agent becomes aware of any such filing or registration. Seller shall have all of the rights available to it under law or in equity, including the right of specific performance, to enforce Purchaser's performance of its obligations under this Article 8.20.6 Notwithstanding anything in this Agreement to the contrary, Purchaser agrees to be responsible for and upon demand to indemnify Seller and to hold Seller harmless from and against any and all claims, demands, liabilities, damages, losses and judgments, including legal fees and all expenses, arising out of any breach by Purchaser of any of its obligations under Article 8.20.6. This indemnity obligation and all of Purchaser's other obligations under this Article 8.20.6 shall survive the termination of this Agreement for any reason.
- 8.19.7 Purchaser shall have no right to and hereby agrees that it will not register, consent to or allow any third party claiming by, through or under Purchaser to register or consent to any Contract of Sale, Prospective Sale, International Interest or Prospective International Interest with respect to the Airframe or Engines until title to the Aircraft has been conveyed to Purchaser at the Closing. Seller shall have no obligation to register or consent to any registration of any Contract of Sale, Prospective Sale, International Interest or Prospective International Interest with respect to the Airframe and/or Engines until title to the Aircraft has been conveyed to Purchaser at the Closing
- 3.20 **Agreement Negotiated.** The parties to this Agreement are sophisticated and have been represented or had the opportunity to be represented in connection with the negotiation and performance of this Agreement. The parties agree that no presumptions relating to the interpretation of contracts against the drafter of any particular clause should or may be applied in this case and, therefore, waive their effects.
- 3.21 **Confidentiality.** The terms and conditions of this Agreement, and all writings, discussions, and negotiations in connection with the transaction contemplated by this Agreement (including, without limitation, the fact that discussions and negotiations have been conducted by the parties), shall remain strictly confidential and shall not be disclosed by either party, without the prior written consent of the other party, except that each party shall be entitled to disclose the terms and conditions of this Agreement (i) as may be required by law or legal process; (ii) to such party's attorneys, accountants, consultants, lenders, and other advisors performing services for such party with respect to or affected by the transaction contemplated by this Agreement including Escrow Agent and their personnel; (iii) to each party's employees with a need to know; (iv) as may be required to permit such party to pursue all available remedies for breach of this Agreement by the other party; and (v) to any entity that may provide financing to Purchaser in connection with the acquisition of the Aircraft.
- 3.22 **Control.** Notwithstanding any provision to the contrary herein, any conflict between this Agreement and any provision within any document between the Parties, including but not limited to, management agreements, purchase agreements, operator agreements, or the BSAs, the provision that

provides the most favorable outcome to Blade, in Blade's sole discretion, will control the subject matter.

[Signature Page follows immediately]

IN WITNESS WHEREOF, the undersigned parties have caused this Aircraft Purchase Agreement to be executed, delivered and effective as of the date first above written.

SELLER:

PURCHASER:

Aviation Bridge, LLC

N800TL LLC

By: Blade Urban Air Mobility, Inc.,
its managing member

By: /s/ Zvi Dannenberg

By: /s/ Melissa Tomkiel

Name: Zvi Dannenberg

Name: Melissa Tomkiel

Title: Director

Title: President

*****] = Certain information contained in this document has been omitted because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.**

AIRCRAFT PURCHASE AGREEMENT

This AIRCRAFT PURCHASE AGREEMENT (this "Agreement") is made and entered into as of March 11, 2024 (the "Effective Date"), by and between N818LX LLC, a Delaware limited liability company ("Seller"), and M&N Equipment, LLC dba M&N Aviation, a Wyoming limited liability company ("Purchaser").

WITNESSETH:

A. **WHEREAS**, Seller desires to sell the Aircraft to Purchaser, and Purchaser desires to purchase the Aircraft from Seller, upon the terms and subject to the conditions set forth herein.

B. **WHEREAS**, capitalized terms used herein and not otherwise defined shall have the meanings set forth in Article I.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants, obligations and agreements herein contained, the parties, intending to be legally bound hereby, agree as follows:

ARTICLE I. DEFINITIONS

The following terms shall have the following meanings for all purposes of this Agreement:

"Aircraft" means (i) that certain Raytheon Aircraft Company model Hawker 800XP aircraft bearing manufacturer's serial number [***] and U.S. Registration Number N818LX (the "Airframe") equipped with two (2) Allied Signal model TFE731-5BR aircraft engines bearing manufacturer's serial numbers [***] and [***] (the "Engines") and one (1) Honeywell model GTCP36-150(W) auxiliary power unit bearing manufacturer's serial number [***] (the "APU"), (ii) all appurtenances, appliances, parts, instruments, components, accessions, furnishings and other equipment incorporated in or attached to any of the foregoing, (iii) all components, electronics, loose equipment, and accessories normally used or stored aboard the Aircraft or in Seller's possession and control or as otherwise identified on Exhibit A (e.g., china, glassware, flatware, flyaway kits, medical kits, and life rafts) (collectively, the "Equipment"), and (iv) all Aircraft Documents.

"Aircraft Documents" means all (i) documents and records required to be maintained by the FAA with respect to the Aircraft for Part 91 and 135 operations (including electronic versions), Airframe, Engine, and APU logbooks and maintenance records, flight operations manuals and checklists (most current revision), weight and balance manuals, FAA Form 8130-3s (or foreign equivalents), yellow tags, and other parts traceability records, fireblock certificates, task cards, overhaul records, wiring diagrams, completion manuals, supplemental type certificates, and engineering diagrams relating to the Aircraft, and (ii) all other documents and records in Seller's possession and control that relate to the Aircraft.

"Airworthiness" or **"Airworthy"** or **"Airworthy Condition"** means that Purchaser's Representative has determined that (i) the Aircraft is in a condition required to hold the current Airworthiness Certificate; (ii) the Aircraft conforms to the type certification issued by the FAA with respect to the type of aircraft which includes the Aircraft, including any Supplemental Type Certificates; (iii) the Aircraft is in a condition for safe operation; and (iv) the Aircraft is returned to service in accordance with applicable regulations, including those set forth in Parts 91 and 135.

“Business Day” means any day of the year (other than a Saturday or a Sunday) in which banks are authorized to operate or are not required to close in the State of New York and, only when being used with respect to the Closing Date, a day in which the FAA Registry is open for filing documents.

“Cape Town Convention” means, collectively, the Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment which were adopted on November 16, 2001 at a diplomatic conference held in Cape Town, South Africa.

“Closing” means the consummation of the purchase and sale transaction contemplated by this Agreement, as described in Article 4.5.

“Closing Date” means the date Closing is completed.

“Delivery Location” means a mutually agreed upon location within the continental United States that does not give rise to adverse tax consequences to the parties.

“Delivery Receipt” means an Aircraft Delivery Receipt in the form of Exhibit B, attached hereto.

“Deposit” means the purchase money deposit in the sum of \$1,861,577.00, which has been deposited with Seller.

“Discrepancy” means (i) items/conditions discovered during the Inspection that do not comply with the Post-Closing Delivery Condition, and (ii) any deferred or extended repairs, maintenance, or inspections, including but not limited to items on the Minimum Equipment List, that exist as of the Closing Date.

“Escrow Agent” means Insured Aircraft Title Service, LLC, 21 E. Main Street, Suite 100, Oklahoma City, Oklahoma 73104.

“Escrow Fees” means the fees and expenses of the Escrow Agent relating to the transactions contemplated hereby which shall be split equally between Purchaser and Seller (but shall not include any fees charged by Escrow Agent to either of the parties with respect to applying as a transacting user entity on the International Registry).

“FAA” means the United States of America Federal Aviation Administration and all successor agencies.

“FAA Airworthiness Certificate” means a United States Standard Airworthiness Certificate (FAA Form 8100-2).

“FAA Bill of Sale” means an FAA Aeronautical Center Form 8050-2 Aircraft Bill of Sale in a form recordable by the FAA.

“FAA Registry” means the FAA Civil Aircraft Registry, Aircraft Registration Branch, Mike Monroney Aeronautical Center, 6500 South MacArthur Boulevard, Oklahoma City, Oklahoma 73169.

“International Interest” has the meaning given to it in the Cape Town Convention.

“International Registry” means the international registry located in Dublin, Ireland, established pursuant to the Cape Town Convention.

“International Registry Procedures” means the official English language text of the Procedures of the International Registry issued by the supervisory authority thereof pursuant to the Cape Town Convention.

“International Registry Regulations” means the official English language text of the Regulations of the International Registry issued by the supervisory authority thereof pursuant to the Cape Town Convention.

“Lien” means any lien, mortgage, security interest, title defect, lease, and/or other notation, claim, charge, International Interest, encumbrance, and/or right of others.

“Material Corrosion” means corrosion (or history of corrosion) of the Aircraft or any part or component thereof beyond manufacturer's tolerances, limitations, or specifications (i) the repair of which constitutes Material Damage, or (ii) which cannot be repaired, rectified and terminated on a non-recurring basis such that the Aircraft can be Returned to Service without a requirement of repetitive or recurring inspections which deviate from the Aircraft manufacturer's normal maintenance procedures or require modifications to the normal component life limitations, overhaul and/or inspection intervals for the Aircraft.

“Material Damage” means any damage (or history of damage) to the Aircraft or any part thereof that (a) requires or required the issuance of an FAA Form 337 or any foreign equivalent or that requires or required an alteration or repair which would constitute a “major repair” as such term is defined in 14 C.F.R., Part 43, Appendix A and recorded in a manner prescribed by 14 C.F.R., Part 43, Appendix B, or foreign equivalent, (b) requires or required any deviation from the original approved manufacturer's aircraft build specification or standard production configuration, (c) requires repetitive or recurring or non-standard inspections which deviate from the Aircraft manufacturer's normal maintenance procedures or required modifications to the normal component life limitations, overhaul and/or inspection intervals for the Aircraft, and/or (iv) bird strikes, lightning strikes, or hail damage.

“Purchase Price” means the amount of \$2,465,607.00.

“Purchaser Registration Documents” means an FAA Form AC 8050-1 Aircraft Registration Application, and any other documents necessary to register the Aircraft in Purchaser's name with the FAA Registry.

“Purchaser Representative” means a mutually agreed upon representative.

“Total Loss” means, with respect to the Aircraft (including for the purposes of this definition, the Airframe and Engines), the total loss or the loss of the use thereof due to theft, disappearance, destruction or the requisition or taking of use of the Aircraft or any substantial part thereof by any governmental entity; and/or any damage to the Aircraft or any part thereof to any extent which, in the opinion of the insurers with which the Aircraft is insured, renders repair impractical or uneconomic; and/or any other event which is treated by the insurers with which the Aircraft is insured, or by Seller or any governmental entity having jurisdiction thereof, as a total loss of the Aircraft.

“Warranty Bill of Sale” means a Warranty Bill of Sale for the Aircraft in the form of Exhibit C, attached hereto.

ARTICLE II. AGREEMENT TO BUY AND SELL

2.1 Agreement. For and in consideration of the Purchase Price, on the Closing Date, Seller shall sell and deliver the Aircraft to Purchaser, and Purchaser shall purchase and accept delivery of the Aircraft from Seller, on and subject to the terms and conditions set forth herein.

2.2 Deposit. Seller is in possession of the Deposit.

ARTICLE III. DELIVERY CONDITION AND INSPECTION

3.1 **Closing Date Delivery Condition.** At Closing, the Aircraft will be delivered to Purchaser at the Delivery Location in "as-is, where-is" physical condition.

3.2 **Post-Closing Delivery Condition.** "Post-Closing Delivery Condition" means:

- 3.2.1 With all Equipment and Aircraft Documents, which shall be in original, current, up to date (latest revision of each as applicable), complete (including hard copy, digital, or similar formats as applicable), accurate, and consecutive condition and in English;
- 3.2.2 With a valid Standard US Airworthiness Certificate with no exceptions or limitations other than those common to aircraft of similar make, model, and production year;
- 3.2.3 In airworthy condition and suitable for operations under Part 91 and 135 of the Federal Aviation Regulations;
- 3.2.4 With all systems, avionics, equipment, parts, and components of the Aircraft in normal working order and each operating in a manner that is consistent with the standard manufacturers' specifications;
- 3.2.5 In compliance with all FAA Airworthiness Directives ("AD") and mandatory service bulletins that are due prior to the Closing, without deferment or extensions, and, if any terminating action is due, such action shall have been completed;
- 3.2.6 With all maintenance and inspections (hourly, calendar, and cycles) in accordance with its current FAR Part 135 FAA approved maintenance program, current through the Closing with no deferments or extensions;
- 3.2.7 With no engineering dispositions or technical variances, or non-standard or recurring inspections or intervals outside of the manufacturer's recommended maintenance program or maintenance manual;
- 3.2.8 Enrolled and current on a computerized maintenance tracking program;
- 3.2.9 With any remaining factory and vendor warranties transferable to Purchaser or available for follow on contracts in accordance with their respective terms;
- 3.2.10 With no parts, systems or components installed in the Aircraft on a temporary, loan, or exchange basis;
- 3.2.11 With no Material Damage or Material Corrosion identified during the Inspection; and
- 3.2.12 With no missing placards and with Seller's company name and logos removed or deleted from the interior and exterior of the Aircraft (including Airshow).

3.3 **Post-Closing Inspection.** At a mutually agreed upon time and location, within ninety (90) days from Closing, Purchaser, at Purchaser's expense, shall have the right to conduct an evaluation in accordance with the Inspection Workslope attached hereto as Exhibit E (the "Inspection"). The timeline for the Post-Closing Inspection will be extended if Seller's actions or omissions restrict Purchaser's ability to perform the Inspection.

3.4 **Discrepancy Correction.** Following completion of the Inspection (evidenced by Sellers receipt of a written report of Discrepancies) Seller, at Seller's expense, will cause the correction of Discrepancies.

3.5 **Holdback.** At Closing, as security for Seller's obligation to correct the Discrepancies, Purchaser will retain fifteen percent (15%) of the Purchase Price ("Holdback"). At Purchaser's discretion, Purchaser may waive Seller's obligation to correct a Discrepancy and the cost of such correction will be credited back to Purchaser from the Holdback.

ARTICLE IV. CLOSING PROCEDURES

4.1 **Purchaser's Pre-Closing Obligations.** On or prior to the Closing Date, Purchaser shall (i) position or cause to be positioned with Escrow Agent: (1) a signed and undated Delivery Receipt and Assignment of Warranties, attached hereto as Exhibit D, (2) the Purchaser Registration Documents, (3) any necessary documents to release the Aircraft from the Security Agreement in favor of Purchaser ("BSA"), (4) Purchaser's half of Escrow Fees, and (iii) register as a Transacting User Entity and designate the Escrow Agent as its Professional User Entity on the International Registry.

4.2 **Seller's Pre-Closing Obligations.** On or prior to the Closing Date: Seller shall: (i) position the Aircraft to the Delivery Location; (ii) register as a Transacting User Entity and designate the Escrow Agent as its Professional User Entity on the International Registry, and (iii) pre-position or cause to be pre-positioned with the Escrow Agent: (1) an undated, but otherwise fully executed Warranty Bill of Sale conveying title from Seller to Purchaser; (2) an undated, but otherwise executed Assignment of Warranties; (3) an undated, but otherwise fully executed FAA Bill of Sale conveying title from Seller to Purchaser; (4) any necessary Lien release documents, (5) Seller's half of Escrow Fees, and (6) any other documents necessary to transfer title from Seller to Purchaser or accomplish the intent of this Agreement.

THE PRE-POSITIONING OF ANY DOCUMENT OR THE BALANCE OF THE PURCHASE PRICE WITH THE ESCROW AGENT IS FOR THE CONVENIENCE OF THE PARTIES ONLY SO THAT THEY MAY BE RELEASED AT THE ORAL OR WRITTEN DIRECTION OF THE DEPOSITING PARTIES FOLLOWING SATISFACTION OF ANY CONDITIONS CONTAINED HEREIN AND SHALL NOT BE CONSTRUED AS OR IMPLY ACCEPTANCE OF THE AIRCRAFT OR CONVEYANCE OF TITLE THERETO, WHICH MAY ONLY OCCUR AS SPECIFICALLY PROVIDED IN THIS AGREEMENT.

4.3 **Conditions Precedent to Seller's Obligations.** Seller's obligation to sell and deliver the Aircraft to Purchaser on the Closing Date shall be subject to the following conditions precedent:

4.3.1 Purchaser shall not be in breach or default of any of Purchaser's obligations arising under this Agreement;

4.3.2 All of Purchaser's representations set forth in Article 5.2 shall be true and accurate as of the time of Closing;

4.3.3 Purchaser shall have paid all costs agreed to be paid by Purchaser in this Agreement;

4.3.4 Purchaser shall have complied with its obligations in Article 4.1 above; and

4.3.5 Purchaser shall have performed and complied with all of the terms, conditions and covenants required by this Agreement to be performed or complied with by it prior to or at the Closing.

4.4 **Conditions Precedent to Purchaser's Obligations.** Purchaser's obligation to purchase and accept delivery of the Aircraft from Seller on the Closing Date shall be subject to the following conditions precedent:

4.4.1 Seller shall not be in breach or default of any of Seller's obligations arising under this Agreement;

- 4.4.2 All of Seller's representations set forth in Article 5.1 shall be true and accurate as of the time of Closing;
- 4.4.3 Seller shall have delivered or caused to be delivered the items identified in Article 4.2 required to be delivered by it; and
- 4.4.4 Seller shall have performed and complied with all of the terms, conditions and covenants required by this Agreement to be performed or complied with by it prior to or at the Closing.
- 4.5 **Closing.** Closing shall begin on a mutually agreed upon date and time. The parties shall perform the following closing deliverables in the order presented, the consummation of which shall constitute the "Closing":
- 4.5.1 Escrow Agent shall confirm in writing to Purchaser that all proper up to date searches for Liens have been completed by the Escrow Agent on the Aircraft (including the Engines) with the International Registry and the FAA Registry, all showing that there are no Liens (other than Liens which the Escrow Agent or Seller shall be able to discharge at Closing in accordance with this Agreement).
- 4.5.2 Escrow Agent shall confirm to the parties that it has received the items set forth in Articles 4.1 and 4.2;
- 4.5.3 Seller shall confirm to Purchaser and Escrow Agent in writing via email that the conditions precedent to Seller's obligations as set forth in Article 4.3 have been satisfied or waived;
- 4.5.4 Purchaser shall confirm to Seller and Escrow Agent in writing via email that the conditions precedent to Purchaser's obligations as set forth in Article 4.4 have been satisfied or waived;
- 4.5.5 Upon receipt of the confirmations in Articles 4.5.3. and 4.5.4, the Escrow Agent, without any further instruction from the parties, shall: (a) date and file any lien release documents necessary to discharge any Liens against the Aircraft, (b) date and submit for filing with the FAA Registry the FAA Bill of Sale and Purchaser Registration Documents, (c) date and release to Purchaser a copy of the Warranty Bill of Sale and Assignment of Warranties, (d) complete, date and release to Seller a copy of the Delivery Receipt (with the time of delivery thereunder being the same as the time that the Escrow Agent submits the FAA Bill of Sale for filing with the FAA), (e) make all necessary discharges and registrations on the International Registry, and (f) retain the Escrow Fees for its services.
- 4.5.6 Immediately upon Escrow Agent's submission for filing the FAA Bill of Sale in accordance with Article 4.5.5.2, Purchaser shall wire the Purchase Price, less the Holdback, to Seller, and Seller shall transfer possession over, and Purchaser shall accept delivery of, the Aircraft at the Delivery Location.
- 4.5.7 During the performance of the above Closing actions by Escrow Agent, Purchaser shall provide to Seller a fuel receipt (or similar third-party verification) issued at the Delivery Location with respect to the Aircraft, a copy of which the parties shall attach to the Delivery Receipt.

ARTICLE V. REPRESENTATIONS AND WARRANTIES

- 5.1 **Seller's Representations and Warranties.** Seller hereby represents and warrants that, as of the date hereof, and as of the Closing:

- 5.1.1 Seller is duly formed limited liability company, validly existing, and in good standing, having the capacity to sue and be sued in its own name, having full power, legal right and authority to carry on its business as currently conducted, and to execute, deliver and perform the provisions of this Agreement;
- 5.1.2 The execution, delivery, and performance by Seller of this Agreement, and the sale of the Aircraft, has been duly authorized by all necessary action on behalf of Seller and do not conflict with or result in any breach of any of the terms or constitute a default under any document, instrument, or agreement to which Seller is a party;
- 5.1.3 The person executing this Agreement on behalf of Seller has full power and authority to do so;
- 5.1.4 Neither it nor any of its employees (or any assignee as defined in Article 8.7 hereof) are listed by the United States Department of Treasury on the Specifically Designated Nationals and Blocked Persons List or by the United States Department of Commerce on the Denied Persons List. There exists no United States prohibition on the transactions contemplated by this Agreement related to the identity, citizenship, location or business of Seller or to the purpose for which the Aircraft was previously used;
- 5.1.5 Seller has not entered into any other agreements under which it has agreed to sell or lease or otherwise encumber the Aircraft or any part thereof, other than this Agreement or any Liens that are to be discharged at Closing.
- 5.1.6 This Agreement constitutes the legal, valid and binding obligations of Seller and is enforceable against Seller in accordance with its terms subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting the enforceability of contractual obligations and creditors' rights generally and by the application of equitable principles by courts of competent jurisdiction, sitting at law or in equity; and
- 5.1.7 Seller is the lawful beneficial owner of the Aircraft as of the date of execution of this Agreement, and at the time of the Closing, will convey good and marketable title to the Aircraft, free and clear of all Liens to Purchaser, and Seller will warrant and defend such title forever against all claims and demands whatsoever.
- 5.1.8 Seller has paid any and all taxes, fees, duties, penalties, charges, invoices, and statements arising from any purchase, sale, delivery, transfer, possessions, use, storage, operation, consumption, or registration of the Aircraft prior to the Closing ("Amounts Owed"), provided that, if Amounts Owed are not yet due, imposed, levied, or assessed against Seller or the Aircraft, Seller will pay such Amounts Owed when due, imposed, levied, or assessed and will defend and hold Purchaser harmless from such Amounts Owed.
- 5.1.9 Seller has not entered into any agreement for commissions, brokerage fees or similar fees to be paid upon transfer of the Aircraft that would become the obligation of Purchaser or a lien on the Aircraft nor does Seller have any agreement or arrangement to pay any consideration whatsoever, directly or indirectly, to any employee, agent or independent contractor of Purchaser.
- 5.2 **Purchaser's Representations and Warranties.** Purchaser hereby represents and warrants that, as of the date hereof, and as of the Closing:
- 5.2.1 Purchaser is a duly formed limited liability company, validly existing, and in good standing, having the capacity to sue and be sued in its own name, having full power, legal right and authority to carry on its business as currently conducted, and to execute, deliver and perform the provisions of this Agreement;

- 5.2.2 The execution, delivery, and performance by Purchaser of this Agreement, and the acquisition of the Aircraft, has been duly authorized by all necessary action on behalf of Purchaser and do not conflict with or result in any breach of any of the terms or constitute a default under any document, instrument, or agreement to which Purchaser is a party;
- 5.2.3 The person executing this Agreement on behalf of Purchaser has full power and authority to do so;
- 5.2.4 This Agreement constitutes the legal, valid and binding obligations of Purchaser and is enforceable against Purchaser in accordance with its terms subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting the enforceability of contractual obligations and creditors' rights generally and by the application of equitable principles by courts of competent jurisdiction, sitting at law or in equity;
- 5.2.5 Purchaser has not entered into any agreement for commissions, brokerage fees or similar fees to be paid upon transfer of the Aircraft that would become the obligation of Seller or a lien on the Aircraft nor does Purchaser have any agreement or arrangement to pay any consideration whatsoever, directly or indirectly, to any employee, agent or independent contractor of Seller;
- 5.2.6 Neither Purchaser nor any of its employees (or any assignee as defined in Article 8.7 hereof) is listed by the United States Department of Treasury on the Specifically Designated Nationals and Blocked Persons List or by the United States Department of Commerce on the Denied Persons List. There exists no United States prohibition on the transactions contemplated by this Agreement related to the identity, citizenship, location or business of Purchaser (or its assignee) or to the purpose for which Purchaser (or its assignee) will use the Aircraft; and
- 5.2.7 No portion of the Purchase Price is derived from Anti-Money Laundering Laws, meaning those laws, regulations and sanctions, state and federal, criminal and civil, that (a) limit the use of and/or seek the forfeiture of proceeds from illegal transactions; (b) limit commercial transactions with designated countries or individuals believed to be terrorists, narcotics dealers or otherwise engaged in activities contrary to the interests of the United States; (c) require identification and documentation of the parties with whom a financial institution conducts business; or (d) are designed to disrupt the flow of funds to terrorist organizations. Such laws, regulations and sanctions shall be deemed to include the Patriot Act, the Bank Secrecy Act, the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957.

ARTICLE VI. DISCLAIMER

- 3.1 DISCLAIMER AND LIMITATION OF LIABILITY. EXCEPT FOR SELLER'S WARRANTIES MADE IN SECTION 5.1 HEREIN AND THE WARRANTY OF TITLE TO THE AIRCRAFT AS SET FORTH HEREIN AND IN THE WARRANTY BILL OF SALE, THE AIRCRAFT AND EACH PART THEREOF IS BEING SOLD AND DELIVERED TO PURCHASER IN "AS IS, WHERE IS, WITH ALL FAULTS" CONDITION ON THE CLOSING DATE, WITHOUT ANY REPRESENTATION, WARRANTY OR GUARANTY OF ANY KIND BEING MADE OR GIVEN BY SELLER, ITS SHAREHOLDERS, MEMBERS, DIRECTORS, OFFICERS, MANAGERS, AGENTS, EMPLOYEES OR ATTORNEYS, EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE AND SELLER DISCLAIMS ALL EXPRESS OR IMPLIED WARRANTIES

WHETHER ARISING IN LAW, IN EQUITY, IN CONTRACT OR IN TORT, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY, AIRWORTHINESS, DESIGN, CONDITION, OR FITNESS FOR A PARTICULAR USE. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EXCEPT FOR SELLER'S WARRANTY OF TITLE TO THE AIRCRAFT AS SET FORTH HEREIN AND IN THE WARRANTY BILL OF SALE, SELLER SHALL NOT BE LIABLE OR RESPONSIBLE TO PURCHASER FOR ANY DEFECTS, EITHER PATENT OR LATENT IN THE AIRCRAFT OR FOR ANY DIRECT OR INDIRECT DAMAGE TO PERSONS OR PROPERTIES RESULTING THEREFROM OR FOR PURCHASER'S LOSS OF USE OF OR A DIMINUTION IN VALUE OF THE AIRCRAFT OR FOR ANY INTERRUPTION IN PURCHASER'S BUSINESS CAUSED BY PURCHASER'S INABILITY TO USE THE AIRCRAFT FOR ANY REASON WHATSOEVER.

- 5.2 EXCEPT IN CASES OF FRAUD OR WILFUL MISCONDUCT, UNDER NO CIRCUMSTANCES SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR LOST PROFITS, LOSS OF BUSINESS, LOSS OF USE OR ANY OTHER INCIDENTAL, INDIRECT, CONSEQUENTIAL OR SPECIAL DAMAGES ARISING OUT OF OR RELATED TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY DELAY IN CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED HEREBY, AND EACH PARTY HEREBY WAIVES ANY RIGHT IT MAY HAVE TO SUCH DAMAGES.

ARTICLE VII. TAXES

- 7.1 **Seller's Taxes.** Seller has paid and/or shall bear, and shall defend, indemnify and hold Purchaser harmless from and against, any and all sales, use, value added, excise and other similar taxes (including excise-equivalent customs duty), and any and all taxes, fees, duties, interest, penalties, charges, invoices, claims, assessments and statements imposed or imposable by any federal, state, county, local, foreign or other governmental authority, entity or party arising from any purchase, sale, lease, delivery, transfer, possession, use, storage, operation, maintenance, consumption, or registration of the Aircraft prior to the Closing. In the event Purchaser receives written notice of any audit, claim, assessment or proposed assessment of any tax for which Seller may be responsible under this Article 7.1, Purchaser shall notify Seller within ten (10) Business Days thereof, and Seller and Purchaser shall reasonably cooperate to manage and/or defend any such audit, claim, assessment or proposed assessment.
- 7.2 **Purchaser's Taxes.** Purchaser shall bear, and shall defend, indemnify and hold Seller harmless from and against any and all sales, use, value added, excise and other similar taxes (including excise-equivalent customs duty), and any taxes, fees, duties, interest, penalties, charges, invoices, claims and statements relating thereto, which may be imposed by any federal, state, county, local, foreign or other governmental authority as a result of the sale, delivery or transfer of the Aircraft to Purchaser, or the ownership, possession, use or storage of the Aircraft after the Closing, except to the extent (i) imposed on or measured by Seller's income or (ii) related to a period (or portion thereof) ending on or prior to the Closing. In the event Seller receives written notice of any audit, claim, assessment or proposed assessment of any tax for which Purchaser may be responsible under this Article 7.2, Seller shall notify Purchaser within ten (10) Business Days thereof, and Seller and Purchaser shall reasonably cooperate to manage and/or defend any such audit, claim, assessment or proposed assessment.
- 7.3 **Mitigation.** Seller and Purchaser shall cooperate to mitigate any Taxes that may be imposed upon either party as a result of the sale and delivery of the Aircraft pursuant to this Agreement, including

(if necessary) changing the Delivery Location and provision of applicable exemption certificates, affidavits, or other similar paperwork.

ARTICLE VIII. MISCELLANEOUS

3.1 **Manufacturer Warranties.** Seller shall cause all rights under any manufacturer warranties to be assigned and transferred to Purchaser, or its designee, at Purchaser's expense, effective at the time of the Closing. Seller shall execute and/or provide whatever documents or agreements may be necessary or convenient to vest all rights under such manufacturer warranties in Purchaser, or its designee, maintain their continuity, and to permit Purchaser, or its designee, to assert or process claims thereunder. Seller shall reasonably assist Purchaser in maintaining continuity of and transferring any warranties and shall execute whatever documents or agreements may be required to vest all rights under such warranties in Purchaser and to permit Purchaser to assert or process claims thereunder. The foregoing is subject to the terms and conditions of each warranty. The obligations of this Section shall survive Closing.

3.2 **Risk of Loss, Damage or Destruction of Aircraft.**

8.2.1 **Risk of Loss.** Except for Discrepancies discovered during the Post-Closing Inspection, title to, and risk of loss, injury, destruction or damage to the Aircraft, shall pass from Seller to Purchaser at the time that, (i) the Purchase Price is released to Seller, and (ii) the FAA Bill of Sale and Warranty Bill of Sale are released to Purchaser, and (iii) Seller delivers possession of the Aircraft to Purchaser.

8.2.2 **Destruction or Damage.** Notwithstanding any contrary provision of this Agreement, if at any time prior to the Closing the Aircraft is destroyed or damaged in such a manner that constitutes a Total Loss, Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (i) be returned to Purchaser, or (ii) continue to be held by Seller in accordance with the Aircraft Operator Agreement, as amended from time-to-time, originally entered into on March 22, 2022 between Blade Urban Air Mobility, Inc., M&N Equipment, LLC d/b/a M&N Aviation, Aviation Bridge, LLC, and Atlas Jet, Inc. or follow on agreement as applicable ("Operator Agreement"), and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts, this Agreement shall terminate and be of no further force or effect. In the event of any damage to the Aircraft following the Effective Date (other than Total Loss occurring prior to Closing), Seller shall promptly notify Purchaser in writing of such damage. Purchaser will have the right, but not the obligation, to have its technical representatives inspect the Aircraft within ten (10) days of Seller's notification to Purchaser ("Damage Inspection"). Purchaser shall, within five (5) Business Days of receipt of Seller's notice or upon completion of its Damage Inspection, whichever occurs later, notify Seller in writing (such notice, the "Damage Election") whether it desires (i) that the Aircraft be repaired by Seller in anticipation of the Closing, or (ii) to terminate this Agreement. In the event that Purchaser elects to terminate this Agreement as a result of damage in accordance with this Article 8.2.2, Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (a) be returned to Purchaser, or (b) continue to be held by Seller in accordance with Operator Agreement, and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts, this Agreement shall

terminate and be of no further force or effect and the parties shall have no further obligations or liabilities with respect to this Agreement.

3.3 Termination and Default.

8.3.1 Purchaser's Right to Terminate. This Agreement may be terminated by Purchaser at any time prior to Closing. If Purchaser elects to terminate this Agreement Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (i) be returned to Purchaser, or (ii) continue to be held by Seller in accordance with Operator Agreement, and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts.

8.3.2 Purchaser's Default. Seller shall have the right to terminate this Agreement in the event of a breach by Purchaser of any material provision of this Agreement (provided that Seller is in compliance with its material obligations under this Agreement) which breach is not cured within one (1) year of the delivery to Purchaser of written notice thereof from Seller or which breach by its nature cannot be cured prior to Closing. Upon Seller's termination of this Agreement under this Article 8.3.2, Seller will pay any Escrow Agent fees, the Deposit, in Purchaser's sole discretion, will (i) be returned to Purchaser, or (ii) continue to be held by Seller in accordance with Operator Agreement, and Seller shall reimburse Purchaser for all documented costs incurred by Purchaser related to the attempted purchase of the Aircraft (including attorney's fees), and upon receipt of such amounts. The foregoing shall be the sole remedy available to Seller for breach of contract by Purchaser under this Agreement, and Seller waives any other remedies that may be available to Seller at law or in equity for breach of contract.

3.4 Amendments. The provisions of this Agreement may not be waived, altered, modified, amended, supplemented or terminated in any manner whatsoever except by written instrument signed by both parties hereto.

3.5 Severability. Any provision of this Agreement that may be determined by competent authority to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

3.6 Assignment. Purchaser may freely assign this Agreement. Seller may not assign this Agreement.

3.7 Successor and Assigns. This Agreement shall inure to the benefit of and be binding upon each of the parties hereto and their respective successors and permitted assigns.

3.8 Interpretation. The division of this Agreement into Articles, and the insertion of headings, are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The words "hereof," "herein," "hereunder," and words of similar import shall refer to this Agreement as a whole and not to any particular provision thereof. When used herein, the words "include" and "including" shall be construed as "include, without limitation" and "including, without limitation." Except as expressly identified, all dollar amounts are in United States Dollars.

3.9 Counterparts. This Agreement may be fully executed in two or more counterparts by each of the parties hereto, such counterparts together constituting but one and the same instrument. Such counterparts may be exchanged via email or other electronic transmission. Electronic signatures

through DocuSign are acceptable and will act to create enforceable obligations to the same extent as an original signature.

- 3.10 **Notices.** All communications, declarations, demands, consents, directions, approvals, instructions, requests and notices required or permitted by this Agreement shall be in writing and shall be deemed to have been duly given or made when delivered personally or transmitted electronically by email, or in the case of documented overnight delivery service or registered or certified mail, return receipt requested, delivery charge or postage prepaid, on the date shown on the receipt therefor, in each case at the address set forth below:

If to Seller: [***]

If to Purchaser: [***]

If to Escrow Agent: [***]

- 3.11 **Attorney Fees.** In the event it becomes necessary to enforce the terms of this Agreement by litigation or otherwise, the prevailing party shall be entitled to recover its reasonable attorney fees and court costs from the party in breach, including any such fees or costs arising from subsequent appeals and efforts to execute on any judgment.
- 3.12 **Non-Waiver.** Any failure at any time of either party to enforce any provision of this Agreement shall not constitute a waiver of such provision or prejudice the right of such party to enforce such provision at any subsequent time.
- 3.13 **Entire Agreement.** The parties agree that the terms and conditions of this Agreement, together with all Schedules and Exhibits, constitute the entire agreement between the parties with respect to the subject matter hereof. This Agreement supersedes all prior agreements between the parties, express or implied including, but not limited to, any offer to purchase or letter of intent.
- 3.14 **Transaction Costs and Expenses.** Except as otherwise set forth herein, each party to this Agreement shall bear its own transaction costs and expenses, including, without limitation, any brokers' commissions and/or attorneys' fees. Seller and Purchaser will equally split the Escrow Fees. Each party hereto agrees to indemnify and hold the other harmless from and against any claims made by any broker, consultant or other party claiming an interest in the Aircraft or the Purchase Price arising from an actual or alleged relationship or agreement with the indemnifying party.
- 3.15 **Survival.** In addition to terms that expressly state survival herein, the representations, warranties, and indemnification obligations of Purchaser and Seller shall survive the Closing in perpetuity. Further, any provisions related to Post-Closing Delivery Condition, Inspection, Holdback, or Discrepancies shall survive until such time that the Holdback is returned to Seller.
- 3.16 **Time is of the Essence.** Time shall be of the essence for all events contemplated hereunder.
- 3.17 **Further Assurances.** Each of the parties hereto covenants and agrees to execute such other and further documents relating to the matters set forth herein and to take or cause to be taken such other and further actions, as may be reasonably necessary or appropriate to carry out the purposes and intent of this Agreement, and to consummate the transactions contemplated hereby.
- 3.18 **Governing Law/Jurisdiction and Venue.** This Agreement shall be governed by the laws of the State of New York without consideration to its choice of law provisions other than Section 5-1401 and Section 5-1402 of the New York General Obligations Law. The parties submit to the exclusive

jurisdiction, including personal jurisdiction, of the state or federal courts located in New York, NY, and the parties agree not to raise, and waive, any objections or defenses based upon venue and forum non conveniens. The parties agree that the United Nations Convention on Contracts for the International Sale of Goods is specifically excluded from application to this Agreement, or the transactions contemplated by this Agreement. The parties expressly waive their right to trial by jury.

3.19 Cape Town Convention

- 8.19.1 Prior to the Closing, Purchaser shall become a “transacting user entity,” and Seller shall become a “transacting user entity” with the International Registry. Each of Purchaser and Seller shall bear its own expense in doing so and such expenses shall not be considered Escrow Fees.
- 8.19.2 Each party shall provide to the other, as a condition to Closing, evidence that it has been approved by the International Registry as a “transacting user entity” and has duly registered with, is authorized to make filings with and has received all approvals from the International Registry and has appointed an “administrator” (as such term is defined and used in the International Registry Procedures and International Registry Regulations).
- 8.19.3 Each party shall, as a condition to Closing, authorize Escrow Agent to act as, and shall designate Escrow Agent or another mutually agreed party as, its “professional user entity” (as such term is defined and used in the International Registry Procedures and International Registry Regulations) to effect, amend, discharge and consent to registrations with respect to the Airframe and the Engines on its behalf. Neither Seller nor Purchaser shall revoke such authorization until after the earlier to occur of (i) the discharge of any International Interests and registration of a Contract of Sale of the Airframe and Engines with the International Registry following release of the Warranty Bill of Sale conveying the Aircraft from Seller to Purchaser or (ii) termination of this Agreement in accordance with its terms. Purchaser shall have no right to and hereby agrees that it will not register, consent to or allow any third party (including, without limitation, any prospective lender or assignee) to register any Contract of Sale, Prospective Sale, International Interest or Prospective International Interest with respect to the Airframe or Engines until title to the Aircraft has been conveyed to Purchaser at the Closing, and if there has been any such registration, take all necessary actions to discharge or cause to discharge such registration immediately at its sole cost and expense.
- 8.19.4 Purchaser and Seller shall cooperate to cause Escrow Agent, as a professional user entity, to register a Contract of Sale of the Airframe and the Engines with the International Registry immediately after release of the Warranty Bill of Sale. Seller and Purchaser each hereby expressly consents to the registration of the Contract of Sale with respect to the Airframe and the Engines.
- 8.19.5 Immediately prior to Closing, the Escrow Agent shall obtain a Priority Search Certificate (as such term is defined and used in the International Registry Procedures and the International Registry Regulations) from the International Registry with respect to the Airframe and the Engines) confirming that no prior International Interest exists that will not be otherwise discharged at Closing with respect to the Airframe and the Engines. Any Priority Search Certificate obtained by the Escrow Agent from the International Registry with respect to the Airframe and the Engines shall identify the Purchaser and the Seller as having the benefit of the search.
- 8.19.6 If, in the event of termination of this Agreement for any reason whatsoever, any International Interest, Prospective International Interest, Contract of Sale, Prospective Contract of Sale or

other interest has been filed or registered against the Airframe and/or Engines as a result of the acts or omissions of Purchaser, or by Purchaser or any person claiming by, through or under Purchaser or consented to by Purchaser, Purchaser hereby irrevocably authorizes and directs the Escrow Agent to cause the discharge of any such filing or registration not later than one (1) Business Day after the Escrow Agent becomes aware of any such filing or registration. Seller shall have all of the rights available to it under law or in equity, including the right of specific performance, to enforce Purchaser's performance of its obligations under this Article 8.20.6 Notwithstanding anything in this Agreement to the contrary, Purchaser agrees to be responsible for and upon demand to indemnify Seller and to hold Seller harmless from and against any and all claims, demands, liabilities, damages, losses and judgments, including legal fees and all expenses, arising out of any breach by Purchaser of any of its obligations under Article 8.20.6. This indemnity obligation and all of Purchaser's other obligations under this Article 8.20.6 shall survive the termination of this Agreement for any reason.

8.19.7 Purchaser shall have no right to and hereby agrees that it will not register, consent to or allow any third party claiming by, through or under Purchaser to register or consent to any Contract of Sale, Prospective Sale, International Interest or Prospective International Interest with respect to the Airframe or Engines until title to the Aircraft has been conveyed to Purchaser at the Closing. Seller shall have no obligation to register or consent to any registration of any Contract of Sale, Prospective Sale, International Interest or Prospective International Interest with respect to the Airframe and/or Engines until title to the Aircraft has been conveyed to Purchaser at the Closing

3.20 **Agreement Negotiated.** The parties to this Agreement are sophisticated and have been represented or had the opportunity to be represented in connection with the negotiation and performance of this Agreement. The parties agree that no presumptions relating to the interpretation of contracts against the drafter of any particular clause should or may be applied in this case and, therefore, waive their effects.

3.21 **Confidentiality.** The terms and conditions of this Agreement, and all writings, discussions, and negotiations in connection with the transaction contemplated by this Agreement (including, without limitation, the fact that discussions and negotiations have been conducted by the parties), shall remain strictly confidential and shall not be disclosed by either party, without the prior written consent of the other party, except that each party shall be entitled to disclose the terms and conditions of this Agreement (i) as may be required by law or legal process; (ii) to such party's attorneys, accountants, consultants, lenders, and other advisors performing services for such party with respect to or affected by the transaction contemplated by this Agreement including Escrow Agent and their personnel; (iii) to each party's employees with a need to know; (iv) as may be required to permit such party to pursue all available remedies for breach of this Agreement by the other party; and (v) to any entity that may provide financing to Purchaser in connection with the acquisition of the Aircraft.

3.22 **Control.** Notwithstanding any provision to the contrary herein, any conflict between this Agreement and any provision within any document between the Parties, including but not limited to, management agreements, purchase agreements, operator agreements, or the BSAs, the provision that provides the most favorable outcome to Blade, in Blade's sole discretion, will control the subject matter.

[Signature Page follows immediately]

IN WITNESS WHEREOF, the undersigned parties have caused this Aircraft Purchase Agreement to be executed, delivered and effective as of the date first above written.

SELLER:

PURCHASER:

M&N Equipment, LLC

N818LX LLC

dba M&N Aviation

By: Blade Urban Air Mobility, Inc.,
its managing member

By: /s/ Todd Schieck

By: /s/ Melissa Tomkiel

Name: Todd Schieck

Name: Melissa Tomkiel

Title: Managing Director

Title: President

JOINT ADDENDUM TO THE AIRCRAFT PURCHASE AGREEMENTS ("ADDENDUM")

PURCHASER(S): The parties set forth on the signature page of this Addendum.

SELLERS: The parties set forth on the signature page of this Addendum.

DATE: March 11, 2024

=====

Purchasers and Sellers are parties to those certain Aircraft Purchase Agreements dated March 11, 2024 ("APAs") for the collective purchase of eight (8) "Aircraft", as more specifically described in each APA, which for good and valuable consideration are hereby modified and supplemented by this Addendum as follows:

1. The Holdback from each APA is a collective sum and is intended to secure the correction of Discrepancies of all Aircraft, regardless of whether such Discrepancies of a particular Aircraft exceed fifteen percent (15%) of its Purchase Price.
2. The Holdback is a reasonable estimate of potential costs to correct the Discrepancies of all Aircraft, however, such amount is not a limit of Sellers' liability and if such corrections exceed the Holdback, Sellers will remain proportionately responsible for any amounts that exceed the Holdback.
3. If placing any of the Aircraft into Post-Closing Delivery Condition is deemed by Purchaser to be commercially unreasonable, Purchaser will sell the Aircraft and Sellers liability for that Aircraft shall be the Purchase Price plus costs incurred by Purchaser related to such sale less any amounts received from the sale of such Aircraft.
4. If any of the Post-Closing Delivery Conditions cannot be met (ex. discovery of Material Damage), Purchaser may retain the amount of Holdback equal to the diminution in value assessment provided by Purchaser's Representative.
5. If the correction of any non-Engine related Discrepancy renders an Aircraft unusable for a period of ten (10) days after completion of the Inspection (evidenced by Sellers' receipt of a written report of Discrepancies), Purchaser may retain the amount of Holdback equal to \$2,500 per day the Aircraft remains unavailable. If the correction of an Engine related Discrepancy renders an Aircraft unusable for a period of seventy-five (75) days after completion of the Inspection (evidenced by Sellers' receipt of a written report of Discrepancies), Purchaser may retain the amount of Holdback equal to \$2,500 per day the Aircraft remains unavailable, provided that Sellers will also be responsible for documented fixed costs incurred between the tenth (10th) and seventy-fourth (74th) day the Aircraft is unavailable.
6. The Holdback will be held by Purchaser until Sellers correct all Discrepancies of all Aircraft, or Purchaser has otherwise waived such correction and applicable credits have been made to the Holdback ("Return Date"). For purposes of clarity, Sellers will be responsible for payment of all costs to correct Discrepancies and Purchasers have no obligation to pay for correction of Discrepancies from the Holdback or make progress payments of any kind.
7. Regardless of the Discrepancies associated to each Aircraft and the costs of correction, the Holdback will be returned to the Sellers proportionately to the Purchase Price of the Aircraft they are selling (ex. if there are three sellers and seller 1 and 2 sell \$5MM worth of aircraft and seller 3 sells \$10MM of aircraft, sellers 1 and 2 will receive 25% of the Holdback and seller 3 will receive the remaining 50%).

8. Section 6 of the APAs and the presumptions made in the Delivery Receipt are not effective until the Return Date.
9. If any Seller for any reason does not timely participate in and/or complete the sale of any Aircraft or correct the Discrepancies, such failure will serve as a cross-default by all Sellers and Purchasers may exercise their respective rights, which includes retaining the entire Holdback.
10. Notwithstanding any provision to the contrary, Sellers are jointly and severally responsible for the cost to correct Discrepancies for all Aircraft.
11. In addition to the Aircraft, at Closing, Sellers also transfer title to Purchasers free and clear of all Liens to the parts, equipment, and inventory listed on Exhibit A, attached hereto.

In all other respects, except as modified herein above, the terms and conditions of the APAs are hereby ratified, affirmed, approved and incorporated herein by reference and made a part hereof. To the extent that any of the provisions of this Addendum conflicts with the terms and conditions of any APA, then the terms most favorable to Purchasers will control the subject matter. This Addendum may be executed in multiple counterparts, each of which will be deemed an original, but all of which together shall constitute one and the same instrument. Electronically transmitted signatures shall constitute original signatures. The parties to this Addendum are sophisticated and have been represented or had the opportunity to be represented in connection with the negotiation and performance of this Addendum. The parties agree that no presumptions relating to the interpretation of contracts against the drafter of any particular clause should or may be applied in this case and, therefore, waive their effects.

<Signature page follows>

IN WITNESS WHEREOF, we have hereunto affixed our respective hands and seals as of the date above first written.

SELLERS:

Atlas Jet, Inc.

Aviation Bridge, LLC

By: /s/ Michael Danenberg
Name: Michael Danenberg
Title: CEO

By: /s/ Zvi Dannenberg
Name: Zvi Dannenberg
Title: Director

M&N Equipment, LLC dba M&N Aviation

ACKNOWLEDGED BY:

TVPX Aircraft Solutions Inc., not in

its individual capacity but solely as

Owner Trustee under the Trust
Agreement

By: /s/ Todd Schieck
Name: Todd Schieck
Title: Managing Director

By: /s/ Michael Hoggan
Name: Michael Hoggan
Title: Senior Vice President

PURCHASERS:

N84UP LLC

N800TL LLC

By: Blade Urban Air Mobility, Inc.,
its managing member

By: Blade Urban Air Mobility, Inc.,
its managing member

By: /s/ Melissa Tomkiel
Name: Melissa Tomkiel
Title: President

By: /s/ Melissa Tomkiel
Name: Melissa Tomkiel
Title: President

N154RR LLC

N682D LLC

By: Blade Urban Air Mobility, Inc.,
its managing member

By: Blade Urban Air Mobility, Inc.,
its managing member

By: /s/ Melissa Tomkiel
Name: Melissa Tomkiel
Title: President

By: /s/ Melissa Tomkiel
Name: Melissa Tomkiel
Title: President

PURCHASERS CONTINUED:

N125XP LLC

N240V LLC

By: Blade Urban Air Mobility, Inc.,
its managing member

By: Blade Urban Air Mobility, Inc.,
its managing member

By: /s/ Melisssa Tomkiel
Name: Melissa Tomkiel
Title: President

By: /s/ Melisssa Tomkiel
Name: Melissa Tomkiel
Title: President

N717KV LLC

N818LX LLC

By: Blade Urban Air Mobility, Inc.,
its managing member

By: Blade Urban Air Mobility, Inc.,
its managing member

By: /s/ Melisssa Tomkiel
Name: Melissa Tomkiel
Title: President

By: /s/ Melisssa Tomkiel
Name: Melissa Tomkiel
Title: President

[*] = Certain information contained in this document has been omitted because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.**

SECOND JOINT ADDENDUM TO THE AIRCRAFT PURCHASE AGREEMENTS ("ADDENDUM 2")

PURCHASER(S): The parties set forth on the signature page of this Addendum 2.

SELLERS: The parties set forth on the signature page of this Addendum 2.

DATE: April 9, 2024

=====

Purchasers and Sellers are parties to those certain Aircraft Purchase Agreements dated March 11, 2024 ("APAs") for the collective purchase of eight (8) "Aircraft", as more specifically described in each APA, as amended by the Joint Addendum to the Aircraft Purchase Agreements dated March 11, 2024 ("Addendum 1"), which for good and valuable consideration are hereby modified and supplemented by this Addendum 2as follows:

1. For N125XP, the Engine bearing manufacturer's serial number [***] is replaced with [***] and the Engine bearing manufacturer's serial number [***] is replaced by [***].
2. For N818LX, the Engine bearing manufacturer's serial number [***] is replaced with [***].
3. For N818LX, the Purchase Price is revised from \$2,465,607.00 to \$1,861,577.00.
4. For N125XP, the Purchase Price is revised from \$2,753,628.00 to \$3,357,658.00.
5. For N800TL, the Aircraft is subject to a Claim of Lien recorded by the FAA as Q076698 ("Phoenix Lien"). N800TL LLC accepts delivery of the Aircraft subject to the Phoenix Lien. An additional \$20,000.00 will be held back from the Purchase Price until such time the Phoenix Lien is released ("PL Holdback"). Any amounts from the PL Holdback not used by N800TL LLC to release the Phoenix Lien will be returned to Aviation Bridge, LLC. If additional costs are required to release the Phoenix Lien, Aviation Bridge, LLC will indemnify and hold N800TL LLC harmless from such amounts upon provision of reasonable documentation supporting the additional costs.
6. For N717KV, N717KV LLC will accept delivery of the Aircraft with a loaner APU bearing manufacturer's serial number [***] ("Loaner"). M&N Equipment LLC dba M&N Aviation ("M&N") will remain responsible for the cost of repairs and installation of the APU bearing manufacturer's serial number [***] ("Original") and all costs related thereto, including but not limited to shipping, labor, parts, and rental costs. If the Loaner is unusable for any reason prior to the reinstallation of the Original, M&N will be subject to Section 5 of Addendum 1 until another loaner APU is installed. If the Original cannot be repaired or such repair and installation takes longer than six (6) months, M&N will pay N717KV LLC the amount required to procure and install (and all related costs thereto) an APU of similar make, model, year, use, and condition of the Original and upon receipt of such payment, M&N will have no obligations to N717KV LLC related to the Loaner or the Original and will retain title to both APUs. To secure M&N's obligations under this Section an additional \$200,000 will be held back from the Purchase Price ("APU Holdback"). Upon installation of the Original or purchase and installation of a replacement APU, the APU Holdback, or applicable portion thereof, will be returned to M&N.

In all other respects, except as modified herein above, the terms and conditions of the APAs and Addendum 1 are hereby ratified, affirmed, approved and incorporated herein by reference and made a part hereof. To the extent that any of the provisions of this Addendum 2 conflicts with the terms and conditions of any APA or Addendum 1, then the terms most favorable to Purchasers will control the subject matter. This Addendum 2 may be executed in multiple counterparts, each of which will be deemed an original, but all of which together shall constitute one and the same instrument. Electronically transmitted signatures shall constitute original signatures. The parties to this Addendum 2 are sophisticated and have been represented or had the opportunity to be represented in connection with the negotiation and performance of this Addendum 2. The parties agree that no presumptions relating to the interpretation of contracts against the drafter of any particular clause should or may be applied in this case and, therefore, waive their effects.

<Signature page follows>

IN WITNESS WHEREOF, we have hereunto affixed our respective hands and seals as of the date above first written.

SELLERS:

Atlas Jet, Inc.

Aviation Bridge, LLC

By: /s/ Michael Danenberg

Name: Michael Danenberg

Title: CEO

By: /s/ Zvi Dannenberg

Name: Zvi Dannenberg

Title: Director

M&N Equipment, LLC dba M&N Aviation

ACKNOWLEDGED BY:

TVPX Aircraft Solutions Inc., not in

its individual capacity but solely as

Owner Trustee under the Trust
Agreement

By: /s/ Todd Schieck

Name: Todd Schieck

Title: Managing Director

By: /s/ Michael Hoggan

Name: Michael Hoggan

Title: Senior Vice President

PURCHASERS:

N84UP LLC

N800TL LLC

By: Blade Urban Air Mobility, Inc.,
its managing member

By: Blade Urban Air Mobility, Inc.,
its managing member

By: /s/ Melissa Tomkiel

Name: Melissa Tomkiel

Title: President

By: /s/ Melissa Tomkiel

Name: Melissa Tomkiel

Title: President

N154RR LLC

N682D LLC

By: Blade Urban Air Mobility, Inc.,
its managing member

By: Blade Urban Air Mobility, Inc.,
its managing member

By: /s/ Melissa Tomkiel

Name: Melissa Tomkiel

Title: President

By: /s/ Melissa Tomkiel

Name: Melissa Tomkiel

Title: President

PURCHASERS CONTINUED:

N125XP LLC

N240V LLC

By: Blade Urban Air Mobility, Inc.,
its managing member

By: Blade Urban Air Mobility, Inc.,
its managing member

By: /s/ Melissa Tomkiel
Name: Melissa Tomkiel
Title: President

By: /s/ Melissa Tomkiel
Name: Melissa Tomkiel
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By: Blade Urban Air Mobility, Inc.,
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By: Blade Urban Air Mobility, Inc.,
its managing member

By: /s/ Melissa Tomkiel
Name: Melissa Tomkiel
Title: President

By: /s/ Melissa Tomkiel
Name: Melissa Tomkiel
Title: President

CERTIFICATION
PURSUANT TO RULE 13a-14 AND 15d-14
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Robert S. Wiesenthal, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Blade Air Mobility, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2024

By: /s/ Robert S. Wiesenthal

Name: Robert S. Wiesenthal

Title: Chief Executive Officer (Principal Executive Officer)

CERTIFICATION
PURSUANT TO RULE 13a-14 AND 15d-14
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, William A. Heyburn, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Blade Air Mobility, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2024

By: /s/ William A. Heyburn

Name: William A. Heyburn

Title: Chief Financial Officer (Principal Financial Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Blade Air Mobility, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2024, as filed with the Securities and Exchange Commission (the "Report"), I, Robert S. Wiesenenthal, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as added by §906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. To my knowledge, the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of and for the period covered by the Report.

Date: May 7, 2024

By: /s/ Robert S. Wiesenenthal

Name: Robert S. Wiesenenthal

Chief Executive Officer

Title: (Principal Executive Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Blade Air Mobility, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2024, as filed with the Securities and Exchange Commission (the "Report"), I, William A. Heyburn, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as added by §906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. To my knowledge, the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of and for the period covered by the Report.

Date: May 7, 2024

By: /s/ William A. Heyburn

Name: William A. Heyburn

Chief Financial Officer

Title: (Principal Financial Officer)