



AVATAR AIRLINES, INC.
SUBSCRIPTION AGREEMENT

AVATAR AIRLINES, INC.
20283 State Road 7, Suite 400
Boca Raton, FL 33498

Dear Sirs:

The undersigned (“**Subscriber**”) has spent a reasonable period of time reading, reviewing and considering the Avatar Airlines, Inc. (“**Company**”) Private Placement Memorandum dated JANUARY 16, 2020 (the “**Memorandum**”) and hereby irrevocably (*but subject to a 3-day right of rescission*) subscribes and agrees to purchase Series A preferred stock of Company, par value \$.001 per share (each a “**Series A Preferred Share**” and collectively, the “**Series A Preferred Shares**”) at a purchase price of \$15.00 per share. I understand that in connection with such purchase, the Company will grant to the Subscriber, and the Subscriber hereby subscribes for, the Series A Preferred Shares, on the terms and conditions described herein and in the Company’s Memorandum and any amendments or supplements thereto.

I understand and agree to the following: 1. Company is offering the Series A Preferred Shares to accredited investors only, on a best efforts basis with no minimum amount to be sold. 2. Upon submission of this signed Agreement and payment for my shares, Company will begin the process of verifying my status as an accredited investor. 3. My payment will be deposited into the below-described Escrow Account and will not be utilized by Company unless and until I have been verified as an accredited investor. 4. I will cooperate with Company and its authorized agents during the process of accreditation verification, by completing and submitting any requested materials necessary to determine my accreditation status. 5. If the verification process results in a determination that I am not qualified as an accredited investor, Company shall within 10 days of such determination, or within 10 days of clearance of such payment – whichever is later – refund such payment to me whereupon neither party shall have any further obligation to the other. The Series A Preferred Shares and this offering are being made pursuant to exemptions available under the Securities Act of 1933, as amended (the “**Securities Act**”), and exemptions available under certain other laws. As such, the Series A Preferred Shares are not publicly traded and are “restricted” securities under the applicable provisions of the Securities Act and subject to certain resale restrictions.

Upon acceptance of my subscription, the Company will, within five (5) business days thereafter, evidence its acceptance by countersigning and emailing to the Subscriber a copy of the Subscription Agreement and proof of ownership for the number of Series A Preferred Shares purchased hereunder.

1. Subscription.

The Subscriber hereby tenders his/her/its subscription and applies for the purchase of the number of Series A Preferred Shares specified by the Subscriber on the signature page titled “Signature Page” and agrees to pay to the Company an amount of \$15.00 multiplied by the number of Series A Preferred Share so specified (the “Purchase Price”). A subscription will not be accepted for less than \$75,000.00 unless the Company decides otherwise in its sole discretion.

In all cases, the Subscriber shall execute and deliver the following to the Company and/or its authorized agents:

- (a) A completed and executed Subscription Agreement;
- (b) A check or wire transfer in the amount of the Purchase Price to the below-named Escrow Agent. If by wire transfer, pursuant to the following instructions:
Escrow Agent: LAW OFFICES OF MICHAEL E. ZAPIN

Escrow Agent Address: 20283 STATE ROAD 7, SUITE 400, Boca Raton, FL
33498

Bank Name: CITIBANK
Account Name: Law Offices of Michael E. Zapin Attorney Trust Account
Account No.: 9139269861
ACH/Wire Routing No.: 266086554
International Swift Code: CITIUS33

The Offering is being made by the Company and its authorized placement agents and certain NASD registered broker-dealer firms (if any), on a private placement basis to Accredited Investors. Placement agents and participating broker-dealer firms acting as placement agents which are, or represent to the company that they are, NASD members will receive a commission of up to seven (7 %) percent of the gross sales price for each sale affected by them (although it may re-allow a portion of the commission to other parties).

THE SHARES TO BE ISSUED BY THE COMPANY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR APPLICABLE STATE BLUE SKY OR SECURITIES LAWS AND ARE OFFERED UNDER AN EXEMPTION FROM THE REGISTRATION PROVISIONS OF SUCH LAWS.

THE SHARES CANNOT BE SOLD, TRANSFERRED, ASSIGNED, OR OTHERWISE DISPOSED OF EXCEPT IN COMPLIANCE WITH THE RESTRICTIONS ON TRANSFER CONTAINED IN THIS SUBSCRIPTION AGREEMENT AND APPLICABLE FEDERAL AND STATE SECURITIES LAWS.

2. **Acceptance by the Company.** The Subscriber understands that this subscription is not binding upon the Company until the Company accepts it, which acceptance is at the sole discretion of the Company. This Subscription Agreement is irrevocable (once Subscriber's 3-day Right of Rescission expires) and may not be assigned by the Subscriber. The Subscriber understands that acceptance will be made by a duly authorized officer of the Company executing and mailing or delivering by electronic transmission or otherwise to the Subscriber at the Subscriber's address set forth herein, a copy of the Signature Page. If this subscription is rejected (in whole or in part) or it is determined that the offering of the Series A Preferred Shares will not be consummated for any reason, the amounts tendered by the Subscriber which are not accepted will be returned to the Subscriber, without interest or deduction, in accordance with the procedure set forth above.

3. **Representations of the Subscriber.** In connection with the purchase of the Series A Preferred Shares, the Subscriber, recognizing that the Company will be relying on the information and on the representations set forth herein, hereby represents, warrants and agrees as follows:

(a) The Subscriber is the sole and true party in interest in the Series A Preferred Shares subscribed for hereunder and is not purchasing any of such Series A Preferred Shares for the benefit of any other person, or in a fiduciary capacity for a person who (or for an entity in which such person) is deemed to be a "purchaser" pursuant to Rule 506 of Regulation D promulgated under the Act;

(b) The Subscriber understands that the offer and sale of the Series A Preferred Shares is being made by means of this Subscription Agreement and is aware of the speculative nature and high degree of risk associated with an investment in the Shares and has consulted with my investment and/or legal and/or tax advisors.

(c) Subscriber acknowledges that Subscriber has no need for liquidity in this investment for an indefinite period of time, has adequate means to provide for Subscriber's personal needs and can bear the economic risk of the purchase of the Series A Preferred Shares, including the total loss of Subscriber's investment.

(d) The Subscriber understands that the Series A Preferred Shares have not been registered under the Act or qualified under applicable state securities laws and are being offered in reliance upon exemptions therefrom. Subscriber understands that the Company is relying upon the truth and accuracy of the representations, warranties, agreements, acknowledgements, and understandings of Subscriber set forth herein and the representations in any additional materials Subscriber furnishes in conjunction with the Subscription Agreement, establishing that

the Subscriber is an “Accredited Investor” as defined by Rule 501(a) of Regulation D promulgated under the Act, in order to determine the applicability of such exemptions and the suitability of Subscriber to acquire the Series A Preferred Shares. The Subscriber further acknowledges his understanding that the Company’s reliance on such exemptions are, in part, based upon the representations, warranties, and agreements made by the Subscriber and that the statutory basis for such exemptions would not be present if, notwithstanding such representations, warranties and agreements, the Subscriber were acquiring the Series A Preferred Shares for resale on the occurrence or non-occurrence of some pre-determined event.

(e) All information contained in this Subscription Agreement and in any additional materials to be furnished to the Company will be correct and complete. Any material change occurring between the time this Subscription Agreement is entered and prior to acceptance of this subscription shall be promptly reported to the Company.

(f) The address set forth in this Subscription Agreement is his true and correct primary residence, and he has no present intention of becoming a resident of any other state or jurisdiction.

(g) The Subscriber understands that the offering of the Series A Preferred Shares has not been registered under the Act, in reliance on an exemption for private offerings provided pursuant to Section 4(2) of the Act and Regulation D thereunder and that as a result, the Series A Preferred Shares will be “restricted securities” and may not be offered, sold or otherwise disposed of in any manner by the Subscriber unless the Series A Preferred Shares are subsequently registered under the Act and qualified under any other applicable securities law or exemptions from such registration and qualification are available. The Subscriber understands that the Company is under no obligation to register the Series A Preferred Shares under the Act or to register or qualify the Series A Preferred Shares under any other applicable securities law, or to comply with any other exemption under the Act or any other securities law, and that the Subscriber has no right to require such registration. The Subscriber further understands that the offering of the Series A Preferred Shares has not been qualified or registered under any foreign or state securities laws in reliance upon the representations made and information furnished by the Subscriber herein and any other documents delivered by the Subscriber in connection with this subscription; that this offering has not been reviewed by the Securities and Exchange Commission or by any foreign or state securities authorities; that the Subscriber’s rights to transfer the Series A Preferred Shares will be restricted, which includes restrictions against transfers unless the transfer is not in violation of the Act and applicable state securities laws (including investor suitability standards); and that the Company may in its sole discretion require the Subscriber to provide at Subscriber’s own expense an opinion of its counsel to the effect that any proposed transfer is not in violation of the Act or any state securities laws.

(h) The Subscriber acknowledges and is aware that this subscription is voidable by the Subscriber by a signed writing (or verifiable electronic transmission) within three days after the first tender of consideration is made by the Subscriber to the Company, an agent of the Company or an escrow agent. Subsequent to this three-day period, the Subscriber is not entitled to cancel, terminate or revoke this subscription, and any agreements of the Subscriber in connection herewith shall survive the death or disability of the Subscriber.

(i) The Subscriber has been given access to full and fair disclosure of all material information concerning the Company. The Subscriber has also been given the opportunity to ask questions of, and receive answers from, management of the Company regarding the terms and conditions of this Agreement, and the transactions contemplated thereby, as well as the affairs of the Company, its proposed business plan and related matters. The Subscriber may have access to whatever additional information concerning the Company, its financial condition, business, prospects, management, capitalization, and other similar matters, that the Subscriber or his purchaser representative, if any, desires, provided that the Company can acquire such information without unreasonable effort or expense.

(j) Except as set forth in the Memorandum, the Subscriber has not been furnished with any other any oral representation, warranty, materials or sales literature relating to the offer and sale of the Series A Preferred Shares.

(k) the Subscriber acknowledged that the price of the Series A Preferred Shares has been arbitrarily determined and bears no relationship to the assets or book value of the Company, or other customary investment or valuation criteria.

(l) The Subscriber is acquiring the Series A Preferred Shares for investment purposes only and not with a view to distribution or resale, nor with any present intention of selling or otherwise disposing of all or any of the Shares.

(m) Subscriber is not an underwriter of, or dealer in the Series A Preferred Shares and Subscriber is not acting as such or participating pursuant to a contractual agreement, in the distribution of the Series A Preferred Shares.

(n) If Subscriber is purchasing the Series A Preferred Shares subscribed for in a representative or fiduciary capacity, the representations and warranties in this Agreement shall be deemed to have been made on behalf of each person or entity for whom Subscriber is so purchasing.

(o) Subscriber acknowledges that in making the decision to purchase the Shares subscribed for, Subscriber has relied upon independent investigations made by Subscriber, and prior to any sale, has been given the opportunity to ask questions of and to receive answers from the Company, concerning the terms and conditions of this Offering.

(p) If Subscriber is a partnership, corporation or trust, the person executing this Subscription Agreement on its behalf represents and warrants that:

(i) He or she has made due inquiry to determine the truthfulness of the representations and warranties made pursuant to this Subscription Agreement and hereby represents and warrants that the above representation and warranties shall be deemed to have been made on behalf of such entity; and,

(ii) He, she or it is duly authorized to make this investment and to enter into and execute this Subscription Agreement on behalf of such entity; and

(iii) The entity has not been organized for the specific purpose of acquiring the Series A Preferred Shares or, if so, each of the entity's beneficial owners is an "Accredited Investor" as defined in Rule 501(a) of Regulation D under the Act.

(q) The foregoing representations and warranties are true and accurate as of the date hereof, shall be true and accurate as of the date of the acceptance by the Company of Subscriber's subscription, and shall survive thereafter. If Subscriber has knowledge, prior to the acceptance of this Agreement by the Company, that any such representations and warranties shall not be true and accurate in any respect, Subscriber, prior to such acceptance, will give written notice of such fact to the Company specifying which representation and warranties are not true and accurate and the reasons therefore.

(r) The Subscriber represents that an investment in the Shares are a suitable investment for the Subscriber, taking into consideration the restrictions on transferability affecting the Shares.

(s) The Subscriber understands that the shares of the Company's Series A Preferred Shares are and will be when acquired "restricted securities" within the meaning of Rule 144 of the General Rules and Regulations under the Act and applicable state statutes. The Subscriber consents to the placement of an appropriate restrictive legend or legends bearing the following or similar words on any certificates evidencing the shares and any certificates issued in replacement or exchange therefor and acknowledges that the Company will cause its transfer records to note such restrictions:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE, AND MAY BE OFFERED AND SOLD ONLY IF REGISTERED AND QUALIFIED PURSUANT TO THE RELEVANT PROVISIONS OF FEDERAL AND STATE SECURITIES LAWS OR IF THE COMPANY IS PROVIDED AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT REGISTRATION AND QUALIFICATION UNDER FEDERAL AND STATE SECURITIES LAWS ARE NOT REQUIRED."

(t) **Offering and Disclosure Documents.** Subscriber represents and warrants that in addition to this Subscription Agreement, Subscriber has received copies of the Company's Private Placement Memorandum.

4. **Indemnification.** The Subscriber hereby agrees to indemnify and hold harmless the Company, its respective officers, directors, shareholders, employees, agents and attorneys of each such entity against any and all losses, claims, demands, liabilities and expenses (including reasonable legal or other expenses incurred by each such person in connection with defending or investigating any such claims or liabilities, whether or not resulting in any liability to such person) to which any such indemnified party may become subject under the Act, under any other statute, at common law or otherwise, insofar as such losses, claims, demands, liabilities and expenses (a) arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in this Subscription Agreement or (b) arise out of or are based upon any breach of any representation, warranty or agreement contained herein.

5. **Prohibition on Transfer of Shares:**

(a) Notwithstanding any other provision of this Subscription Agreement, the Subscriber may not at any time transfer any Series A Preferred Shares (or the Common Stock into which it may be converted) to any person or entity that engages in any business activity that is in competition, directly or indirectly, with the products or services being developed, offered, marketed, sold or licensed by the Company. The determination of whether any proposed transferee engages in any business activity that is in competition with those activities of the Company shall be made by the Board of the Company in good faith.

(b) The Subscriber may not at any time transfer any Series A Preferred Shares (or the Common Stock into which it may be converted) to any person or entity (other than as part of a sale of the Company) unless the transferee agrees in writing to be bound by the provisions of Sections 4 and 5 hereof, unless or until Company goes public (initial public offering)

6. **Conditions Precedent to the Company's Obligations to Issue Shares.** The Subscriber understands that the Company's obligations to sell and issue the Series A Preferred Shares are conditioned upon:

(a) Acceptance of Consideration. The receipt and acceptance by the Company of this Subscription Agreement, properly executed, and the acceptance by Company of the Purchase Price in good funds.

(b) Acceptance of Subscriber's Background. The receipt and acceptance by the Company of background information on Subscriber, which Subscriber agrees to provide upon request, by Company or by its duly authorized agents.

7. **Survival of Representations, Warranties and Agreements.** The representations, warranties and agreements contained herein shall survive the delivery of, and payment for, the Shares.

8. **Miscellaneous.**

(a) This Subscription Agreement may be amended only by execution of a written instrument executed by all parties hereto.

(b) Each party hereto agrees to execute any instrument and to perform any acts, which are or may become necessary to effectuate this Subscription Agreement and to fulfill its terms.

(c) This Subscription Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective heirs, personal representatives, successors and assigns.

(d) This Subscription Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements, understandings, negotiations and discussions, both written and oral, between those parties hereto with respect to such subject matter.

(e) This Subscription Agreement shall be interpreted pursuant to and governed by the laws of the State of Nevada without giving effect to the conflicts of laws provisions thereunder.

(f) The invalidity or unenforceability of any provision of this Subscription Agreement shall not affect the validity or enforceability of the remaining provisions.

(g) Irrespective of whether the offering is consummated, or the Subscriber's subscription is accepted, Subscriber shall be responsible for all of Subscriber's costs and expenses incurred with respect to Subscriber's analysis of the offering as well as the execution and delivery of the Subscription Documents and Subscriber's performance thereunder.

(h) This Subscription Agreement may be executed in any number of counterparts and by the separate parties hereto in separate counterparts, all of which together shall be deemed to be the one and the same instrument.

(i) The persons executing this Subscription Agreement are duly authorized to do so and each party has taken action required by law or otherwise to properly and legally execute this Subscription Agreement.

(j) Any notice under this Subscription Agreement shall be deemed to have been sufficiently given if sent by registered or certified mail, postage prepaid, addressed as follows:

To the Company: AVATAR AIRLINES INC.
c/o Law Offices of Michael E. Zapin
20283 State Road 7, Suite 400
Boca Raton, FL 33498

To Subscriber: As their names and address appear on the Signature Page hereto or to any other address which may hereafter be designated by either party by notice given in such manner. All notices shall be deemed to have been given as of the date of receipt.

(k) Notwithstanding that this Subscription Agreement may be performable outside of the United States, this Agreement shall be governed by the laws of the United States and the State of Nevada.

(l) Nothing in this Subscription Agreement, expressed or implied, as intended to confer upon any person, other than the parties hereto, or their successors, any rights or remedies under or by reason of this Subscription Agreement, unless this Subscription Agreement specifically states such intent.

(m) The section and subsection headings in this Subscription Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Subscription Agreement.

(n) A reproduction of this Subscription Agreement may be executed by one or more parties hereto and such executed copy may be delivered by electronic transmission device pursuant to which the signature of or on behalf of such party can be seen, and such execution and delivery shall be considered valid, binding and effective for all purposes. At the request of any party hereto, all parties agree to execute an original of this Subscription Agreement as well as any reproduction hereof.

[ALL SUBSCRIBERS MUST COMPLETE AND SIGN BELOW]

IN WITNESS WHEREOF, the undersigned has executed this Subscription Agreement as of _____/_____/ 20 _____

Indicate Amount of Shares Being Purchased:

_____ x \$15.00 per Series A Preferred Share.
(Number of Shares)

TOTAL AMOUNT DUE THIS SUBSCRIPTION: \$ _____

All checks payable to "Law Offices of Michael E. Zapin As Attorney" for Avatar Airlines, Inc. 20283 State Road 7, Suite 400, Boca Raton, FL 33498

If by wire transfer, pursuant to the following instructions:

Escrow Agent: LAW OFFICES OF MICHAEL E. ZAPIN
Escrow Agent Address: 20283 STATE ROAD 7, SUITE 400, Boca Raton, FL 33498
Bank Name: CITIBANK
Account Name: Law Offices of Michael E. Zapin Attorney Trust Account
Account No.: 9139269861
ACH/Wire Routing No.: 266086554
International Swift Code: CITIUS33

Subject to acceptance by the Company, the undersigned, as Subscriber, has completed this Subscription Agreement to evidence his, her or its subscription to purchase the Series A Preferred Shares as set forth above:

Type of Ownership (check one)

- Joint tenants with rights of survivorship
- Individual
- Tenants in Common
- Tenancy by the Entirety (only available to a married couple in certain jurisdictions)
- Trust
- Other:



If executing as an Individual, Tenants in Common, Joint Tenants or Tenancy by the Entirety:

Today's Date: _____ 20 ____

Today's Date: _____ 20 ____

Subscriber 1 Signature

Subscriber 2 Signature (if applicable)

Print Name (as shares are to be held)

Print Name (as shares are to be held)

Street Address

Street Address

City State Zip Country

City State Zip Country

Subscriber 1 SSN or Tax ID Number

Subscriber 2 SSN or Tax ID Number

Signature of Authorized Representative

Title of Authorized Representative

Tax ID Number

[Subscribers do not write below this line]

COMPANY ACCEPTANCE

The foregoing subscription is **accepted** on behalf of **AVATAR AIRLINES, INC.**

Dated: _____ 20 ____

**AVATAR AIRLINES, INC.
AUTHORIZED SIGNATORY:**
