
From: Jim Davidson
Sent: Friday, July 7, 2017 9:22 AM
To: Mel Trudeau
Cc: Theo Kruijssen;Edna Lopez;John Stewart
Subject: Re: Farelogix Proposal for the [REDACTED] Indirect channel

Yes please. Thx

Sent from my iPhone

James K. Davidson
Farelogix
305.222.5401



Check out www.iflybags.com

On Jul 6, 2017, at 10:58 PM, Mel Trudeau <mtrudeau@farelogix.com> wrote:

So do you want me to send what Theo forwarded?

Sent from my iPhone

On Jul 6, 2017, at 4:42 PM, Jim Davidson <jdavidson@farelogix.com> wrote:

Yes. But let's not lose sight of that just having FLX in the game is almost guaranteed to save them 10 to 20X of our annual fees in a SABRE negotiation. This is a negotiation. Patience is not a bad thing right now.
Thx. Jim

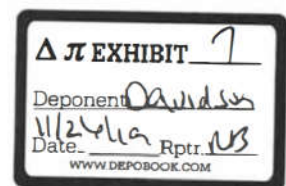
Sent from my iPhone

James K. Davidson
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305.222.5401

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On Jul 6, 2017, at 5:02 PM, Mel Trudeau <mtrudeau@farelogix.com> wrote:

Just some more background. We are working on a contract that has them at [REDACTED]. This is for phase 4. the first three phases of which phase 1 has already been delivered and they paid [REDACTED] Phase 2 was to be their w [REDACTED] (using SPRK). [REDACTED] [REDACTED] but with exchange and refund.



Now they have asked us to move Phase 4 to Phase 2 and the indirect channel done first. In my mind if they don't complete the contract we should ask for [REDACTED]. Right now the contract doesn't look to bad and I think we will sign in the next 2 to 3 months.

[REDACTED]. If they refuse and we continue on we get [REDACTED]. If they agree to our proposal we would get [REDACTED].

They have already said [REDACTED].

I'll send whatever you decide just giving the background.

Mel Trudeau
Chief Commercial Officer and EVP Business Development
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From: Theo Kruijssen
Sent: Thursday, July 06, 2017 1:09 PM
To: Mel Trudeau <mtrudeau@farelogix.com>; Jim Davidson <jdavidson@farelogix.com>
Cc: Edna Lopez <elopez@farelogix.com>; John Stewart <jstewart@farelogix.com>
Subject: RE: Farelogix Proposal for the [REDACTED] Indirect channel

I am not sure where we are in the negotiations and am not sure why we have to [REDACTED] and I haven't looked at what our pricing model says the OC price should be.

However, if we need to further discount I'd propose holding tight on the [REDACTED]; i.e. this doesn't change as Jim proposes.

Also as proposed: Ticket Fee = [REDACTED]
after SITA

Then:

Included in the [REDACTED] Ticket Fee credit up to a maximum of \$ [REDACTED]. That means that if we are in the SITA period and the Ticket Fee is [REDACTED] will be [REDACTED] and if the Ticket Fee is [REDACTED], all up to a max of [REDACTED] (So, if the whole year the Ticket Fee is [REDACTED], then a max of [REDACTED] tickets would be at [REDACTED] and above [REDACTED] the full Ticket Fee of [REDACTED]. If the whole year the Ticket Fee is [REDACTED] then a max of [REDACTED] would be at [REDACTED] and above [REDACTED] tickets the full Ticket Fee of [REDACTED]. ...Or a combination of the two.)

Also, we need to make sure the definition of Ticket is the new definition we are now using to [REDACTED]
[REDACTED]

Theo

From: Mel Trudeau
Sent: Thursday, July 06, 2017 1:15 PM
To: Jim Davidson <jdavidson@farelogix.com>
Cc: Theo Kruijssen <tkruijssen@farelogix.com>; Edna Lopez <elopez@farelogix.com>; John Stewart <jstewart@farelogix.com>
Subject: RE: Farelogix Proposal for the [REDACTED] Indirect channel
Importance: High

Not sure I got this right but look at the yellow highlight. Or are you saying we must keep the [REDACTED] or not they sign the major contract. If we are dropping [REDACTED] if they sign then how much [REDACTED] will we provide?

Farelogix is proposing a two staged proposal, the first stage is assuming [REDACTED] and the second would provide [REDACTED] once the agreement is signed. Here is a summary of the commercials:

Stage 1:

- From the period from signing the LOI until the current contract proposal is signed.
 - Annual product license fee [REDACTED]. Monthly payments of [REDACTED] would begin with the signing of an expanded LOI

Stage 2:

- Upon signing existing contract proposal the annual license fee will be reduced to [REDACTED] per month

- o Farelogix will provide Net Ticket [REDACTED] for the [REDACTED]

Implementation approach:

- SITA will be the initial shopping and pricing engine and until FLX can convert to FLX Shop and Price the Net Ticket price will remain at [REDACTED]
 - o The allowed look to book ratio with SITA will be [REDACTED]
- FLX will make every effort to implement FLX Shop and Price within 6 months of the signing of the LOI and at that time the Net Ticket price will be [REDACTED]
 - o Once FLX Shop and Price is implemented the Look to Book ratio will increase to [REDACTED].
 - o Above the [REDACTED] look to book ratio [REDACTED] will only pay for excess hardware required to support a higher than [REDACTED] look to book
- The initial product will only support the SPRK agent desktop and will allow the agents to shop, book and ticket. There will be no exchanges and refunds supported in the initial product
 - o Farelogix will target a completion date for this initial product within 3 months of the signing of the LOI
 - o All tickets will be settled via BSP
 - o [REDACTED] will be responsible for the agent support for ticket exchange and refund
 - o Farelogix will provide train the trainer sessions for the SPRK agent desktop
 - o Farelogix will provide full on-line training tools and documentation for SPRK
 - o [REDACTED] will be responsible for recruiting and training the travel agents
- Phase 2 for the indirect channel will be targeted for delivery within 6 months of the signing of the LOI and will support the following:
 - o FLX Shop and Price
 - o Full support for exchange, refunds, voids, etc.
 - o Group Travel
 - o Support for third party integration
 - OTAs, Meta Search, GDS

Mel Trudeau
Chief Commercial Officer and EVP Business Development
<image001.png>

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Subject: Re: Farelogix Proposal for the [REDACTED] Indirect channel

I would be much more comfortable if we simply offered the difference of the [REDACTED] against transaction. [REDACTED] Essentially we would give them an annual transaction [REDACTED] but we are ensured of keeping the [REDACTED]
[REDACTED]

I just don't like to [REDACTED] Thx. Jim

Sent from my iPhone

James K. Davidson
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